FRANCHISE DISCLOSURE DOCUMENT

IHA Franchising, LLC
a Delaware limited liability company
13901 Sutton Place South
Building A, Suite 100
Jacksonville, Florida 32224
904-241-7535
franchise@icehouseamerica com
www icehouseamerica com
www ice-born com

The franchise offered is the right to open and operate a vending unit under the "ICEBORN®" name that manufactures, stores, bags and sells chipped or cubed ice and water on demand to the public

The total investment necessary to begin operation of an IceBorn Machine franchise is $27,095 to $213,500 This includes $19,995 to $137,000 that must be paid to the franchisor or affiliate

This disclosure document summarizes certain provisions of your Franchise Agreement and other information in plain English Read this disclosure document and all accompanying agreements carefully You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, us or an affiliate in connection with the proposed franchise sale **Note, however, that no governmental agency has verified the information contained in this document**

You may wish to receive your disclosure document in another format that is more convenient for you To discuss the availability of disclosures in different formats, contact Ian Olson at 13901 Sutton Place South, Building A, Suite 100, Jacksonville, Florida 32224, 904-900-2821

The terms of your contract will govern your franchise relationship Don't rely on the disclosure document alone to understand your contract Read all of your contract carefully Show your contract and this disclosure document to an advisor, like a lawyer or accountant

Buying a franchise is a complex investment The information in this disclosure document can help you make up your mind More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580 You can also visit the FTC's home page at *www ftc gov* for additional information Call your state agency or visit your public library for other sources of information on franchising

There may also be laws on franchising in your state Ask your state agencies about them

Issuance date of this Franchise Disclosure Document June 29, 2017

STATE COVER PAGE

Your state may have a franchise law that requires us to register or file with a state franchise administrator before offering or selling in your state REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT

Call the state franchise administrator listed in Exhibit F for information about us or about franchising in your state

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW

Please consider the following RISK FACTORS before you buy this franchise

1 THE FRANCHISE AGREEMENT AND MULTI-UNIT FRANCHISE AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION ONLY IN THE CITY CLOSEST TO OUR HEADQUARTERS AND BY LITIGATION ONLY IN THE STATE WHERE OUR HEADQUARTERS IS LOCATED OUT OF STATE ARBITRATION AND LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES IT MAY ALSO COST YOU MORE TO ARBITRATE OR LITIGATE WITH US IN THE STATE OR CITY WHERE OUR HEADQUARTERS IS LOCATED THAN IN YOUR HOME STATE

2 THE FRANCHISE AGREEMENT AND MULTI-UNIT FRANCHISE AGREEMENT STATE THAT FLORIDA LAW GOVERNS THE FRANCHISE AGREEMENT AND MULTI-UNIT FRANCHISE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW YOU MAY WANT TO COMPARE THESE LAWS

3 MACHINES PREVIOUSLY SOLD TO INDEPENDENT DEALERS MAY BE LOCATED WITHIN A FRANCHISEE'S TERRITORY

4 WE RESERVE THE RIGHT TO SELL OR DISTRIBUTE OTHER TYPES OF ICE VENDING DISPENSING MACHINES WITHIN A FRANCHISEE'S TERRITORY

5 THE FRANCHISOR HAS LIMITED FINANCIAL RESOURCES WHICH MIGHT NOT BE ADEQUATE TO FUND THE FRANCHISOR'S PRE-OPENING OBLIGATIONS TO EACH FRANCHISEE AND PAY OPERATING EXPENSES

6 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

Effective Date See the next page for state effective dates

IHA FRANCHISING, LLC

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state or be exempt from registration California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin

This Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates

California	Pending
Hawaii	Pending
Michigan	June 29, 2017
Minnesota	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	July 10, 2017
Washington	Pending
Wisconsin	July 7, 2017

In all other states without franchise registration laws, the effective date of this Franchise Disclosure Document is the issuance date of June 29, 2017

THE FOLLOWING APPLY TO TRANSACTIONS GOVERNED BY MICHIGAN FRANCHISE INVESTMENT LAW ONLY

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU

(a) A prohibition on the right of a franchisee to join an association of franchisees

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in the Michigan Franchise Investment Act This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation This subsection applies only if (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances This section does not require a renewal provision

(f) A provision requiring that arbitration or litigation be conducted outside this state This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise Good cause shall include, but is not limited to

(i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c)

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled At the option of the franchisor, a surety bond may be provided in place of escrow

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENFORCEMENT BY THE ATTORNEY GENERAL

Any questions regarding this notice should be directed to

State of Michigan
Consumer Protection Division
Attn Franchise
670 G Mennen Williams Building
525 West Ottawa Street
Lansing, Michigan 48909
Telephone Number (517) 373-7117

Note Despite paragraph (f) above, we intend, and we and you agree, to enforce fully the arbitration provisions of our Franchise Agreement and Multi-Unit Franchise Agreement We believe that paragraph (f) is unconstitutional and cannot preclude us from enforcing these arbitration provisions

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ITEM 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The Franchisor

The franchisor is IHA Franchising, LLC ("we," "us" or "our") We refer to the person interested in buying a franchise as "you" or "your " If you are a corporation, partnership, limited liability company, or other entity, certain provisions of our agreements will apply to your owners These will be addressed in this disclosure document where appropriate Your owners will also be obligated to sign a guaranty attached to our agreements agreeing to be bound by the obligations of the agreements

We were organized in Delaware as a limited liability company on March 28, 2012 We maintain our principal place of business at 13901 Sutton Place South, Building A, Suite 100, Jacksonville, Florida 32224 We do business under our company or limited liability company name, the name "ICE HOUSE AMERICA," and the trademarks described in Item 13 (the "Marks") If we have an agent in your state for service of process, we disclose that agent in Exhibit F

The Franchise Offered

We grant franchise rights to open and operate IceBorn Houses, IceBorn Kiosks and IceBorn Expresses (collectively, "IceBorn Machines') at locations approved by us under the terms of a Franchise Agreement (Exhibit B) In this disclosure document, we call the IceBorn Machine that you operate under the Franchise Agreement the "Machine " IceBorn Machines are self-contained vending units which manufacture, store, bag and dispense chipped or cubed ice and water on demand IceBorn Machines are customizable with a variety of standard and optional features, including remote management of performance (the "SmartIce Remote Management System"), reverse osmosis filtration, alternative exterior finishings, multiple payment system options, and water and enhanced water dispensers IceBorn Machines differ primarily in their physical footprint, cost and production and storage capacity The "IceBorn House," the largest model, has a 6,500 pound ice storage capacity and is usually deployed at busy commercial centers and high traffic locations The "IceBorn Kiosk" is designed for smaller locations and offers a 2,500 to 3,000 pound ice storage capacity The "IceBorn Express" is the smallest model It has a 250 pound ice storage capacity and is designed for retail and convenience locations

We grant multi-unit development rights to qualified franchisees, who then will have the right to develop a number of IceBorn Machines within a defined geographic area (the "Territory") according to a mandatory development schedule (the "Development Schedule") We grant these rights under the Multi-Unit Franchise Agreement (Exhibit C) We will offer development rights only to certain qualified candidates who already have signed, or who simultaneously will sign, one or more franchise agreements with us and only in certain areas of the country You will sign our then current form of franchise agreement for each IceBorn Machine developed under the Multi-Unit Franchise Agreement Each then current form of franchise agreement may differ from the version of Franchise Agreement attached to this disclosure document However, you will not pay any initial fees due under the then current form of franchise agreement, and you will sign franchise agreements for and open and begin operating each IceBorn Machine on or before the dates listed in the Development Schedule

Parents, Predecessors and Affiliates

We are a wholly-owned subsidiary of Twice The Ice Holdings, LLC ("Twice The Ice"), a Delaware limited liability company which shares our principal business address We became a subsidiary of Twice The Ice in June 2013 following a corporate restructuring Twice The Ice is owned in substantial part by TTI Investments, LLC ("TTI"), a Delaware limited liability company whose principal business address is One Rockefeller Plaza, 20th Floor, New York, New York 10020 Twice The Ice and TTI are holding companies for various ice and water vending business-related entities In March 2011, TTI was acquired by an investment fund sponsored by Ulysses Management, LLC ("Ulysses"), which shares TTI's principal business address Ulysses is a diversified investment firm that makes control investments, typically in growing middle market companies in a variety of industries

Our affiliate, Ice House America, LLC ("IHA"), manufactures and distributes various products that produce ready-made ice to the consuming public, including IceBorn Machines IHA is a Florida limited liability company and shares our principal business address IHA manufactures IceBorn Machines in its factory located in Moultrie, Georgia, and sells IceBorn Machines to our franchisees IHA does not operate IceBorn Machines, but it does own and operate 106 ice vending units of various sizes under different trademarks

Since 2003, IHA also has entered into agreements with independent distributors and third parties ("Dealers") for the manufacture, sale, and distribution of ice vending units under the trademark "Twice the Ice®" ("Twice the Ice Machines") 21 Dealers currently operate 2,953 Twice the Ice Machines in 28 states Although Dealers may operate existing Twice the Ice Machines in your state, IHA currently offers Dealer arrangements for Twice the Ice Machines only in the southeastern United States, and we offer franchise opportunities for IceBorn Machines in the northeast, Midwest, and western United States Existing Dealers who previously purchased Twice the Ice Machines but who are converting to our franchise model may continue to use the "Twice the Ice®" trademark with their Twice the Ice Machines Unless the context requires otherwise, the term "IceBorn Machines" in this disclosure document means ice vending machines operated under the "IceBorn" and "Twice the Ice" names

We have offered IceBorn Machine franchises since May 2012 We have no other business activities and have not offered franchises in other lines of business We have no predecessors We do not operate IceBorn Machines Except as described above, we have no other affiliates that provide products or services to franchisees or offer franchises in any line of business

Competition

The market for ready-made ice is well-established and highly competitive There are regional and local chains that operate machinery and equipment that produce ready-made ice at locations similar to the ones you may operate Ready-made, bagged ice is also available at various retail locations, such as convenience and grocery stores We believe that customers will use our IceBorn Machines because of their reliability, convenience, attractive price, and the volume of ice that is dispensed

Industry-Specific Regulation

Many of the laws, rules and regulations that apply to business generally like the Americans With Disabilities Act, federal wage and hour laws, and the Occupation, Health and Safety Act, also apply to the ready-made ice business Many state, local, and federal laws also apply specifically to the sale of ice and water and food handling and safety, including laws, rules and regulations promulgated by the Food and Drug Administration, Department of Agriculture, and Department of Environmental Protection There are also local zoning, licensing and permit laws that you may need to satisfy to conduct your business However, other laws, rules and regulations have particular applicability to your business You should investigate all of these laws

ITEM 2
BUSINESS EXPERIENCE

Chief Executive Officer of IHA and Director of Training Troy Doom

Mr Doom has been our Director of Training since April 2016 Mr Doom has been Chief Executive Officer of IHA since July 2014 He was Chief Operating Officer of IHA from March 2014 to June 2014, and its Vice President of Engineering and Operations from September 2012 to March 2014 Mr Doom was Vice President, General Manager of Crane Merchandising Systems, a unit of Crane Co , located in Williston, South Carolina, from July 2008 to August 2012

Chief Financial Officer of IHA Mark R Mueller

Mr Mueller has been Chief Financial Officer of IHA since February 2015 Mr Mueller held various positions with Crane Merchandising Systems, a unit of Crane Co , located in Williston, South Carolina, from February 2009 to February 2015, including Chief Financial Officer

Director of Franchise Development Ian B Olson

Mr Olson has been our Director of Franchise Development since July 2014 He served as our Regional Sales Director from March 2012 to July 2014 and was IHA's Regional Sales Director from November 2011 to June 2014

Manager Paul D Barnett

Mr Barnett has been one of our Managers since our formation in March 2012 Mr Barnett has been Managing Director of Ulysses, located in New York, New York, since February 2005

Manager Tobias M Rando

Mr Rando has been one of our Mangers since our formation in March 2012 Mr Rando has been a Principal of Ulysses, located in New York, New York since April 2005

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item

ITEM 4
BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item

ITEM 5
INITIAL FEES

Franchise Agreement

You must pay us an initial franchise fee in a lump sum when you sign the Franchise Agreement If your Machine is an IceBorn House or IceBorn Kiosk, your initial franchise fee is $5,000 The initial franchise fee for an IceBorn Express is $1,000

You must purchase an IceBorn House, IceBorn Kiosk, or IceBorn Express from IHA when you sign the Franchise Agreement Currently, your Machine will range from $18,995 to $130,000 depending on the products and options you select for your Machine

We will provide an initial training program for you (or if you are an entity, for your principal owner) at no additional charge If you would like on-site training prior to opening the Machine, we may provide that training to you for an additional fee, which we estimate will not exceed $2,000

During 2016, franchisees signing our Franchise Agreement paid, or made commitments to pay, initial fees (as described in this Item 5) to us and our affiliates ranging from $20,000 to $135,000

The initial franchise fee and other expenses we describe in this Item 5 are not refundable

Multi-Unit Franchise Agreement

There is no initial fee or payment due under the Multi-Unit Franchise Agreement

<u>**ITEM 6**</u>
OTHER FEES

Type of Fee[1]	Amount	Due Date	Remarks
Royalty Fee for IceBorn House or IceBorn Kiosk	6% of Gross Revenues	15th day of the month based on Gross Revenues generated in the previous month	"Gross Revenues" includes payments by cash, credit or debit card in connection with the operation of the Machine
Royalty Fee for IceBorn Express	$35 per month	15th day of the month based on Gross Revenues generated in the previous month	
Marketing Fee for IceBorn House or IceBorn Kiosk	1% of Gross Revenues	Same as Royalty Fee	For local, regional and national advertising and promotions
Marketing Fee for IceBorn Express	None		
SmartIce Remote Management System Fee	Currently $45 per month, but could increase if our costs increase	First payment is due on the date the SmartIce Remote Management System is accepted and all other payments are due on the same day of each month thereafter	The SmartIce Remote Management System Fee is $40 per month if paid one year in advance and $35 per month if paid 2 years in advance
On-site Training	Not to exceed $2,000	As incurred	We do not charge a fee for our initial training program If you request on-site training prior to opening the Machine, we may provide that training to you for an additional fee
Audits	Cost of audit, plus interest	Immediately upon receipt of invoice	Due if an audit reveals a 1 5% or greater understatement of your Gross Revenues

Type of Fee(1)	Amount	Due Date	Remarks
Transfer Fee(2)	$1,000	Upon application for consent to transfer	Payable if you transfer the Franchise Agreement
Interest	1 5% per month or the highest interest rate permitted by law, whichever is less	On demand	Due for each late payment
Indemnification(2)	Will vary under circumstances	As incurred	You must reimburse us if we are held liable for claims relating to the operation of your Machine
Costs and Attorneys' Fees(2)	Will vary under circumstances	As incurred	Due if we prevail in any arbitration or litigation under the Franchise Agreement
Special Assistance Fees and Charges	Will vary under circumstances	As incurred	Payable for additional assistance and guidance beyond what we normally provide to our franchisees

<u>Notes</u>

1 Except as otherwise noted in this Item 6, all fees are imposed and collected by, and payable to, us Except as noted above, all fees are non-refundable and currently are uniformly imposed

2 These fees also are due under the Multi-Unit Franchise Agreement If you transfer the Multi-Unit Franchise Agreement, you must pay us a transfer fee of $5,000

3 We currently do not have any advertising or other cooperatives

ITEM 7
ESTIMATED INITIAL INVESTMENT

Franchise Agreement

YOUR ESTIMATED INITIAL INVESTMENT

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Initial Franchise Fee(1)	$1,000 to $5,000	Lump sum	On signing of Franchise Agreement	Us
First Month's Rent and Security Deposit(2)	$100 to $5,000	As agreed	As incurred	Lessor
Leasehold Improvements, Freight and Setup(3)	$3,000 to $50,000	As agreed	As incurred	Contractor
IceBorn Machine(4)	$18,995 to $130,000	As agreed	As invoiced	IHA
Annual Business Licenses and Permits(5)	$200 to $4,000	As agreed	As incurred	Government Agencies, Lawyers, Third Parties
Initial Training Costs(6)	$200 to $4,000	As agreed	As invoiced	Third Parties
Initial Inventory/Supplies(7)	$100 to $3,000	As agreed	As incurred	Suppliers
Professional Services(8)	$0 to $5,000	As agreed	As incurred	Accountants, Lawyers, Architect
Opening Promotion(9)	$0 to $1,000	As agreed	Prior to opening	Suppliers
Annual Insurance Premium	$500 to $1,500	As agreed	As incurred	Insurance Broker
Additional Funds – 3-Months(10)	$3,000 to $5,000	As agreed	As incurred	Third Parties
TOTAL ESTIMATED INITIAL INVESTMENT(11)	$27,095 to $213,500			

Except for the security deposit (which typically is refundable if you comply with the lease during its term), none of these expenditures is refundable

Notes

1 As described in Item 5, the initial franchise fee for an IceBorn House or IceBorn Kiosk is $5,000, and the initial franchise fee for an IceBorn Express is $1,000

2 This estimate represents the first month's rent and security deposit (equal to approximately 1 month's rent) for the site of your Machine The rent and security deposit depend on the size, condition, and geographic location of the site and the demand for the site among prospective lessees The typical location for an IceBorn Machine is a hotel/motel, large apartment complex, commercial business center, campground, marina, fairground, recreational attraction, or convenience store A landlord might require you to pay a security deposit that is more than 1 month's rent We anticipate that you will rent the Machine's location

3 These amounts represent the costs for improvements at your site necessary to install and operate the Machine Leasehold improvement costs – which could include electrical, water and similar utility work – depend on the site's condition, location, and size and the site's previous use You are responsible for the costs IHA incurs to ship your Machine The cost depends on current packing and shipping costs and the distance of your location from IHA's manufacturing facility

4 Your costs will depend upon whether you purchase the IceBorn House, IceBorn Kiosk, or IceBorn Express, as well as the products and options you select for your Machine

5 These amounts represent the costs of acquiring business licenses and permits necessary to operate the Machine

6 This is an estimated average cost of travel and living expenses for you to attend our initial training program held in Moultrie, Georgia and/or Jacksonville, Florida This figure also includes an amount for on-site training at the location of your Machine

7 Inventory and supplies include bags for ice dispensed at the Machine and products and materials related to the operation of the Machine

8 These costs include fees paid to professionals for zoning of the location at which to operate your Machine

9 These expenses relate to general opening advertising and promotion of the Machine during your start-up period

10 This item estimates your initial start-up expenses (other than the items identified separately in the table) These amounts do not include any estimates for debt service These figures are estimates, and you may need additional working capital during the first 3 months you operate your Machine and for a longer time period after that This 3-month period is not intended, and should not be interpreted, to identify a point at which your Machine will break even We cannot guarantee when or if your Machine will break even Your costs depend on your

management skill, experience, and business acumen, local economic conditions, the local market for dispensed chipped or cubed ice and water, and competition

11 We relied on IHA's experience owning and operating ice vending units over more than 10 years to compile this additional funds estimate You should review these figures carefully with your business advisor Unless otherwise stated above, these estimates are subject to increases based on changes in market conditions, our cost of providing services and future policy changes At the present time, we have no plans to increase payments we control We do not offer any financing for the initial franchise fee or for any portion of your investment

Multi-Unit Franchise Agreement

There is no additional initial investment or other costs required to begin operating under the Multi-Unit Franchise Agreement

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

We will provide you, through the Operating Manual (defined in Item 11) and other materials we provide or make available to you, the standards and specifications for the fixtures, equipment (including computer hardware and software) and signs that we require and have approved as meeting our specifications and standards for quality, design, appearance, function and performance and that you must use We will provide these standards and specifications to you in the form of paper copies, electronic copies on computer CD, or electronic copies accessed through the Internet or other communication systems We issue and modify our methods, standards and specifications based on our, our affiliates' and our franchisees' experience in franchising and/or operating IceBorn Machines We may modify the methods, standards and specifications periodically and will notify you of these modifications

You must purchase an IceBorn House, IceBorn Kiosk, or IceBorn Express from IHA when you sign the Franchise Agreement IHA is the only approved supplier of IceBorn Machines IHA's current Terms and Conditions for the sale of IceBorn Machines are attached as Exhibit D IHA reserves the right to change or modify the Terms and Conditions

You currently must purchase all bags, replacement and repair parts, and other products and materials necessary to operate the Machine according to our standards and specifications and only from suppliers that we designate or approve (which may include us or our affiliates) We currently are not the only approved supplier of any good or service in the franchise system If you want to purchase bags and other products and materials from a supplier we have not yet approved or designated, you must first submit a request to us along with information and specifications about the supplier we request so that we may determine whether the supplier meets our criteria We will notify you within a reasonable period of time, which in most cases will not exceed 30 days, whether the supplier and its products or materials meet our requirements We currently do not charge a fee for our review of a new supplier, but we may do so in the future We may revoke our approval of a supplier if the supplier's materials or supplies no longer meet our requirements and criteria by notifying you and/or the supplier We do not make our criteria for approving suppliers available to our franchisees

Except as described above, there are no goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating the Machine that you currently must buy or lease from us (or our affiliate) or from designated or approved suppliers

You may operate your Machine only at a site we approve You may not move or relocate the Machine after its installation without our prior written approval

Before you use them, you must submit to us for approval all press releases and policy statements and samples of all local advertising, marketing and related materials that we have not prepared or previously approved

You must obtain and maintain in full force and effect during the term of the Franchise Agreement, at your expense, an insurance policy or policies protecting you and us, and our respective officers, directors, partners, and employees, against any claims for loss, liability, personal injury, death, property damage, or any expense whatsoever arising out of or occurring upon or in connection with your business Such policy or policies must be written by an insurance company satisfactory to us in accordance with our then current standards and specifications for insurance coverage, including minimum policy limits of coverage, and must include, at a minimum (except as additional coverages and higher policy limits as we may periodically specify), comprehensive general liability insurance, including product liability, contractual liability, personal injury, property damage, and independent contractor's coverage and owned and non-owned automobile liability coverage

Collectively, the purchases and leases that you must make from us or our affiliates, from designated or approved suppliers, or according to our standards and specifications represent about 90% to 100% of your overall purchases and leases in establishing and operating the Machine

During our 2016 fiscal year, we received no revenue from direct sales or leases of products or services to franchisees During the 2016 fiscal year, IHA received a total of $2,311,000 from the sale of IceBorn Machines and related items to our franchisees The information about our affiliate's revenue is from its internal unaudited records

None of our officers owns any interest in any current supplier of goods or services to the franchise system During the 2016 fiscal year, we and our affiliates did not receive, and we currently do not expect to receive, any payments from designated and approved suppliers on account of franchisee purchases or leases of required and approved items from those suppliers There currently are no purchasing or distribution cooperatives We and our affiliates currently do not negotiate purchase arrangements with suppliers for the items and services described earlier in this Item that you may obtain only from designated sources, but we may do so in the future We do not provide material benefits to you (for example, renewal or granting additional franchises) based on your purchase of particular products or services or use of particular suppliers

The Multi-Unit Franchise Agreement does not require you to buy or lease from us (or our affiliates), our designees, or approved suppliers, or according to our specifications, any goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items

ITEM 9
FRANCHISEE'S OBLIGATIONS

This table lists the principal obligations under the franchise and other agreements It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document

Obligation	Section in agreement	Disclosure document item
a Site selection and acquisition/lease	1 and Exhibit A of Franchise Agreement, 3 of Multi-Unit Franchise Agreement	7 and 11
b Pre-opening purchases/leases	1 and 5 of Franchise Agreement	5, 6, 7 and 8
c Site development and other pre-opening requirements	1 of the Franchise Agreement	7, 8 and 11
d Initial and ongoing training	9 E and 9 F of Franchise Agreement	5, 6 and 11
e Opening	1 of Franchise Agreement	5 and 11
f Fees	4 and 5 of Franchise Agreement	5, 6 and 7
g Compliance with standards and policies/Operating Manual	7 and 8 of Franchise Agreement	6, 7, 8, 11, 14 and 16
h Trademarks and proprietary information	11 of Franchise Agreement	13 and 14
i Restrictions on products/services offered	5 of Franchise Agreement	6, 7, 8, 11, and 16
j Warranty and customer services requirements	7 of Franchise Agreement	6 and 11
k Territorial development and sales quotas	1 B, 6 A and Exhibits A and B of Multi-Unit Franchise Agreement	12
l Ongoing product/service purchases	5 of Franchise Agreement	6, 7 and 8
m Maintenance, appearance and remodeling requirements	7 of Franchise Agreement	8 and 11

Obligation	Section in agreement	Disclosure document item
n Insurance	14 of Franchise Agreement, 14 of Multi-Unit Franchise Agreement	6, 7 and 8
o Advertising	6 of Franchise Agreement, 5 C and 5 D of Multi-Unit Franchise Agreement	6, 7 and 11
p Indemnification	18 of Franchise Agreement, 15 of Multi-Unit Franchise Agreement	None
q Owner's participation/management/staffing	1 of Franchise Agreement	11 and 15
r Records and reports	12 of Franchise Agreement	11
s Inspections and audits	13 of Franchise Agreement	6 and 11
t Transfer	20 of Franchise Agreement, 9 of Multi-Unit Franchise Agreement	6 and 17
u Renewal	3 of Franchise Agreement, 2 of Multi-Unit Franchise Agreement	6 and 17
v Post-termination obligations	16 and 22 of Franchise Agreement	17
w Non-competition covenants	22 of Franchise Agreement	17
x Dispute resolution	23, 24 and 25 of Franchise Agreement, 20 of Multi-Unit Franchise Agreement	17

ITEM 10
FINANCING

We do not offer direct or indirect financing We do not guarantee your note, lease, or obligation

ITEM 11
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

Except as listed below, we are not required to provide you with any assistance

Pre-Opening Assistance

Before you begin operating the Machine, we or our designee will

1 Approve or disapprove a site you propose for the Machine within a reasonable period of time We are not obligated to approve or disapprove a site within any specified time period We may refer you to a recommended broker in your geographic area to assist you in finding a site, although you are not required to use the broker In evaluating a proposed site, we may inspect the site and may consider a variety of factors, including demographic characteristics, traffic patterns, parking, character of the neighborhood, competition in the area, the proximity to other businesses, the nature of other businesses in proximity to the site, and other commercial characteristics We have the absolute right to disapprove any site that does not meet our criteria Our approval of a site and any information given to you regarding proposed sites do not constitute an express or implied representation or warranty of any kind as to the suitability of the proposed sites for your Machine or for any other purpose Our approval of a site indicates only that we believe that the site meets, or has the potential to meet, or that we have otherwise waived, our then current criteria for site suitability Application of site criteria that have been effective for other sites may not be predictive of the potential for any specific site and, after our approval of a site, demographic and economic factors, including competition, included in or excluded from our site criteria could change, altering the potential of a site The uncertainty and instability of the factors included in these criteria are beyond our control, and we will not be responsible for the failure of a site approved by us to meet expectations as to potential revenue or operational criteria If you fail to locate a site for the Machine acceptable to us within 90 days following the date of the Franchise Agreement, we may terminate the Franchise Agreement

You must negotiate and sign an acceptable lease for the site with an independent third party We may provide you guidance in recognizing and negotiating certain standard lease terms, however, we are not obligated to do so and you are not obligated to accept any guidance we may provide We will not negotiate the purchase or lease of the site (Franchise Agreement, Section 9 A)

2 Provide you with IceBorn Machine specifications, including electrical and plumbing requirements for your Machine We will provide these materials to you after you sign the Franchise Agreement (Franchise Agreement, Section 9 B)

3 Provide you, through the Operating Manual and other materials provided or made available to you after you sign the Franchise Agreement, the standards and specifications for the fixtures, equipment (including computer hardware and software) and signs that we require and have approved as meeting our specifications and standards for quality, design, appearance,

function and performance and which you must use We do not provide any fixtures, equipment or other items for IceBorn Machines directly or deliver or install IceBorn Machines or other items However, we will provide the names of designated, approved or recommended suppliers for many items and, where appropriate, provide written specifications, including for the installation of IceBorn Machines At our option, we will provide or make available to you these items in the form of paper copies, electronic copies on computer CD, or electronic copies accessed through the Internet or other communication systems (Franchise Agreement, Section 9 C)

4 Provide you materials for your grand opening at least 10 days before you open the Machine, upon your payment to us for those materials (if required) (Franchise Agreement, Section 9 D)

5 Provide an initial training program for you (or if you are an entity, for your principal owner) You may not attend training until you have signed the Franchise Agreement You (or your principal owner) must successfully complete all phases of our training program to our satisfaction approximately 30 days before you open your Machine for business All training occurs at our classroom facility and training centers in Moultrie, Georgia and/or Jacksonville, Florida, or another location we designate You are responsible for all costs associated with travel and living expenses Classes are held periodically We plan to be flexible in scheduling training to accommodate our personnel, you (or your principal owner) and will conduct the initial training program as necessary There currently are no fixed training schedules (Franchise Agreement, Section 9 E)

The following chart describes our initial training program as of the date of this disclosure document

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-job Training	Location
Site Selection, Leasing & Permitting Training	6	2	Moultrie, GA or Jacksonville, FL
Operational, Marketing and Financial Reporting	3		Moultrie, GA or Jacksonville, FL
Optional visit to our Manufacturing Facility overview, history and tour after Corporate Training	2		Moultrie, GA
You should complete the training listed prior to the delivery of the Machine			
Technical/Operational Procedures		1 5	Moultrie, GA
Manufacturing Facility Operations		4	Moultrie, GA

Equipment Assembly, Operations, Critical Control Points, Trouble Shooting	4 5	5	Moultrie, GA
TOTAL	15 5	12 5	

We reserve the right to change our training program to meet the needs of our franchisees We may decide to make one or more courses of our training program optional and recommended In the event that you would like on-site training prior to opening the Machine, we may provide that training to you for an additional fee, which we estimate will not exceed $2,000

We distribute training materials, which include our Operating Manual and other aids, during the training program Troy Doom, our Director of Training and IHA's Chief Executive Officer, supervises franchisee training Mr Doom has worked for IHA since August 2012 He has nearly 5 years of experience in the vending machine industry All of the training sessions are taught by our in house technical training team Other of our employees may also participate in providing and conducting aspects of the training program We reserve the right to charge for re-training or additional training sessions

If you sign the Multi-Unit Franchise Agreement, then before you begin operating under that Agreement, we will complete the development schedule which designates a specific number of IceBorn Machines that you must establish and have in operation at acceptable sites within your Territory (Multi-Unit Franchise Agreement, Section 4 4) We will sell or arrange for the sale of IceBorn Machines to you for purposes of enabling you to satisfy your duties and obligations under the Multi-Unit Franchise Agreement We will use our reasonable efforts to ensure that your purchase orders are filled promptly (Multi-Unit Franchise Agreement, Section 6 A) We also will make available to you repair and replacement parts determined by us to be reasonably necessary to service IceBorn Machines (Multi-Unit Franchise Agreement, Section 6 B)

<u>Ongoing Assistance</u>

During the operation of your Machine, we or our designee will

1 Loan you 1 copy of our manuals, operating materials and bulletins, which may consist of more than one handout or volume (collectively, the "Operating Manual") We have the right, at our option, to provide or make available to you the Operating Manual in the form of a paper copy, an electronic copy on computer CD, or an electronic copy accessed through the Internet or other communication systems The Operating Manual will contain mandatory and suggested specifications, standards and operating procedures that we require for your business and information about your other obligations We may modify the Operating Manual to reflect changes in the image, specifications, standards, procedures and products However, we will not make any addition or modification that will alter your fundamental status and rights as a franchisee The Operating Manual is confidential and will remain our property You may not copy any part of the Operating Manual, either physically or electronically If your copy of the

Operating Manual is lost, destroyed or significantly damaged, we will provide you with a replacement copy, at no charge The table of contents to the Operating Manual are attached to this disclosure document as Exhibit D The Operating Manual currently contains 358 pages The Operating Manual relates to the operation of the IceBorn House, IceBorn Kiosk, and IceBorn Express (Franchise Agreement, Section 8)

2 Provide training for any of your existing or replacement managers of your business (Franchise Agreement, Section 9 F)

3 Provide a telephone technical support line and field technical and warranty support in accordance with our current warranty agreement (Franchise Agreement, Section 9 G)

4 Provide you guidance and operating assistance, at your request, about (a) methods, standards, specifications and operating procedures you will use in your business, (b) purchasing required materials and supplies, including an online retail option for purchasing certain replacement supplies and parts, and (c) advertising and promotional programs Although we do not have an obligation to do so, we may advise you of operating problems of your business that come to our attention We may provide or make available this guidance and assistance in the form of references to the Operating Manual, bulletins and other written materials, electronic computer messages, telephonic conversations or consultations at our offices or at your business location We will not be liable to you or any other person, and you waive all claims for liability or damages of any type (whether direct, indirect, incidental, consequential, or exemplary), on account of any guidance or operating assistance we offer, except if caused by our gross negligence or intentional misconduct We will not charge you for the operating assistance and guidance we customarily provide to our franchisees generally Occasionally, we may make special assistance programs available to you, however, for which you must pay the daily fees and charges that we establish (Franchise Agreement, Section 9 H)

5 Provide you with the methods, standards and specifications referred to above We may modify the methods, standards and specifications periodically and the modifications may obligate you to invest additional capital in your business and to incur higher operating costs We will not obligate you to invest additional capital at a time when the investment cannot in our reasonable judgment be amortized during the remaining term of the Franchise Agreement We may provide methods, standards and specifications in the form of references to the Operating Manual, bulletins and other written and electronic materials (Franchise Agreement, Section 9 I)

6 Provide advertising and marketing services to you as described below You may use advertising materials prepared by you if the materials (a) comply with the requirements of the Franchise Agreement, (b) are completely clear and factual and not misleading, and (c) conform to the highest standards of ethical marketing and promotion policies which we have the right to prescribe Before use, you must submit to us for approval all press releases and policy statements and samples of all local advertising, marketing and related materials not prepared or previously approved by us We will not unreasonably withhold our approval You may not advertise your business or products sold at your Machine over the Internet (or any other form of electronic commerce) or establish a related website without our prior written consent In addition, you may only use pamphlets, brochures, cards or other promotional materials offering free products if prepared by us, unless we approve those materials in advance However, we will

give favorable consideration to your use of free product cards you develop, if the cards clearly state that they may only be redeemed at the Machine If we do not give you written approval of any advertising or other promotional materials within 15 days from the date we receive them, we will be deemed to have disapproved of those materials You may not use any advertising, marketing or related materials that we have disapproved You must list your business in the principal telephone directories distributed in your metropolitan area (Franchise Agreement, Section 9 J)

If you sign the Multi-Unit Franchise Agreement, then during your operation under that Agreement, we will provide you with continuing advisory assistance as we deem advisable in the operation of the IceBorn Machines and inspection of the IceBorn Machines operating at approved locations to ensure quality of products and services and the appearance of the system (Multi-Unit Franchise Agreement, Section 6 C) We also will provide you with access to any promotional materials that we may develop, the cost of which we may pass on to you (Multi-Unit Franchise Agreement, Section 6 D)

<u>Advertising and Marketing</u>

Except as described in this Item 11, we are not obligated to conduct any advertising programs

If you operate an IceBorn House or IceBorn Express, you must pay us a marketing fee of 1% of the Gross Revenues generated by or from the IceBorn House or IceBorn Express for local, regional and national advertising and promotional programs and materials (We do not charge a marketing fee if you operate an IceBorn Express) We will administer the marketing fees we collect under the Franchise Agreement and direct all marketing programs financed by the marketing fees, and have the right to determine the creative concepts, materials and endorsements used and the geographic, market and media placement and allocation We have the right to use the marketing fees we collect to pay the costs of preparing and producing video, audio and advertising materials, administering regional and multi-regional marketing programs, including purchasing direct mail and other media marketing and employing advertising, promotion and marketing agencies to assist with advertising, and supporting public relations, market research and other advertising, promotion and marketing activities We have the right, at our option, to use marketing fees to prepare, provide and/or offer for sale to you advertising, marketing and promotional formats and materials, as described above In the 2016 fiscal year, we spent 100% of the marketing fees we collected on production, including cut sheets and printed materials and website enhancements During 2016, we did not receive any monies for administration of the marketing fees

We will account for the marketing fees we collect separately from our other funds, although we are not required to establish a separate marketing fund or bank account for those fees We have the right to use the marketing fees we collect to defray the salaries, administrative costs and overhead we and an affiliate may incur in activities related to our marketing programs, including conducting market research, preparing advertising, promotion and marketing materials and collecting and accounting for the marketing fees we collect If not all marketing fees are not spent in the year collected, they will be carried over and spent in subsequent years On your prior written request made within the first quarter of any calendar year, we will make available to you no later than 120 days after the end of each calendar year, an annual statement of monies collected and costs incurred for our marketing programs No independent audit is required with this statement or the marketing fees we collect

We intend to use the marketing fees we collect to maximize recognition of the Marks as well as to increase patronage at IceBorn Machines Although we will endeavor to use the marketing fees to develop advertising and marketing materials and programs and to place advertising that will benefit all IceBorn Machines, we cannot ensure that our expenditure of marketing fees in or affecting any geographic area will be proportionate or equivalent to the marketing fees paid to us by IceBorn Machines operating in that geographic area or that your business will benefit directly or in proportion to the marketing fees you pay to us from the development of advertising and marketing materials or the placement of advertising We and our affiliates may contribute to the marketing programs conducted by us but do not have an obligation to do so Contributions and expenditures of marketing fees are not audited

We have the right in the future to create a marketing fund to which franchisees must contribute to be operated by us or through another form of entity separate from us We do not use marketing fees collected under the Franchise Agreement for the solicitation of franchisees There are presently no advertising councils or cooperatives related to franchisees

There are no provisions in the Multi-Unit Franchise Agreement regarding our obligation to conduct advertising You must develop, at your sole expense, a program to promote IceBorn Machines All advertising or promotional or marketing materials you use must be approved by us in writing (Multi-Unit Franchise Agreement, Sections 5 C and 5 D)

Computer Systems

The SmartIce Remote Management System is installed in all IceBorn Machines This system gives us direct access to certain data, including the condition of the IceBorn Machines and usage of the IceBorn Machines Attached to this disclosure document as Exhibit G are the SmartIce Remote Management System Terms and Conditions You will also have to participate in our credit card reader program which will give us information concerning credit card transactions on the Machine and regulates the processing of credit card transactions Attached to this disclosure document as Exhibit G-1 is the agreement you will have to sign with our current approved vendor as well as the activation consent form We reserve the right to substitute vendors in our discretion You may not terminate the agreement without our consent There may be other agreements authorizing and ensuring auditability of revenue figures that we request you sign There are no other computer hardware or software systems that you currently have to acquire, and the costs of the computer hardware or software detailed above are included in the costs of the Machine However, you must pay a monthly SmartIce Remote Management System Fee for maintenance and support of the SmartIce Remote Management System The current monthly cost is $45 per month ($540 annually) These costs exclude non-recurring upgrades to new software or systems

We have the right to require you in the future to purchase, install and use a computer system, including additional or different computer hardware and software, which meet our specifications and standards We also reserve the right to designate in the future the supplier or suppliers (which may be or include us or an affiliate) from whom you must purchase these items You must purchase, install and begin using any required computer hardware and software in your business within 60 days from receipt of our notice to you The principal function of any required computer hardware and software will be to facilitate the reporting requirements under the Franchise Agreement We have the right to require you, at your sole expense, to upgrade any required computer hardware and software to meet our then current standards and specifications There is no limitation on the frequency and cost of this requirement We also have the right to independently access the information and data you collect and gather using any required computer hardware and software, and there is no limitation on our right to access this information

Site Selection

Under the Franchise Agreement, we grant you the right to own and operate an IceBorn House, IceBorn Kiosk, or IceBorn Express at and only at the site we approve If at the time you sign the Franchise Agreement you have obtained our approval of and secured the site for your Machine, we will identify the site in the Franchise Agreement If at the time of signing the Franchise Agreement you have not obtained our approval of and reviewed the site, you will then have a period of 3 months from the date of the Franchise Agreement to obtain our approval of and secure the site If you subsequently obtain our approval of and secure the site within the 3-month period, we and you will sign an alternative Exhibit A to the Franchise Agreement identifying the site for your IceBorn House IceBorn Kiosk, or IceBorn Express If you fail to obtain our approval of and secure the site within the 3-month period, however, we have the right to terminate the Franchise Agreement

You must open your Machine for business by the "Start Date," which is the date that is 180 days after the date of the Franchise Agreement If you fail to open your Machine by the applicable Start Date, we have the right to terminate the Franchise Agreement

We estimate that there will be a period of between 30 to 90 days between the date you have obtained our approval of and secured the site for the Machine and the date you open your business The interval may vary depending upon factors such as the weather, the location and condition of the site, your ability to obtain any necessary financing and building, zoning or other permits and approvals, construction delays, and completion of required training Also, you may not open your business until (a) we approve the business for opening, (b) pre-opening training of you or your principal owners has been completed to our satisfaction, (c) the initial franchise fee and all other amounts then due to us have been paid in full, (d) the lease documentation has been signed and all other documentation for development of your business has been completed, and (e) you have provided us with copies of all required insurance policies or other evidence of insurance coverage and payment of premiums we require

ITEM 12
TERRITORY

Franchise Agreement

You may operate the Machine only at a site we approve You are not permitted to move or relocate the IceBorn Machine after its installation without our express written permission Whether or not we would allow relocation depends on the circumstances at the time and what is in the franchise system's best interests (any relocation will be at your sole cost) Factors we will consider include, for example, the proposed market area, its proximity to other IceBorn Machines, whether you are complying with your Franchise Agreement, and how long it will take you to open the Machine at the new location

If you purchase an IceBorn House or an IceBorn Kiosk, we will designate a protected territory in Exhibit B to the Franchise Agreement The protected territory will be based upon population density, drive times and market potential and will generally be approximately 1 mile, although the size may vary depending upon the factors described above During the term of the Franchise Agreement, we agree not to operate or grant to any third party the right to operate IceBorn Machines in the protected territory You will not receive an exclusive territory You may face competition from outlets that we own, from other channels of distribution or competitive brands that we control However, we may only conduct business in your protected territory in the event that we exercise our right to initiate (without your consent) a national accounts sales program for products that could be located in your protected territory "National account" means an account with a third party that has interstate operations

Your rights under the Franchise Agreement otherwise are non-exclusive We and our affiliates reserve all other rights within and outside of the protected territory, including the right to sell, distribute or operate other types of machinery that produces ready-made ice at any location within or outside of the protected territory, including smaller versions of our or our affiliates' ice vending units We need not compensate you if we engage in these activities

If you purchase an IceBorn Express, we will not grant you a protected territory You will not receive an exclusive territory You may face competition from outlets that we own, from other channels of distribution or competitive brands that we control

You may not advertise your business or products sold at the Machine over the Internet (or any other form of electronic commerce) or establish a related website without our prior written consent

We do not at this time have any plans to operate or franchise a business under different trademarks that sell or will sell goods or services similar to those granted to you under the Franchise Agreement, but we reserve the right to do so in any area As noted in Item 1, IHA has entered into agreements with Dealers for the manufacture, sale, and distribution of Twice the Ice Machines You should also be aware that we do not control the locations of Twice the Ice Machines and other products previously sold to Dealers or operators or which may be sold to existing Dealers in the future We do not represent or warrant that the Dealers owning Twice the Ice Machines will not in the future locate them in your protected territory

Unless you sign a Multi-Unit Franchise Agreement, you have no options, rights of first refusal, or similar rights to acquire additional franchises There are no circumstances under which we can alter or modify the protected territory Your territorial exclusivity will not depend on your maintaining certain sales volumes or market penetration

<u>Multi-Unit Franchise Agreement</u>

You will not be given any territorial rights or protections under the Multi-Unit Franchise Agreement You will not receive an exclusive territory You may face competition from outlets that we own, from other channels of distribution or competitive brands that we control We and our affiliates have and retain all rights within and outside the Territory, including the right to (i) develop, establish and acquire other business systems within and outside the Territory (including systems that distribute products or services similar to IceBorn Machines) without providing any rights to you, (ii) initiate a national accounts program, (iii) advertise and promote IceBorn Machines in the Territory, including through the Internet, and (iv) grant to any third party development rights within or outside the Territory

ITEM 13
TRADEMARKS

You may use certain Marks in operating your Machine Twice The Ice registered the following principal Marks with the United States Patent and Trademark Office (the "USPTO")

Mark	Register	Registration Number	Registration Date
IceBorn	Principal	4,486,164	February 28, 2014
SmartIce	Principal	4,495,903	March 11, 2014
Fresh from the Source	Principal	4,677,459	January 27, 2015

We entered into an amended trademark license agreement with Twice The Ice dated June 12, 2015 (the "Trademark License Agreement") giving us the right to use and sublicense to franchisees the rights to use the "IceBorn," "SmartIce" and "Fresh from the Source" Marks The Trademark License Agreement's term is perpetual The Trademark License Agreement can only be terminated for cause or by mutual agreement of the parties In the event of a termination of the Trademark License Agreement, Twice The Ice will allow you to use the "IceBorn," "SmartIce" and "Fresh from the Source" Marks for the term and any renewal term of the Franchise Agreement if you are in compliance with the Franchise Agreement Twice The Ice intends to renew all registrations when due and file all appropriate affidavits

IHA registered the following principal Marks with the USPTO

Mark	Register	Registration Number	Registration Date	Affidavits Filed?	Registration Renewed?
ICE HOUSE AMERICA	Principal	3,167,577	November 7, 2006	Yes	Yes
ICE HOUSE AMERICA	Principal	3,153,128	October 10, 2006	Yes	Yes
TWICE THE ICE	Principal	3,185,688	December 19, 2006	Yes	Yes

We entered into a trademark license agreement with IHA dated April 26, 2012 (the "IHA Trademark License Agreement") giving us the right to use and sublicense to franchisees the rights to use the above-listed Marks The IHA Trademark License Agreement's term is perpetual The IHA Trademark License Agreement can only be terminated for cause or by mutual agreement of the parties In the event of a termination of the IHA Trademark License Agreement, IHA will allow you to use the above-listed Marks for the term and any renewal term of the Franchise Agreement if you are in compliance with the Franchise Agreement

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, and no pending infringement, opposition, or cancellation proceedings or material litigation, involving the Marks We do not actually know of either superior prior rights or infringing uses that could materially affect your use of the Marks in any state Except as noted above, no other agreement limits our right to use or license the Marks

You must follow our rules when you use the Marks You may not use any of the Marks as part of your corporate or other name You must also follow our instructions for identifying your business and for filing and maintaining the requisite trade name or fictitious name registrations You must sign any documents we or our counsel determine are necessary to obtain protection for the Marks or to maintain their continued validity and enforceability Neither you nor your owners may take any action that would prejudice or interfere with the validity of our rights with respect to the Marks and may not contest the validity of our interest in the Marks or assist others to do so

You must promptly notify us of any infringement of the Marks or of any challenge to the use of any of the Marks or claim by any person of any rights in any of the Marks You, your principal owners, and your other owners must agree not to communicate with any person other than us, any designated affiliate, and our or their counsel about any infringement, challenge or claim We or our affiliates have sole discretion to take any action we deem appropriate and the right to exclusively control any litigation, or USPTO (or other) proceeding, from any infringement, challenge or claim concerning any of the Marks You must sign all instruments and documents and give us any assistance that, in our counsel's opinion, may be necessary or advisable to protect and maintain our interests or those of our affiliates in any litigation or proceeding or to otherwise protect and maintain our or their interest in the Marks

We are obligated to protect your rights to use the Marks or to protect you against claims of infringement or unfair competition

We have the right to substitute different trade names, service marks, trademarks and indicia of origin for the Marks if the Marks can no longer be used, or if we determine, in our sole discretion, that the substitution will be beneficial to the franchise system If we do, we may require you to discontinue or modify your use of any Mark or use one or more additional or substitute trademarks at your expense We need not reimburse you for any loss of goodwill associated with any modified or discontinued Mark or for any expenditures you make to promote a modified or substitute trademark or service mark

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Certain patents currently are material to the franchise and relate to the IceBorn Machines manufactured and sold by IHA to our franchisees

Patent	Type	Application Filing Date	Patent Number	Issuance Date
Ice Vending Apparatus and Method (original)	Utility	November 19, 2003	6,932,124	August 23, 2005
Ice Vending Apparatus and Method (Continuation)	Utility	April 21, 2005	7,104,291	September 12, 2006
Ice Vending Apparatus and Method (Second Continuation)	Utility	April 5, 2006	7,426,945	September 23, 2008
Leveler Improvement on Ice Vending Apparatus	Utility	April 27, 2006	7,735,527	June 15, 2010
Ice Vending Apparatus and Method (Third Continuation)	Utility	April 18, 2008	7,806,152	October 5, 2010
Leveler Improvement on Ice Vending Apparatus	Utility	April 27, 2010	8,245,488	August 21, 2012
Ice Vending Apparatus and Method (Third Continuation)	Utility	August 30, 2010	8,561,655	October 22, 2013

These patents have a duration of 20 years from the date of filing of the original patent application to which the patent relates We and our affiliates currently have no pending patent applications that we believe are material to the franchise

We do not know of any currently effective material determinations of the USPTO or any court, or of any pending infringement, opposition, or re-examination proceedings or material litigation, involving the patents We do not currently know of either superior prior rights or infringing uses that could materially affect your use of the Machine

There are no agreements limiting IHA's use of any patent that may affect the use of your Machine There are no provisions in the Franchise Agreement or Multi-Unit Franchise Agreement (1) obligating us or IHA to protect the patents or defend you against claims arising out of your use of the patented items, (2) requiring you to notify us or IHA of any claims of infringement concerning the patents by any third party, (3) requiring us or IHA to take affirmative action if notified of any infringement, and (4) obligating us or IHA to participate in any defense involving an infringement claim or to indemnify you for expenses or damages in any proceeding involving any patents IHA has the right to control any litigation involving infringement of the patents

We and IHA claim copyrights in the Operating Manual (which contains our trade secrets and confidential information), our logos, advertising and marketing materials and similar items we prepare and disclose to you We and our affiliates have not registered these copyrights with the United States Copyright Office but currently need not do so to protect them You may use these items only as we specify while operating your Machine (and must stop using them if we so direct you)

Our Operating Manual and other materials contain our and our affiliates' confidential information (some of which constitutes trade secrets under applicable law) Confidential information includes things like standards, procedures, product information, specifications and the methods of operation of IceBorn Machines You may not use any confidential information for the benefit of any other person, persons, partnership, association, or corporation, must keep the confidential information absolutely secret and confidential, must not make unauthorized copies of any confidential information (including the Operating Manual), must use all reasonable efforts to prevent unauthorized use or disclosure (including limiting disclosure to your employees who must have access to the confidential information in order to assist you in the operation of your business and using confidentiality covenants we specify with those having access)

We do not know of any currently effective adverse determinations of the USPTO, the United States Copyright Office or any court regarding the copyrighted materials No agreement limits our right to use or allow others to use the copyrighted materials We do not actually know of any infringing uses of our copyrights that could materially affect your use of the copyrighted materials in any state

We need not protect or defend copyrights, although we intend to do so if in the franchise system's best interests We may control any action we choose to bring, even if you voluntarily bring the matter to our attention We need not participate in your defense and/or indemnify you for damages or expenses in a proceeding involving a copyright

ITEM 15
OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Franchise Agreement

You must devote sufficient time and effort to operate, market, and service the Machine We do not require, but do recommend, that you (if you are an individual) or your principal owner (if you are an entity) fulfill these obligations and participate personally in the direct operation of the Machine

There are no limits in the Franchise Agreement on whom you may hire as an on-site manager or supervisor of the business you conduct at the Machine We will provide training for your existing or replacement managers We do not require that any manager or supervisor have an equity interest in your business

At our option, you must ensure that all of your managers and other personnel having access to confidential information sign agreements in a form we reasonably specify under which they agree to maintain the confidentiality of information they receive in connection with their employment

Each of your owners must sign an agreement in the form we designate undertaking personally to be bound, jointly and severally, by all provisions of the Franchise Agreement

Multi-Unit Franchise Agreement

You must develop the number of IceBorn Machines in your Territory according to the Development Schedule We do not require, but do recommend, that you personally supervise your development of IceBorn Machines You must hire sufficient personnel to manage and supervise the development of your IceBorn Machines The personnel need not have an equity interest in you or your business or attend our training program If you are a business entity, your owners need not sign any personal guarantees of your obligations under the Multi-Unit Franchise Agreement

At our option, you must ensure that all of your managers and other personnel having access to confidential information sign agreements in a form we reasonably specify under which they agree to maintain the confidentiality of information they receive in connection with their employment

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell only ready-made, bagged ice, water, and/or enhanced water at the Machine and all other products that we periodically require for IceBorn Machines You may not offer or sell any products or perform any services that we have not authorized We periodically may change required and/or authorized products and service offerings However, we will not obligate you to invest capital for new products or services when the investment cannot be amortized over the remaining term of your Franchise Agreement Otherwise, there are no limits on any of our rights to change the products and services that your Machine may or must provide

ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the franchise and related agreements You should read these provisions in the agreements attached to this disclosure document

Franchise Agreement

Provision	Section in Franchise Agreement	Summary
a Length of the term	Section 3	5 years
b Renewal or extension of the term	Section 3	You have the right to renew Franchise Agreement for successive 5-year periods
c Requirements for franchisee to renew or extend	Section 3	You must (1) have complied and currently be in compliance with the terms of Franchise Agreement, (2) be able to retain possession of the Machine's site during the renewal period or to secure a suitable substitute site that we approve, and (3) if we request, sign the then current form of franchise agreement which may have materially different terms and conditions than the Franchise Agreement
d Termination by franchisee	Not Applicable	You may not terminate the Franchise Agreement except under grounds available by law
e Termination by franchisor without cause	Not Applicable	We may not terminate the Franchise Agreement without cause
f Termination by franchisor with cause	Section 16	We may terminate the Franchise Agreement only if you commit any one of several violations
g "Cause" defined – curable defaults	Section 16	You have 10 days to cure payment defaults You have 30 days to cure failure to comply with any other provision of the Franchise Agreement not listed in (h) below

Provision	Section in Franchise Agreement	Summary
h "Cause" defined – non-curable defaults	Section 16	Automatic, without notice, if you become insolvent, are adjudicated a bankrupt, or make an assignment for the benefit of creditors On notice, if you fail to complete training, abandon the business, are convicted of a felony, make an unauthorized transfer, breach the non-competition or confidentiality covenants, maintain false books or records, or submit false reports or statements to us, repeatedly fail to comply with the terms of the Franchise Agreement
i Franchisee's obligations on termination/non-renewal	Section 17	You must (1) cease operating the Machine, (2) cease to represent yourself or any business as our current or former authorized franchisee, representative or associate, and (3) return to us the Operating Manual and all advertising materials
j Assignment of contract by franchisor	Section 22 A	No restriction on our right to transfer or assign
k "Transfer" by franchisee – defined	Section 22 B	Includes transfer of any interest in the Franchise Agreement, the business, or ownership interest in you if you are an entity
l Franchisor's approval of transfer by franchisee	Section 22 B	You may not transfer without our prior written consent
m Conditions for franchisor's approval of transfer	Section 22 B	You made all payments under Franchise Agreement, you are in compliance with Franchise Agreement, transferee and its owners meet standards, you (and your owners) sign general release (if state law allows), transferee signs assignment agreement or our then current franchise agreement, transferee completes training, and you or transferee pays transfer fee
n Franchisor's right of first refusal to acquire franchisee's business	Not Applicable	Not Applicable
o Franchisor's option to purchase franchisee's business	Section 17	We may purchase the Machine for fair market value when the Franchise Agreement expires or terminates
p Death or disability of franchisee	Section 22 C	You must transfer to an approved party within 6 months We may terminate Franchise Agreement if transfer does not occur within reasonable time
q Non-competition covenants during the term of the franchise	Section 23	No owning interest in, performing services for, loaning money or guaranteeing loan to, or diverting business or customers to competitive business anywhere and no interference with our, our affiliates' or franchisees' employees

Provision	Section in Franchise Agreement	Summary
r Non-competition covenants after the franchise is terminated or expires	Section 23	For 2 years after the Franchise Agreement terminates or expires, no owning interest in or performing services for a competitive business at the Machine or 5 miles from the Machine
s Modification of the Agreement	Sections 8 and 30	No modifications without signed writing, but we may change Operating Manual and Marks
t Integration/merger clause	Section 30	Only the Franchise Agreement's terms are binding (subject to state law) Any representations or promises made outside of the disclosure document and Franchise Agreement may not be enforceable
u Dispute resolution by arbitration or mediation	Sections 24	All controversies, disputes or claims are subject to arbitration in the city where we maintain our headquarters at the time that the action is brought (currently, Jacksonville, Florida)
v Choice of forum	Section 26	Subject to arbitration obligations, litigation is in the state courts in the state where we maintain our principal place of business at the time that the action is brought and the federal district courts for such state (currently Florida) (subject to state law)
w Choice of law	Section 26	Except for Federal Arbitration Act and other federal law, Florida law applies (subject to state law)

Multi-Unit Franchise Agreement

Provision	Section in Multi-Unit Franchise Agreement	Summary
a Length of the franchise term	Section 2 A	10 years
b Renewal or extension of the term	Section 2 B	You may renew Multi-Unit Franchise Agreement for 1 consecutive term of 10 years

Provision	Section in Multi-Unit Franchise Agreement	Summary
c Requirements for franchisee to renew or extend	Section 2 B and Exhibit B	You must (1) give us written notice of your desire to renew not less than 12 months nor more than 18 months before the end of the term, (2) not be in default under Multi-Unit Franchise Agreement, any amendment to Multi-Unit Franchise Agreement or any other agreement between us or our affiliates, (3) have met Development Schedule, (4) have made all required payments to us, our subsidiaries and our affiliates and have done so in a timely manner throughout the term, (5) sign our then current form of multi-unit franchise agreement along with accompanying addenda or ancillary agreements, if any, which may have materially different terms and conditions from the terms of your Multi-Unit Franchise Agreement, (6) sign our then current form of general release, and (7) agree on new development schedule
d Termination by franchisee	Not Applicable	You may not terminate the Multi-Unit Franchise Agreement except under grounds available by law
e Termination by franchisor without cause	Not Applicable	We may not terminate the Multi-Unit Franchise Agreement without cause
f Termination by franchisor with cause	Section 10	We may terminate the Multi-Unit Franchise Agreement only if you commit any one of several violations
g "Cause' defined – curable defaults	Not Applicable	You have no right to cure defaults
h "Cause" defined – non-curable defaults	Section 10	We can terminate only if you fail to satisfy Development Schedule or comply with any other obligation under Multi-Unit Franchise Agreement, or if any franchise agreement for an IceBorn Machine is terminated by us or you for any reason

Provision	Section in Multi-Unit Franchise Agreement	Summary
i Franchisee's obligations on termination/non-renewal	Section 10	You will lose all rights to further develop IceBorn Machines in the Territory Termination will not affect your right to operate any IceBorn Machines in existence or under development if you are in compliance with the franchise agreement for an IceBorn Machine
j Assignment of contract by franchisor	Section 9 A	No restriction on our right to transfer or assign
k "Transfer" by franchisee – defined	Section 9 B	Includes transfer of any interest in the Multi-Unit Franchise Agreement
l Franchisor's approval of transfer by franchisee	Section 9 B	You may not transfer without our prior written consent You must pay a transfer fee of $5,000 for any transfer
m Conditions for franchisor's approval of transfer	Section 9 B	You may grant or withhold our approval for any or no reason
n Franchisor's right of first refusal to acquire franchisee's business	Not Applicable	Not Applicable
o Franchisor's option to purchase franchisee's business	Not Applicable	Not Applicable
p Death or disability of franchisee	Not Applicable	Not Applicable
q Non-competition covenants during the term of the franchise	Not Applicable	Not Applicable
r Non-competition covenants after the franchise is terminated or expires	Not Applicable	Not Applicable
s Modification of the Agreement	Sections 1 D and 18	Generally no modifications unless in writing and signed by the parties However, we may initiate a national accounts sales program
t Integration/merger clause	Section 18	Only the terms of Multi-Unit Franchise Agreement are binding (subject to state law) Any representations or promises made outside of the disclosure document and Multi-Unit Franchise Agreement may not be enforceable

Provision	Section in Multi-Unit Franchise Agreement	Summary
u Dispute resolution by arbitration or mediation	Sections 20 A and 20 B	All controversies, disputes or claims are subject to arbitration in the city where we maintain our principal place of business at the time that the action is brought (currently, Jacksonville, Florida)
v Choice of forum	Section 20 C	Subject to arbitration obligations, litigation is in the state courts in the state where we maintain our principal place of business at the time that the action is brought and the federal district courts for such state (currently Florida) (subject to state law)
w Choice of law	Section 20 A	Except for Federal Arbitration Act and other federal law, Florida law applies (subject to state law)

ITEM 18
PUBLIC FIGURES

We do not use any public figure to promote our franchise

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document Financial performance information that differs from that included in Item 19 may be given only if (1) a franchisor provides the actual records of an existing outlet you are considering buying, or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances

As of December 31, 2016, there were a total of 49 franchised IceBorn Machines in the United States We excluded from this financial performance representation (i) 13 IceBorn Machines that were not open and in operation for the full 2016 fiscal year, and (ii) the 2 IceBorn Machines that closed during 2016, irrespective of when they opened (none of which operated for less than 12 months) The following financial performance representation represents the average annual results for 36 IceBorn Machines (26 IceBorn Houses and 10 IceBorn Kiosks that vend primarily ice and water) open for the full 2016 calendar year in the following categories

	Average Annual Results for Franchised IceBorn Houses and IceBorn Kiosks	% of Average Annual Sales	Number/% At or Above Average	Median	Range
Number of IceBorn Houses and IceBorn Kiosks (1)	36				
Sales (2)	$49,543	100 0%	16/44 4%	$46,873	$14,561 - $118,887
Cost of Goods Sold					
• Direct Materials (3)	$2,973	6 0%	16/44 4%	$2,813	$2,839 -
• Utilities (4)	$6,688	13 5%	16/44 4%	$6,219	$25,911
Royalty Fee	$2,973	6 0%	16/44 4%	$2,765	
Marketing Fee	$495	1 0%+	16/44 4%	$460	
Income before Site Lease (5)	$36,414	73 5%	16/44 4%	$34,616	
Site Lease (6)	$6,200	12 8%	16/44 4%	$5,600	$3,600 – $8,400
Income after Site Lease (7)	$30,214	60 7%	16/44 4%	$29,016	

<u>Notes to Financial Performance Representation</u>

(1) The 36 IceBorn Houses and IceBorn Kiosks included in this financial performance representation are substantially similar to the IceBorn Houses and IceBorn Kiosks for which we are offering franchises in this disclosure document These IceBorn Houses and IceBorn Kiosks were open for an average of 2 years, 4 months as of December 31, 2016

(2) "Average Annual Sales" consists of ice and/or water sales less the amount of sales tax payable (where applicable)

(3) "Cost of Goods Sold" captures cost of bags

(4) ' Utilities" include both electricity and water consumption

(5) "Income before Site Lease" represents Average Annual Sales less all of the operating expenses listed in the table (excluding the site lease) However, the expenses in the table do not reflect all of the categories of costs and expenses associated with the IceBorn Houses or IceBorn Kiosks or those that a franchisee will incur in operating its IceBorn Machine, as these are dependent upon the structure of the franchisee's business Some of these other costs include, for example, accounting and other professional fees, office and administrative expenses, corporate insurance, direct labor, and auto expenses Additionally, maintenance and other operator expenses are estimated to range from 8% and 12% of Average Annual Sales

(6) If a franchisee owns the property on which his or her IceBorn House or IceBorn Kiosk is located, it will not incur this cost but may incur costs associated with the purchase of the property

An IceBorn Machine's actual annual sales and actual operating costs may vary widely Numerous factors will affect a particular IceBorn Machine's sales and operating costs, including goodwill and name recognition in the market, length of time in business, nearby businesses, nearby working and living population, traffic count, site accessibility and visibility, the local market and competition, general economic conditions, weather and seasonality, the franchisee's management skill, experience, business acumen, and ability to promote and market its IceBorn Machine effectively in the local market, customer satisfaction, and the degree of adherence to our methods and procedures in operating the IceBorn Machine The 36 IceBorn Houses and IceBorn Kiosks included in this financial performance representation are located in the western section of the United States, which may have higher labor costs and site lease expenses than other markets across the United States in which you are interested in developing an IceBorn Machine

Other Possible Differentiating Factors in Operations

Operating results of IceBorn Machines are likely to be affected by the following

(1) Differing site lease and related expenses for which a franchisee is obligated,

(2) Economic conditions in a franchisee's market,

(3) Competition from other businesses offering the same, similar, or competitive services and products,

(4) Different financing costs, and

(5) Different costs on a local basis of obtaining products and supplies

Our management prepared this financial performance representation based on information provided by franchisees to us but did not independently audit that information Prospective franchisees or sellers of franchises should be advised that no certified public accountant has audited these figures or expressed his/her opinion with regard to their contents or form Written substantiation of all financial information presented in this financial performance representation will be made available to you upon reasonable request

Some IceBorn Machines have sold or earned the amounts shown above Your individual results may differ There is no assurance you'll sell or earn as much

Other than the preceding financial performance representations, we do not make any financial performance representations We also do not authorize our employees or representatives to make any other representations either orally or in writing If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet If you receive any other financial performance information or projections of your future ıncome other than as we provıde above, you should report ıt to the franchısor's management by contactıng Mark Mueller at 13901 Sutton Place South, Buıldıng A, Suıte 100, Jacksonvılle, Florıda 32224 or 904-900-2856, the Federal Trade Commıssıon, and the approprıate state regulatory agencıes

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No 1

Systemwıde Outlet Summary
For years 2014 to 2016

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchısed	2014	17	25	+8
	2015	25	30	+5
	2016	30	49	+19
Company-Owned[1]	2014	0	0	0
	2015	0	0	0
	2016	0	0	0
Total Outlets	2014	17	25	+8
	2015	25	30	+5
	2016	30	49	+19

[1] As noted ın Item 1 IHA, an affilıate of ours, owns and operates 106 ıce vendıng unıts of varıous sızes under trademarks dıfferent than the Marks used by franchısees to operate IceBorn Machınes

Table No 2

Transfers of Outlets from Franchısees to New Owners (other than the Franchısor)
For years 2014 to 2016

Column 1 State	Column 2 Year	Column 3 Number of Transfers
We had no franchıse transfers durıng any of our past 3 fiscal years	2014	0
	2015	0
	2016	0

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Total	2014	0
	2015	0
	2016	0

Table No 3

Status of Franchised Outlets
For years 2014 to 2016

Col 1 State	Col 2 Year	Col 3 Outlets at Start of Year	Col 4 Outlets Opened	Col 5 Terminations	Col 6 Non-Renewals	Col 7 Reacquired by Franchisor	Col 8 Ceased Operations Other Reasons	Col 9 Outlets at End of the Year
Alabama	2014	1	0	1	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
Arizona	2014	7	2	0	0	0	0	9
	2015	9	0	0	0	0	0	9
	2016	9	1	0	0	0	0	10
Arkansas	2014	1	0	1	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
California	2014	2	4	0	0	0	0	6
	2015	6	0	0	0	0	0	6
	2016	6	14	0	0	0	0	20
Colorado	2014	0	1	0	0	0	0	1
	2015	1	1	0	0	0	0	2
	2016	2	2	0	0	0	0	4
Florida	2014	0	1	1	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0

Col 1 State	Col 2 Year	Col 3 Outlets at Start of Year	Col 4 Outlets Opened	Col 5 Terminations	Col 6 Non-Renewals	Col 7 Reacquired by Franchisor	Col 8 Ceased Operations Other Reasons	Col 9 Outlets at End of the Year
Kansas	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Nebraska	2014	0	1	0	0	0	0	1
	2015	1	1	0	0	0	0	2
	2016	2	0	0	0	0	0	2
New York	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1
North Dakota	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
Ohio	2014	1	1	0	0	0	0	2
	2015	2	1	0	0	0	0	3
	2016	3	1	0	0	0	0	4
Pennsylvania	2014	1	0	0	0	0	0	1
	2015	1	1	0	0	0	0	2
	2016	2	1	0	0	0	0	3
South Carolina	2014	1	0	1	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
Utah	2014	1	2	0	0	0	0	3
	2015	3	1	0	0	0	0	4
	2016	4	0	2	0	0	0	2
Washington	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	1	0	0	0	0	1

Col 1 State	Col 2 Year	Col 3 Outlets at Start of Year	Col 4 Outlets Opened	Col 5 Terminations	Col 6 Non-Renewals	Col 7 Reacquired by Franchisor	Col 8 Ceased Operations Other Reasons	Col 9 Outlets at End of the Year
Totals	2014	17	12	4*	0	0	0	25
	2015	25	5	0	0	0	0	30
	2016	30	21	2	0	0	0	49

* Outlets retained but converted to non-franchise structure

Table No 4

Status of Company-Owned Outlets
For years 2014 to 2016

Col 1 State	Col 2 Year	Col 3 Outlets at Start of Year	Col 4 Outlets Opened	Col 5 Outlets Reacquired From Franchisee	Col 6 Outlets Closed	Col 7 Outlets Sold to Franchisee	Col 8 Outlets at End of the Year
All States[2]	2014	0	0	0	0	0	0
	2015	0	0	0	0	0	0
	2016	0	0	0	0	0	0
Totals	2014	0	0	0	0	0	0
	2015	0	0	0	0	0	0
	2016	0	0	0	0	0	0

[2] See Note 1 to Table No 1

Table No 5

Projected Openings As Of December 31, 2016

Col 1 State	Col 2 Franchise Agreements Signed But Outlet Not Opened	Col 3 Projected New Franchised Outlet In The Next Fiscal Year	Col 3 Projected New Company-Owned Outlet In The Next Fiscal Year[3]
Arizona	0	5	0
California	0	10	0
Colorado	0	2	0
Kansas	0	1	0
Pennsylvania	0	1	0
Washington	0	4	0
Totals	0	23	0

[3] See Note 1 to Table No 1

Exhibit J has lists of the (1) names, addresses, and telephone numbers of all franchisees or multi-unit franchisees as of December 31, 2016, and (2) names and contact information of all franchisees with signed Franchise Agreements whose IceBorn Machines were not yet open as of December 31, 2016 (if any) Exhibit K has a list of the names, city and state, and current business phone numbers (or, if unknown, the last known home telephone numbers) of the former franchisees who had their franchises terminated, canceled, or not renewed, or who otherwise voluntarily or involuntarily ceased to do business under Franchise Agreements with us during our last fiscal year, or who have not communicated with us within 10 weeks of this disclosure document's issuance date If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system

During the last 3 fiscal years, no current or former franchisees have signed confidentiality clauses restricting them from discussing with you their experiences as a franchisee in our franchise system There are no trademark-specific franchisee organizations associated with the franchise system

ITEM 21
FINANCIAL STATEMENTS

Exhibit A contains our audited financial statements for the fiscal years ended December 31, 2016, December 31, 2015, and December 31, 2014, and our unaudited balance sheet as of March 31, 2017, and our unaudited income statement for the 3-month period ended March 31, 2017

ITEM 22
CONTRACTS

The following agreements/documents are exhibits

1 Franchise Agreement (Exhibit B)

2 Multi-Unit Franchise Agreement (Exhibit C)

3 ePort® Connect Services Agreement and Activation Consent Form (Exhibit G-1)

4 General Release (Exhibit H)

5 Franchisee Disclosure Questionnaire (Exhibit I)

6 Multi-Unit Franchisee Disclosure Questionnaire (Exhibit I-1)

7 State-Specific Agreement Riders (Exhibit L)

ITEM 23
RECEIPTS

Our and your copies of the Franchise Disclosure Document Receipt are located at the last 2 pages of this disclosure document

EXHIBIT B

FRANCHISE AGREEMENT

IHA FRANCHISING, LLC

FRANCHISE AGREEMENT

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EXHIBITS

IHA FRANCHISING, LLC

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this "**Agreement**") is made as of the ____ day of ________, 201_ by and between **IHA FRANCHISING, LLC**, a Delaware limited liability company having its principal place of business at 13901 Sutton Place South, Building A, Suite 100, Jacksonville, Florida 32224 ("**IHA**") and ______________________, a __________ having its principal place of business at ____ ("**Franchisee**")

RECITALS

WHEREAS, IHA and/or its affiliates are in the business of manufacturing and distributing machinery and related accessories for the production, sale and delivery of ready-made ice,

WHEREAS, the machinery manufactured and distributed by IHA and/or its affiliates include an ice vending machine ("**IceBorn House**"), an ice vending kiosk ("**IceBorn Kiosk**"), and a mini ice machine ("**IceBorn Express**"), all of which are subject to patents owned or pending by IHA's affiliate (collectively, "**IceBorn Machines**"),

WHEREAS, IHA's business is associated with certain trademarks, service marks and other commercial symbols, including "Ice House America," "IceBorn," and "Fresh From the Source," all of which IHA may further improve and modify (collectively, the "**Marks**"), and

WHEREAS, Franchisee desires to purchase and operate an IceBorn House/IceBorn Kiosk/IceBorn Express (underline as applicable) (the "**Approved Vending Unit**") at the location identified or to be identified in Exhibit A attached hereto (the "**Approved Location**"), subject to the terms of this Agreement

NOW, THEREFORE, in consideration of the material covenants hereinafter set forth, and for other good and valuable consideration the receipt of which is hereby acknowledged, the parties agree as follows

1 **Grant** IHA hereby grants to Franchisee the right to operate the Approved Vending Unit at, and only at, the Approved Location identified in Exhibit A attached hereto and to use the Marks in connection with the promotion and operation of the Approved Vending Unit Franchisee accepts such grant and agrees to devote sufficient time and efforts to the operation of the Approved Vending Unit Franchisee is not permitted to move or relocate the Approved Vending Unit once it has been installed without IHA's express written permission If an Approved Location has not been approved by IHA as of the date hereof, Franchisee agrees to submit a site for the Approved Location acceptable to IHA within ninety (90) days of the date of this Agreement The parties agree to insert the address of the Approved Location approved by IHA in Exhibit A Franchisee agrees to negotiate and sign a lease acceptable to IHA for the Approved Location Franchisee further agrees to open the Approved Vending Unit for business by the "**Start Date**," which is the date that is ninety (90) days after either (i) the date of this Agreement, if at the time of signing this Agreement, Franchisee has secured the Approved

Initials___

Location, or (ii) the date the parties sign Exhibit A to this Agreement identifying the Approved Location, if at the time of signing this Agreement Franchisee has not located a site for the Approved Location acceptable to IHA IHA will specify the Start Date on Exhibit A to this Agreement, as applicable If Franchisee fails to locate a site for the Approved Location within ninety (90) days following the date of this Agreement or to open the Approved Vending Unit by the applicable Start Date, IHA shall also have the right, at its option, to terminate this Agreement immediately upon written notice to Franchisee

2 **Exclusivity** If Franchisee purchases an IceBorn House or IceBorn Kiosk, IHA agrees that neither it nor any of its affiliates will operate or grant to any third party the right to operate an IceBorn House or IceBorn Kiosk within the territory identified in Exhibit B attached hereto (the "**Protected Territory**") IHA and its affiliates reserve all other rights within and outside of the Protected Territory, including, without limitation, the right to sell, distribute or operate other types of machinery that produces ready-made ice at any location within or outside of the Protected Territory, including smaller versions of its or its affiliates' ice vending units Franchisee further acknowledges and understands that IHA does not control the location of ice vending machines or ice vending huts sold to independent dealers or franchisees prior to the date hereof or that may be sold hereafter pursuant to existing agreements and that such ice vending machines and ice vending huts may be located at sites within the Protected Territory Franchisee acknowledges that if it purchases an IceBorn Express, Franchisee will not be granted a Protected Territory

3 **Term and Renewal** The term of this Agreement shall commence on the date hereof and continue for a period of five (5) years Franchisee shall have the unequivocal right to renew this Agreement for successive five (5)-year periods, provided (a) Franchisee is in compliance with the terms of this Agreement and shall have substantially complied with the terms of this Agreement throughout the initial or any applicable renewal term, (b) Franchisee is able to retain possession of the Approved Location for the applicable renewal period or is able to secure a suitable substitute location approved by IHA, and (c) at the request of IHA, Franchisee agrees to execute IHA's then current form of franchise agreement at the time of any such renewal For purposes of clarity, IHA may only option not to renew this Agreement for cause

4 **Fees**

A **IceBorn House or IceBorn Kiosk** If Franchisee purchases an IceBorn House or IceBorn Kiosk, Franchisee agrees to pay IHA (a) an initial opening fee of Five Thousand Dollars ($5,000) upon execution of this Agreement, (b) a royalty fee equal to six percent (6%) of the gross revenues generated by or from the Approved Vending Unit, payable monthly on the fifteenth day of the month based on gross revenues generated in the previous month, with the first royalty fee due on the fifteenth day of the month following the month during which Franchisee opens the Approved Vending Unit for business, and (c) a marketing fee equal to one percent (1%) of the gross revenues generated by or from the Approved Vending Unit for local, regional and national advertising and promotional programs and materials as provided in Section 10, payable at the same time as royalty fees due hereunder Gross revenues shall include payments by cash, credit or debit card in connection with the operation of the Approved Vending Unit All payments not paid when due shall bear interest until paid at the rate of one and one-half percent (1 5%) per month or the highest rate permitted under applicable law, whichever is lower

B **IceBorn Express** If Franchisee purchases an IceBorn Express, Franchisee agrees to pay IHA (a) an initial opening fee of One Thousand Dollars ($1,000) upon execution of this Agreement, (b) a royalty fee equal to Thirty Five Dollars ($35) per month, payable monthly on the fifteenth day of the month, with the first royalty fee due on the fifteenth day of the month following the month during which Franchisee opens the Approved Vending Unit for business All payments not paid when due shall bear interest until paid at the rate of one and one-half percent (1 5%) per month or the highest rate permitted under applicable law, whichever is lower

5 **Purchase of Approved Vending Unit**

A Franchisee agrees to purchase from IHA, its affiliate or its designated supplier the Approved Vending Unit All purchases shall be subject to the terms and conditions established by IHA, its affiliate or its designated supplier from time to time Franchisee further agrees that all replacement and repair parts for the Approved Vending Unit and other materials and supplies used in the operation of the Approved Vending Unit shall be purchased exclusively from IHA, its affiliate or its designated supplier or in accordance with requirements established from time to time by IHA Franchisee may not offer or sell from the Approved Location any products or services not authorized by IHA IHA, its affiliate or its designated supplier reserves the right to offer Franchisee the opportunity to purchase machinery and related accessories for the production, sale and delivery of ready-made ice in a form other than what is currently offered as of the date hereof and to operate such machinery under the terms of this Agreement

B Franchisee's purchase of the Approved Vending Unit shall be done using the appropriate IHA or its affiliate's sales order form for IceBorn Machines Sales order forms shall be filled out completely and forwarded to IHA's headquarters or elsewhere as IHA may designate along with the appropriate deposits IHA and its affiliates reserve the right to change the sales order form from time to time upon notice to Franchisee All payments are due upon delivery, unless IHA and Franchisee have established credit terms by separate agreement in writing signed by both parties

C Franchisee shall install the Approved Vending Unit at the Approved Location in the manner prescribed by IHA

6 **Marketing of Approved Vending Unit** Franchisee agrees to use its best efforts to advertise, promote and market the Approved Vending Unit Franchisee acknowledges and agrees that IHA may establish minimum advertising, promotion and marketing requirements upon Franchisee

7 **Operation and Maintenance of Approved Vending Unit** Franchisee agrees to maintain the Approved Vending Unit in good operation and repair at all times during the term of this Agreement Franchisee shall maintain the premises of the Approved Location, including the inside and outside of the Approved Vending Unit, in a clean and sanitary condition and in

compliance with all health and safety laws and regulations Franchisee further agrees to respond in a timely manner to any customer complaints or inquiries concerning the operation of the Approved Vending Unit and to provide customer refunds in appropriate circumstances

8 **Operating Manual** In order to protect the reputation and goodwill of IHA and to maintain high standards of operation under the Marks, Franchisee shall conduct its business in accordance with relevant provisions of IHA's manuals, operating materials and bulletins, which may consist of more than one handout or volume (collectively, the "**Operating Manual**"), copies of which shall be made available to Franchisee for the term of this Agreement Franchisee shall at all times treat the Operating Manual and the information contained therein as confidential, and shall use all reasonable efforts to maintain such information as secret and confidential, including keeping the Operating Manual in a secure place Franchisee shall not at any time copy, duplicate, record, or otherwise reproduce the Operating Manual or related materials, in whole or in part, nor otherwise disclose or make the same available to any unauthorized person or entity The Operating Manual shall at all times remain the sole property of IHA IHA may from time to time revise the contents of the Operating Manual, and Franchisee expressly agrees to comply with each new or changed portion of the Operating Manual Franchisee shall at all times ensure that its copy of the Operating Manual is kept current and up to date, and in the event of any dispute as to the contents of the Operating Manual, the terms of the master copy of the Operating Manual maintained by IHA at IHA's headquarters shall be controlling

9 **Obligations of IHA** IHA (or its representative or agent on its behalf) will provide Franchisee with the following services

A IHA will approve or disapprove sites proposed by Franchisee for the Approved Vending Unit within a reasonable period of time as determined by IHA In evaluating a proposed site, IHA may inspect the site and may consider a variety of factors, including demographic characteristics, traffic patterns, parking, character of the neighborhood, competition in the area, the proximity to other businesses, the nature of other businesses in proximity to the site, and other commercial characteristics IHA has the absolute right to disapprove any site that does not meet IHA's criteria IHA's approval of a site and any information given to Franchisee regarding proposed sites do not constitute an express or implied representation or warranty of any kind as to the suitability of the proposed sites for the Approved Vending Unit or for any other purpose IHA's approval of a site indicates only that IHA believes that the site meets, or has the potential to meet, or that IHA has otherwise waived, IHA's then current criteria for site suitability Application of site criteria that have been effective for other sites may not be predictive of the potential for any specific site and after IHA's approval of a site, demographic and economic factors, including competition, included in or excluded from IHA's site criteria could change, altering the potential of a site The uncertainty and instability of the factors included in these criteria are beyond IHA's control, and IHA will not be responsible for the failure of a site approved by IHA to meet expectations as to potential revenue or operational criteria IHA may provide Franchisee guidance in recognizing and negotiating certain standard lease terms, however, IHA is not obligated to do so and Franchisee is not obligated to accept any guidance IHA may provide

B IHA will provide Franchisee with machine specifications, including electrical and plumbing requirements for the Approved Vending Unit

C IHA will provide Franchisee, through the Operating Manual and other materials to be furnished or made available to Franchisee, the standards and specifications for the fixtures, equipment (including computer hardware and software) and signs that IHA requires and has approved as meeting IHA's specifications and standards for quality, design, appearance, function and performance and which Franchisee must use At IHA's option, IHA will furnish or make available to Franchisee these items in the form of paper copies, electronic copies on computer CD, or electronic copies accessed through the Internet or other communication systems

D IHA will provide Franchisee with materials for the grand opening of the Approved Vending Unit at least ten (10) days before the opening, upon Franchisee's payment to IHA for those materials (if required)

E IHA will provide an initial training program for Franchisee (or if Franchisee is an entity, for its principal owner) Franchisee (or its principal owner) must successfully complete all phases of IHA's training program to IHA's satisfaction All training will occur at IHA's classroom facilities and training centers in Moultrie, Georgia and Jacksonville, Florida, or another location designated by IHA Franchisee may elect to participate in on-site training for an additional fee Franchisee is responsible for all costs associated with travel and living expenses for Franchisee (or its principal owner)

F IHA will provide training for any of Franchisee's existing or replacement managers

G IHA will provide a telephone technical support line and field technical and warranty support in accordance with its current warranty agreement

H IHA will furnish Franchisee with guidance and operating assistance, at its request, about (i) methods, standards, specifications and operating procedures to be utilized in Franchisee's business, (ii) purchasing required materials and supplies, including an online retail option for purchasing certain replacement supplies and parts, and (iii) advertising and promotional programs Although IHA does not have an obligation to do so, IHA may advise Franchisee of operating problems of Franchisee's business that come to IHA's attention IHA may furnish or make available this guidance and assistance in the form of references to the Operating Manual, bulletins and other written materials, electronic computer messages, telephonic conversations or consultations at IHA's offices or at the Approved Location IHA will not be liable to Franchisee or any other person, and Franchisee waives all claims for liability or damages of any type (whether direct, indirect, incidental, consequential, or exemplary), on account of any guidance or operating assistance offered by IHA, except if caused by IHA's gross negligence or intentional misconduct IHA will make no separate charge to Franchisee for the operating assistance and guidance IHA customarily provides to its franchisees generally Occasionally, IHA may make special assistance programs available to

Franchisee, for which Franchisee must pay the daily fees and charges that IHA establishes

I IHA may modify the methods, standards and specifications periodically and the modifications may obligate Franchisee to invest additional capital in Franchisee's business and to incur higher operating costs IHA will not obligate Franchisee to invest additional capital at a time when the investment cannot in IHA's reasonable judgment be amortized during the remaining term of this Agreement

J IHA will provide advertising and marketing services to Franchisee as described below Franchisee may use advertising materials prepared by Franchisee if the materials (i) comply with the requirements of this Agreement, (ii) are completely clear and factual and not misleading, and (iii) conform to the highest standards of ethical marketing and promotion policies which IHA has the right to prescribe Before use, Franchisee must submit to IHA for approval all press releases and policy statements and samples of all local advertising, marketing and related materials not prepared or previously approved by IHA IHA will not unreasonably withhold its approval Franchisee may not advertise its business or products sold at the Approved Vending Unit over the Internet (or any other form of electronic commerce) or establish a related website without IHA's prior written consent In addition, Franchisee may only use pamphlets, brochures, cards or other promotional materials offering free products if prepared by IHA, unless otherwise approved in advance by IHA

10 **<u>Administration of Marketing Fees</u>** IHA will administer the marketing fees it collects under Section 4 and direct all marketing programs financed by the marketing fees, and have the right to determine the creative concepts, materials and endorsements used and the geographic, market and media placement and allocation IHA has the right to use the marketing fees it collects to pay the costs of (i) preparing and producing video, audio and advertising materials, (ii) administering regional and multi-regional marketing programs, including purchasing direct mail and other media marketing and employing advertising, promotion and marketing agencies to assist with advertising, and (iii) supporting public relations, market research and other advertising, promotion and marketing activities IHA has the right, at its option, to use marketing fees to prepare, furnish and/or offer for sale to Franchisee advertising, marketing and promotional formats and materials, as described above IHA will account for the marketing fees it collects separately from its other funds, although IHA is not required to establish a separate marketing fund or bank account for those fees IHA has the right to use the marketing fees it collects to defray the salaries, administrative costs and overhead IHA or its affiliates may incur in activities related to IHA's marketing programs, including conducting market research, preparing advertising, promotion and marketing materials and collecting and accounting for the marketing fees IHA collects If Franchisee is paying marketing fees and on Franchisee's prior written request made within the first quarter of any calendar year, IHA will make available to Franchisee no later than one hundred twenty (120) days after the end of each calendar year, an annual statement of monies collected and costs incurred for IHA's marketing programs No independent audit is required with this statement or the marketing fees IHA collects IHA has the right in the future to create a marketing fund to be operated by IHA or through another form of entity separate from IHA IHA intends to use the marketing fees it collects to maximize recognition of the Marks as well as to increase patronage at IceBorn House

and IceBorn Kiosk locations Although IHA will endeavor to utilize the marketing fees to develop advertising and marketing materials and programs and to place advertising that will benefit all IceBorn House and IceBorn Kiosk locations, IHA cannot ensure Franchisee that IHA's expenditures of marketing fees in or affecting any geographic area will be proportionate or equivalent to the marketing fees paid to IHA by IceBorn House and IceBorn Kiosk locations operating in that geographic area or that the Approved Vending Unit will benefit directly or in proportion to the marketing fees Franchisee pays to IHA from the development of advertising and marketing materials or the placement of advertising

11 **The Marks** With respect to Franchisee's use of the Marks, Franchisee agrees that

A Franchisee shall use the Marks only in the manner authorized and permitted by IHA and any unauthorized use thereof shall constitute a breach of this Agreement and an infringement of IHA's rights in and to the Marks

B Franchisee shall execute any documents deemed necessary by IHA or its counsel to register or otherwise obtain protection for the Marks or to maintain their continued validity and enforceability

C Franchisee shall not use any of the Marks as part of any corporate, partnership or trade name or as a fictitious name

D Franchisee shall not directly or indirectly (i) challenge, attack or contest the validity or the ownership of the Marks, (ii) claim any right, title or interest in or to any of the Marks, (iii) register or apply to register any of the Marks, or any trademark that is confusingly similar to the Marks anywhere in the world, or (iv) grant to anyone any right or authority to use any of the Marks for or in connection with any goods, services or businesses

E In the event that litigation involving the Marks is instituted or threatened against Franchisee, Franchisee shall promptly notify IHA and shall cooperate fully with IHA in defending or settling such litigation, or threatened litigation

F Franchisee shall not register with any entity, or otherwise obtain any domain name that encompasses or comprises any of the Marks without IHA's prior written consent

G IHA reserves the right to substitute different proprietary trademarks for use by Franchisee in its business if any Marks can no longer be used, or if IHA, in its sole discretion, determines that substitution of different proprietary trademarks will be beneficial to Franchisee's business Franchisee shall comply and cooperate, at Franchisee's expenses, with any requirements imposed by IHA regarding the substitution of different trademarks

H Franchisee will not attempt to register a domain name that contains any of the Marks without the prior approval IHA and subject to such conditions as IHA may require, including the obligation to assign such domain names to IHA upon termination or expiration of this Agreement

12 **Confidential Information**

A Franchisee shall not, during the term of this Agreement or at any time thereafter, communicate, divulge, or use for the benefit of any other person, persons, partnership, association, or corporation any confidential information, knowledge, or know-how including, without limitation, standards, procedures, product information, specifications and the methods of operation of the Approved Vending Unit which may be communicated to Franchisee, or of which Franchisee may be apprised, by virtue of Franchisee's operation under the terms of this Agreement Franchisee shall divulge such confidential information only to those employees who must have access to such confidential information in order to assist Franchisee in the operation of its business Any and all information, knowledge, know-how, and techniques which IHA designates as confidential shall be deemed confidential for purposes of this Agreement, except information which Franchisee can demonstrate came to its attention prior to disclosure thereof by IHA or which becomes a part of the public domain, through publication or communication by others, who by that communication are not breaching any obligation of confidentiality to Franchisee or IHA

B Franchisee acknowledges that the provisions of this Section 12 are and have been a primary inducement to IHA to enter into this Agreement and that any failure to comply with the requirements of Section 12 A may cause IHA irreparable injury without any adequate remedy at law, and, that IHA shall be entitled to all court costs and reasonable attorneys' fees incurred in obtaining specific performance of the covenants contained in Section 12 A or an injunction against any violation of the requirements of Section 12 A of this Agreement

C At IHA's request, Franchisee shall require any or all of Franchisee's managers and personnel who may have access to confidential information to execute covenants that they will maintain the confidentiality of information they receive in connection with their employment by Franchisee Such covenants shall be in a form satisfactory to IHA, which may include, without limitation, specific identification of IHA as a third party beneficiary of such covenants with the independent right to enforce them

13 **Accounting, Bookkeeping, Records and Reporting**

A. Franchisee shall maintain and preserve for at least seven (7) years from the date of their preparation full, complete, and accurate books, records, and accounts in accordance with generally accepted accounting principles, and in a form and manner prescribed by IHA from time to time in the Operating Manual or otherwise in writing

B During the term of this Agreement, Franchisee shall submit to IHA, in the manner and form prescribed by IHA, such reports as IHA may prescribe, detailing Franchisee's business activities, sales and other revenues Franchisee further agrees to provide such other reports and information relating to the operation of Franchisee's business as IHA may require or request in the form, manner and frequency prescribed in the Operating Manual or otherwise in writing

C At the end of each calendar quarter, Franchisee shall furnish to IHA, not later than the twentieth (20th) day of the month, for the preceding quarter, in the form from time to time prescribed by IHA, a quarterly profit and loss statement signed and verified by Franchisee accurately reflecting the results of operations of Franchisee's business Franchisee shall also prepare and furnish to IHA, within ninety (90) days after the end of each fiscal year of Franchisee's business, an annual statement of profit and loss and a balance sheet for the Franchisee's business Such statement and balance sheet shall be signed and verified by Franchisee and, at IHA's request, be accompanied by the certification of a certified public accountant that the statement and balance sheet are accurate

14 **Inspections and Audits** To determine whether Franchisee is complying with this Agreement, IHA or its designee shall have the right at times during normal business hours upon reasonable prior notice to Franchisee to enter onto the premises in which applicable business records are then kept and inspect, and conduct an audit or examination of, the business records, bookkeeping and accounting records, invoices, bank deposits, receipts and other business records and documents or otherwise relevant to the confirmation of the gross revenues of Franchisee's business Franchisee shall fully cooperate with IHA in making, conducting, supervising or observing any such inspection or audit If an understatement of royalty fees due to IHA for any period is determined by any such examination or audit to be one and one half percent (1 5%) or greater, Franchisee shall pay for the cost of such audit or examination, including, without limitation, the charges and disbursements of any independent accountants or auditors in connection with such audit or examination In the event an audit determines that there has been an underpayment of royalty fees due IHA, the amount of such underpayment, together with interest at the rate specified in Section 4 hereof from the date due until the date paid, shall immediately be paid by Franchisee to IHA

15 **Insurance** Franchisee shall procure and maintain in full force and effect during the term of this Agreement, at Franchisee's expense, an insurance policy or policies protecting Franchisee and IHA, and their respective officers, directors, partners, and employees, against any claims for loss, liability, personal injury, death, property damage, or any expense whatsoever arising out of or occurring upon or in connection with Franchisee's business Such policy or policies shall be written by an insurance company satisfactory to IHA in accordance with IHA's then current standards and specifications for insurance coverage, including minimum policy limits of coverage, and shall include, at a minimum (except as additional coverages and higher policy limits may reasonably be specified by IHA from time to time), comprehensive general liability insurance, including product liability, contractual liability, personal injury, property damage, and independent contractor's coverage and owned and non-owned automobile liability coverage Upon obtaining the insurance required by this Agreement and on each policy renewal date thereafter, Franchisee shall promptly submit evidence of satisfactory insurance and proof of payment therefor to IHA, together with, upon request, copies of all policies and policy amendments The evidence of insurance shall include a statement by the insurer that the policy or policies will not be canceled or materially altered without at least thirty (30) days prior written notice to IHA Should Franchisee, for any reason, fail to procure or maintain any insurance

required by this Agreement, as such requirements may be revised from time to time by IHA in writing, IHA shall have the right and authority (without, however, any obligation), immediately to procure such insurance and to charge the same to Franchisee

16 **Termination by IHA**

A Franchisee shall be in default under this Agreement and all rights granted herein shall automatically terminate without notice to Franchisee if (i) Franchisee becomes insolvent or makes a general assignment for the benefit of creditors, (ii) a petition in bankruptcy is filed by Franchisee or such a petition is filed against and not opposed by Franchisee, (iii) Franchisee is adjudicated a bankrupt or insolvent, (iv) a bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee's business or assets is filed and consented to by Franchisee, (v) a receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction, (vi) proceedings for a composition with creditors under any state or federal law is instituted by or against Franchisee, (vii) a final judgment against Franchisee remains unsatisfied or of record for thirty (30) days or longer (unless a *supersedeas* bond is filed), or (viii) execution is levied against business or property used in Franchisee's business

B IHA shall have the right to terminate this Agreement effective immediately upon written notice to Franchisee if

(1) Franchisee or its owners fail to complete, to IHA's satisfaction, any required training programs,

(2) Franchisee at any time abandons its business,

(3) Franchisee is convicted of, or has entered a plea of nolo contendere to, a felony, a crime involving moral turpitude, or any other crime or offense that IHA believes is reasonably likely to have an adverse effect on the Marks and the goodwill associated with the Marks,

(4) Franchisee has made any material misrepresentations in connection with Franchisee's application to IHA for the rights granted herein,

(5) Franchisee (or any of its owners) purports to assign or transfer any interest in the Agreement or any interest in Franchisee or the business without IHA's consent,

(6) Franchisee fails to comply with the covenants contained in Section 23 of this Agreement or fails to protect and preserve the confidential information that is provided by IHA pursuant to this Agreement,

(7) Franchisee knowingly maintains false books or records, or submits or makes any false reports or statements to IHA,

(8) Franchisee repeatedly fails to comply with the terms of this Agreement,

(9) Franchisee fails to pay IHA any amounts due under this Agreement and to cure such failure within ten (10) days after written notice thereof is delivered to Franchisee, or

(10) Franchisee defaults in any of its other obligations under this Agreement and fails to cure such default within thirty (30) days after written notice thereof is delivered to Franchisee

17 **Effect of Termination or Expiration** Upon termination or expiration of this Agreement, all of Franchisee's rights under this Agreement shall immediately cease, specifically including but not limited to the right to operate the Approved Vending Unit under or in connection with the Marks, effective as of the date of termination or expiration Franchisee agrees that, upon the termination or expiration of this Agreement, Franchisee will

A pay within ten (10) days after this Agreement expires or is terminated, or on any later date that the amounts due are determined, the royalty fees, marketing fee, interest and all other amounts owed to us or our affiliates which then are unpaid, including our damages arising from the termination of this Agreement,

B not directly or indirectly at any time or in any manner identify himself or any business as a current or former authorized franchisee, representative or associate of IHA, and

C return to IHA the Operating Manual and all advertising materials, forms, and other materials relating to the Approved Vending Unit

All of IHA's and Franchisee's obligations hereunder which expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until these obligations are satisfied in full or by their nature expire

If Franchisee elects not to renew this Agreement in accordance with Section 3 above, if Franchisee is unable to comply or has not complied with the conditions for renewal as set forth in Section 3 above, or if IHA terminates this Agreement, or any renewal thereof, for cause, IHA shall have the right, but not the obligation, to purchase the Approved Vending Unit at fair market value If the parties cannot agree on the fair market value of the Approved Vending Unit within fifteen (15) days from the date of termination or expiration, the fair market value shall be determined by an independent appraiser selected by the parties If the parties are thereafter unable to agree on an appraiser within fifteen (15) days, IHA and Franchisee shall each appoint an independent appraiser and the independent appraiser selected by the parties shall appoint a third independent appraiser who shall then determine the fair market value of the Approved Vending Unit The costs of the appraisal shall be shared equally by IHA and Franchisee

18 **Compliance with Laws and Good Business Practices** Franchisee shall secure and maintain in force all required licenses, permits and certificates relating to Franchisee's

activities hereunder and shall operate in full compliance with all applicable laws, ordinances and regulations All advertising and promotion by Franchisee shall be completely factual and shall conform to the highest standards of ethical advertising Franchisee agrees to refrain from any business or advertising practice which may be injurious to the business of IHA

19 **Taxes and Permits**

A Franchisee shall promptly pay when due all taxes levied or assessed including, without limitation, unemployment and sales taxes, and all accounts and other indebtedness of every kind incurred by Franchisee in the conduct of Franchisee's business

B Franchisee shall comply with all federal, state, and local laws, rules, and regulations, and shall timely obtain any and all permits, certificates, or licenses necessary for the full and proper conduct of Franchisee's business including, without limitation, licenses to do business, fictitious or assumed name registrations, and sales tax permits

C Franchisee shall notify IHA, in writing, within five (5) days of the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, aware, or decree of any court, agency, or other governmental instrumentality, which may adversely affect the operation or financial condition of Franchisee's business

20 **Indemnification** Franchisee shall indemnify, defend and save harmless IHA, its affiliates and its and their respective officers, directors, employees, agents, successors and assigns from all losses, costs, liabilities, damages, claims and expenses of every kind and description, including reasonable attorneys' fees, arising out of or resulting from the operation or conduct by Franchisee of its business under this Agreement, unless such act or omission was authorized by IHA This indemnification provision shall survive termination or expiration of this Agreement

21 **Independent Contractors** This Agreement does not create a fiduciary relationship between Franchisee and IHA Franchisee has no authority, express or implied, to act as an agent of IHA or any of its affiliates for any purpose Franchisee is, and shall remain, an independent contractor responsible for all obligations and liabilities of, and for all loss or damage to, the Approved Vending Unit and for all claims or demands based on damage to or destruction of property or based on injury, illness or death of any person or persons, directly or indirectly, resulting from the operation of the Approved Vending Unit Further, IHA and Franchisee are not and do not intend to be partners, joint venturers, associates, in any way, and IHA shall not be construed to be jointly liable for any of Franchisee's acts or omissions under any circumstances Franchisee or its owner is solely responsible for the operation of the Approved Vending Unit Franchisee agrees to identify itself conspicuously in all dealings with customers, suppliers, public officials, and others as the owner of the Approved Vending Unit under a franchise that IHA has granted

22 **Transfers and Assignments**

A This Agreement is fully transferable by IHA and shall inure to the benefit of any transferee or other legal successor to IHA's interests herein

B Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee, and that IHA has granted rights under this Agreement in reliance on the business skill, financial capacity and personal character of Franchisee and its owners Accordingly, neither Franchisee nor any of its owners, nor any successor or assign of Franchisee or any of its owners, shall sell, assign, transfer, convey, give away, pledge, mortgage or otherwise dispose of or encumber any direct or indirect interest in this Agreement, in Franchisee's business or in Franchisee without the prior written consent of IHA Any purported assignment or transfer, by operation of law or otherwise, made in violation of this Agreement shall be null and void and shall constitute a material breach under this Agreement If Franchisee wishes to transfer all or part of its interest in this Agreement, or if Franchisee or one or more of its owners wishes to transfer any ownership interest in Franchisee, the proposed transferor and transferee shall apply to IHA for its consent, which consent shall not be unreasonably withheld provided all of the following conditions are satisfied

(1) All of Franchisee's accrued monetary obligations to IHA or any subsidiary or affiliate of IHA shall have been satisfied,

(2) Franchisee is not in default of any provision of this Agreement, any amendment hereof or successor hereto, or any other agreement between Franchisee and IHA and its affiliates,

(3) Franchisee, or one or more of its owners, as applicable, shall have executed a general release in a form satisfactory to IHA, of any and all claims against IHA and its officers, directors, shareholders, and employees, in their corporate and individual capacities,

(4) The transferee (and, if the transferee is other than an individual, such owners of a beneficial interest in the transferee as IHA may request) shall enter into a written assignment in a form satisfactory to IHA, assuming and agreeing to discharge all of Franchisee's obligations under this Agreement or, at the request of IHA, enter into IHA's then current franchise agreement for a term ending on the expiration of the term of this Agreement,

(5) The transferee (and, if the transferee is other than an individual, such owners of a beneficial interest in the transferee as IHA may request) shall demonstrate to IHA's satisfaction that the transferee (i) meets IHA's educational, managerial, and business standards, (ii) possesses a good moral character, business reputation, and credit rating, (iii) has the aptitude and ability to conduct Franchisee's business (as may be evidenced by prior related business experience or otherwise), and (iv) has adequate financial resources and capital to operate the business,

(6) At the transferee's expense, the transferee shall complete any training program then in effect for franchisees at such time as IHA may reasonably require, and

(7) Franchisee or the transferee shall pay IHA a transfer fee of One Thousand Dollars ($1,000) to cover IHA's supervisory, administrative, accounting, legal, training and other costs and expenses in connection with the transfer

C Upon the death or permanent disability of Franchisee or any person with any interest in Franchisee, the executor, administrator, or personal representative of such person shall transfer the interest to a third party approved by IHA within six (6) months after such death or permanent disability Such transfers including, without limitation, transfers by devise or inheritance, shall be subject to the same conditions as any <u>inter vivos</u> transfer (transfer by conveyance) However, in the case of transfer by devise or inheritance, if the heirs or beneficiaries of any such person are unable to meet the conditions in this Section 22, the personal representative of the deceased person shall have a reasonable time to dispose of the deceased's interest in Franchisee's business, which disposition shall be subject to all the terms and conditions for transfers contained in this Agreement If an approved transfer is not effected within a reasonable time, IHA may terminate this Agreement immediately upon written notice to the executor, administrator or any living person having an ownership interest in Franchisee's business

D IHA's consent to a transfer as provided herein shall not constitute a waiver of any claims IHA may have against the transferring party, nor shall it be deemed a waiver of IHA's right to demand exact compliance with any of the terms of this Agreement by the transferee

23 **<u>Covenants</u>**

A Franchisee specifically acknowledges that, pursuant to this Agreement, Franchisee will receive valuable specialized training and confidential information including, without limitation, information relating to the operational, sales, promotional, and marketing methods and techniques related to the placement and operation of IceBorn Machines Accordingly, Franchisee covenants that

(1) During the term of this Agreement, except as otherwise approved in writing by IHA, Franchisee or any owners of Franchisee shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation or limited liability company

(a) Divert or attempt to divert any business or customer of Franchisee's business to any competitor by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks,

(b) Employ or seek to employ any person who is at that time employed by IHA, an affiliate of IHA, or by any other franchisee, or otherwise directly or indirectly induce such person to leave his or her employment, or

(c) Own, maintain, advise, help, invest in, make loans to, be employed by, engage in, or have any direct or indirect interest in any similar business including, without limitation, any business that offers, sells or operates products the same as or similar to IceBorn Machines

(2) Except as otherwise approved in writing by IHA, for a continuous uninterrupted period of time commencing upon the expiration or termination of this Agreement, and continuing for two (2) years thereafter, regardless of the cause for termination and regardless of which party terminates this Agreement, Franchisee or any owners of Franchisee shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation, or limited liability company own, maintain, advise, help, invest in, make, including, without limitation, any loans to, be employed by, engage in, or have any direct or interest in any in any similar business, including any business that offers, sells or operates a product that is the same as or similar to the Approved Vending Unit at or within five (5) miles of the Approved Location

B The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant in this Agreement If all or any portion of a covenant in this Section 23 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which IHA is a party, Franchisee expressly agrees to be bound by any lesser covenant subsumed with the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 23

C Franchisee understands and acknowledges that IHA shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in Section 23 A of this Agreement, or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof, and Franchisee agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable

D Franchisee acknowledges that Franchisee's violation of the terms of this Section 23 would result in irreparable injury to IHA for which no adequate remedy at law may be available, and Franchisee accordingly consents to the issuance of, and agrees to pay all court costs and reasonable attorneys' fees incurred by IHA in obtaining an injunction prohibiting any conduct by Franchisee in violation of the terms of this Section 23 The issuance of such an injunction shall be in addition to any and all rights and remedies which IHA may have

24 **Arbitration** All controversies, disputes or claims between IHA, its subsidiaries and affiliates (and their respective shareholders, officers, directors, agents and employees) and Franchisee (and its affiliates, agents and employees) arising out of or related to this Agreement or the relationship of the parties hereto shall be submitted for arbitration to the American Arbitration Association on demand of either party Such arbitration proceedings shall be conducted in the city in which IHA then maintains its principal place of business and shall be heard by one arbitrator, and except as this Section otherwise provides, in accordance with the then current commercial arbitration rules of the American Arbitration Association The arbitrator shall have no authority to select a different hearing locale The arbitrator shall have the right to award or include in the award any relief which he deems proper in the circumstances,

including, without limitation, money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief and attorneys' fees and costs The award and decision of the arbitrator shall be conclusive and binding upon all parties hereto and judgment upon the award may be entered in any court of competent jurisdiction This provision shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement

25 **<u>Preliminary Relief</u>** Nothing herein shall prevent either party from applying to and obtaining a writ of attachment, temporary or preliminary injunction or other equitable relief from a court of competent jurisdiction, if necessary to preserve the status quo pending arbitration

26 **<u>Governing Law and Jurisdiction</u>** All issues relating to arbitration by IHA and Franchisee shall be governed by the Federal Arbitration Act (the "**FAA**") Except to the extent governed by the FAA, this Agreement, and the relationship between IHA and Franchisee shall be governed by and construed in accordance with the laws of the State of Florida (without regard to its conflict of law principles) With respect to any controversies, disputes or claims which are not subject to arbitration above, the parties irrevocably submit to the jurisdiction of the state courts of the state in which IHA then maintains its principal place of business and the federal district courts in such state and hereby waive all questions of personal jurisdiction for the purpose of carrying out this provision In any arbitration or litigation brought or conducted hereunder, the prevailing party shall recover its reasonable costs and expenses, including attorneys' fees incurred with respect to the dispute

27 **<u>Notices and Payments</u>** All written notices permitted or required by the provisions of this Agreement shall be deemed delivered (i) one (1) business day after transmission by facsimile, telecopy or other electronic system (evidenced by a machine generated receipt), (ii) one (1) business day after being placed in the hands of a commercial courier service for guaranteed next-day delivery, or (iii) five (5) business days after mailing, proper postage prepaid, by Registered or Certified Mail (or the equivalent), Return Receipt Requested Any notice to any party must be sent to the address specified on the first page of this Agreement, although IHA may change this address for notice by giving Franchisee written notice of the new address Franchisee may change the address for notice only by giving IHA fifteen (15) days' prior notice by any of the means specified in subparagraphs (i) through (iii) above

28 **<u>Waiver</u>** The waiver by either party of a breach or provision of this Agreement by the other shall not operate to be construed as a waiver of any subsequent breach by such other party

29 **<u>Severability</u>** The provisions of this Agreement are severable If any provision of this Agreement is held invalid or illegal in a final determination issued by a court or other administrative or judicial body having relevant jurisdiction or authority, and if such provision cannot be modified so as to preserve its legality and enforceability, then such a finding shall not invalidate any other provision hereunder and the provision declared invalid or illegal shall be considered severed from the remainder of the Agreement without impacting the Agreement's effectiveness (but for the severed provision)

30 **Entire Agreement** This Agreement contains the entire understanding and agreement between the parties All prior discussions, understandings, negotiations and agreements are merged herein Notwithstanding the foregoing, nothing in this Agreement will disclaim or require Franchisee to waive reliance on any representation that IHA has made in the franchise disclosure document (including its exhibits and attachments) that IHA delivered to Franchisee or Franchisee's representative This Agreement may not be changed orally or rescinded, but may only be changed or rescinded by an agreement to such effect in writing signed by the parties against whom enforcement of the same is sought

31 **Counterparts** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument Facsimile signatures shall be sufficient to bind the parties

32 **General** The paragraph headings are for information only and this Agreement shall not be construed by reference thereto

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed on the date and year first above written

IHA FRANCHISING, LLC, a Delaware limited liability company

By ______________________________
Title

FRANCHISEE

____
____
____

EXHIBIT A

APPROVED LOCATION

EXHIBIT B

PROTECTED TERRITORY

EXHIBIT C

GUARANTY

For value received, in consideration for and as an inducement for IHA to enter into the Franchise Agreement with Franchisee to which this Guaranty is attached, the undersigned personally guarantees to IHA, its successors and assigns the full performance and observance of all of the covenants, conditions and agreements, therein provided (including the non-competition, transfer and arbitration requirements) to be performed and observed by Franchisee and the undersigned further agrees to be bound by all such covenants, conditions and agreements contained in the Franchise Agreement The undersigned further covenants and agrees that this personal guaranty shall remain and continue in full force and effect as to any renewal, modification or extension of the Franchise Agreement The undersigned agree(s) that the undersigned's liability under this Guaranty shall be direct and immediate, joint and several, and shall not be contingent upon pursuit by IHA of any other remedies against Franchisee or any other person

____

____

____

Execution Date ____________________

Initials__

EXHIBIT C

MULTI-UNIT FRANCHISE AGREEMENT

<u>IHA FRANCHISING, LLC</u>

<u>MULTI-UNIT FRANCHISE AGREEMENT</u>

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IHA FRANCHISING, LLC

MULTI-UNIT FRANCHISE AGREEMENT

THIS MULTI-UNIT FRANCHISE AGREEMENT (this "**Agreement**") is made and entered into as of this _____ day of _________, 201_ by and between **IHA FRANCHISING, LLC**, a Delaware limited liability company having its principal place of business at 13901 Sutton Place South, Building A, Suite 100, Jacksonville, Florida 32224 ("**IHA**"), and ________________________, a ___________________ having its principal place of business at ____ ("**Multi-Unit Franchisee**")

RECITALS

WHEREAS, IHA and/or its affiliates are in the business of manufacturing and distributing certain machinery and related accessories for the production, sale and delivery of ready-made ice,

WHEREAS, the machinery manufactured and distributed by IHA and/or its affiliates include an ice vending machine ("**IceBorn House**"), an ice vending kiosk ("**IceBorn Kiosk**"), and a mini ice machine ("**IceBorn Express**"), all of which are subject to patents owned or pending by IHA's affiliate (collectively, "**IceBorn Machines**"),

WHEREAS, IHA's business is associated with certain trademarks, service marks and other commercial symbols, including "Ice House America," "IceBorn," and "Fresh From the Source" (collectively, the "**Marks**"),

WHEREAS, Multi-Unit Franchisee has applied to IHA for the right to purchase and operate IceBorn Machines at locations approved by IHA,

WHEREAS, IHA is willing to grant such rights to Multi-Unit Franchisee, provided Multi-Unit Franchisee agrees to meet a Development Schedule (defined herein) for the purchase and sale of IceBorn Machines, and

WHEREAS, Multi-Unit Franchisee understands and acknowledges the importance of the high standards of quality and service established by IHA for the operation of IceBorn Machines and the necessity of following those standards in the operation of IceBorn Machines

NOW, THEREFORE, the parties, in consideration of the undertakings and commitments of each party to the other party set forth herein, intending to be legally bound, hereby mutually agree as follows

1 **Grant of Rights**

A IHA hereby grants to Multi-Unit Franchisee, upon the terms and conditions of this Agreement, the non-exclusive right, and Multi-Unit Franchisee undertakes the obligation, to purchase and operate IceBorn Machines at locations approved by IHA ("**Approved Locations**") within the Territory (as defined below), subject to the terms of this Agreement (the "**Development Rights**") Multi-Unit Franchisee accepts such grant and agrees to devote

Initials___

sufficient time and efforts to fulfill its obligations under this Agreement Multi-Unit Franchisee acknowledges and understands that IHA does not control the location of certain ice vending machines or ice vending huts sold to independent dealers or franchisees prior to the date hereof or that may be sold hereafter pursuant to existing agreements and that such machines may be located at sites within the Territory

B Multi-Unit Franchisee shall not offer, sell, or negotiate the sale of the Development Rights to any third party, either in its own name or in the name of IHA, or otherwise subfranchise, subcontract, share, divide or partition the Development Rights or the Territory Pursuant to this Agreement, Multi-Unit Franchisee will (i) purchase a sufficient inventory of IceBorn Machines to satisfy customer demand in the Territory, (ii) use its best efforts to develop and establish IceBorn Machines at Approved Locations throughout the Territory, and (iii) not engage in any activity that conflicts with Multi-Unit Franchisee's development obligations under this Agreement

C The territory within which Multi-Unit Franchisee shall have the Development Rights described in this Agreement is set forth on Exhibit A attached hereto and incorporated herein by reference (the "**Territory**")

D Notwithstanding any other provision of this Agreement, IHA reserves all rights not granted to Multi-Unit Franchisees hereunder, including to initiate (without Multi-Unit Franchisee's consent) a national accounts sales program for products that could be distributed in the Territory "**National account**" shall mean an account with a third party that has interstate operations

E Except as provided herein, the rights granted to Multi-Unit Franchisee under this Agreement are nonexclusive, and IHA and its affiliates have and retain all rights within and outside the Territory Accordingly, IHA, its affiliates, and any other authorized person or entity shall have the right, among others, to (i) develop, establish and acquire other business systems within and outside the Territory (including systems that distribute products or services similar to IceBorn Machines) without providing any rights to Multi-Unit Franchisee, (ii) initiate a national accounts program as provided in Section 1 D above, (iii) advertise and promote IceBorn Machines in the Territory, and (iv) grant to any third party development rights within or outside the Territory

F Multi-Unit Franchisee will operate each IceBorn Machine under a separate franchise agreement (and related documents) with IHA The franchise agreement (and related documents) that Multi-Unit Franchisee will sign for each IceBorn Machine will be IHA's then current form of franchise agreement and related documents, any or all of the terms of which may differ substantially from the terms contained in the Franchise Agreement (defined in Section 5 B), provided, however, Multi-Unit Franchisee shall not be obligated to pay any initial fees due under the franchise agreement

2 **Term, Renewal and Expiration**

A Except as otherwise provided in this Agreement and unless terminated sooner in accordance with the terms and conditions of this Agreement, the term of this Agreement shall be ten (10) years commencing on the date hereof (the "**Term**")

B Multi-Unit Franchisee may, upon expiration of the Term of this Agreement, renew this Agreement for one (1) additional consecutive term of ten (10) years (the "**Renewal Term**") If not renewed, this Agreement shall expire and be of no further force and effect except for the duties and rights which expressly by this Agreement survive termination or expiration Renewal of this Agreement is subject to the Multi-Unit Franchisee's satisfaction of the following terms and conditions

(1) Multi-Unit Franchisee shall give IHA written notice of Multi-Unit Franchisee's desire to renew not less than twelve (12) months nor more than eighteen (18) months prior to the end of the Term,

(2) Multi-Unit Franchisee shall not be in default of any provision of this Agreement, any amendment hereof or successor hereto, or any other agreement between IHA or its affiliates, and Multi-Unit Franchisee shall have substantially complied with all the terms and conditions of such agreements during the terms thereof,

(3) Multi-Unit Franchisee and shall have met or exceeded the Development Schedule for the establishment of IceBorn Machines in the Territory during the Term,

(4) Multi-Unit Franchisee shall have satisfied all monetary obligations owed by Multi-Unit Franchisee to IHA and its subsidiaries and affiliates, and shall have timely met these obligations throughout the Term,

(5) Multi-Unit Franchisee shall execute IHA's then current form of multi-unit franchise agreement and any accompanying addenda for the Renewal Term, if any, which agreement shall supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement,

(6) Multi-Unit Franchisee and IHA shall agree on a development schedule for the Renewal Term, and

(7) Multi-Unit Franchisee shall execute a general release in a form prescribed by IHA of any and all claims against IHA and its subsidiaries and affiliates, and their respective officers, directors, agents, and employees

3 **Identification of Approved Locations for IceBorn Machines** Multi-Unit Franchisee, with assistance from IHA, shall identify potential sites for the placement of IceBorn Machines IHA will, to the extent IHA deems advisable, offer counseling and advice in selecting sites Upon identification by Multi-Unit Franchisee or IHA of a proposed location for placement of an IceBorn Machine, Multi-Unit Franchisee and IHA shall promptly review such specific site data, demographic and other information concerning the site as may be reasonably required by IHA IHA shall either accept or reject the proposed site within a reasonable time after receiving

all site data, demographic and other information concerning the site, as requested by IHA To be effective, any acceptance by IHA must be in writing Multi-Unit Franchisee understands and acknowledges that IHA may reject any proposed site that does not meet its then current criteria for IceBorn Machines The acquisition in any manner of any proposed site prior to approval by IHA shall be at the sole risk and responsibility of Multi-Unit Franchisee and shall not obligate IHA in any way to accept the site

4 **Site Suitability** In executing this Agreement, accepting or rejecting any potential location, giving advice or providing services or assistance in connection with identifying and locating sites under this Agreement, IHA does not guarantee or warrant the suitability of any location or the success of any IceBorn Machine IHA expressly disclaims any such guarantees or warranties, express or implied, with respect to the success of any IceBorn Machine Multi-Unit Franchisee additionally acknowledges that the success of any IceBorn Machine depends on many factors, some of which are outside the control of either IHA or Multi-Unit Franchisee, but principally depend on Multi-Unit Franchisee's efforts and business acumen in operating an IceBorn Machine at an Approved Location

5 **Duties of Multi-Unit Franchisee**

A Multi-Unit Franchisee agrees to establish and have in operation the number of IceBorn Machines in the Territory in accordance with the development schedule set forth in Exhibit B attached hereto (the "**Development Schedule**")

B Multi-Unit Franchisee shall have the obligation to enter into a franchise agreement with IHA within sixty (60) days after the date Multi-Unit Franchisee executes this Agreement (the "**Franchise Agreement**") to open and operate the first IceBorn Machine in the Territory, which shall be either an IceBorn House or an IceBorn Kiosk IHA and its affiliates reserve the right to change the published price for IceBorn Machines upon thirty (30) days' advance written notice to Multi-Unit Franchisee Any such change in the prices for IceBorn Machines shall apply to any purchase order received by IHA and its affiliates after the effective date and notice to Multi-Unit Franchisee of such price change All purchases shall be subject to the terms and conditions established by IHA and its affiliates from time to time

C Multi-Unit Franchisee shall, at its sole expense, develop a program to promote IceBorn Machines throughout the Territory

D All advertising by Multi-Unit Franchisee in any medium shall be conducted in a dignified manner, shall be completely truthful, accurate, and not misleading, shall comply with the highest ethical standards applicable to advertising generally and the Multi-Unit Franchisee's business in particular, shall comply with all federal, state, and local laws and regulations and shall conform to such standards and requirements as IHA may specify from time to time in writing Multi-Unit Franchisee shall not use any advertising or promotional plans or materials unless and until Multi-Unit Franchisee has received written approval from IHA, which approval shall not be unreasonably withheld If written approval is not received by Multi-Unit Franchisee from IHA within fifteen (15) days of date of receipt by IHA of any advertising or promotional plans or materials, IHA shall be deemed to have disapproved of such advertising or promotional plans or materials Multi-Unit Franchisee agrees to refrain from any business or advertising practice which may be injurious to the business of IHA or the goodwill associated with the Marks Multi-Unit Franchisee shall not disseminate or display any advertising, promotional or marketing materials of any kind which have not been provided to Multi-Unit Franchisee by IHA or approved in writing by IHA Multi-Unit Franchisee shall not establish a separate website to advertise, promote or market Multi-Unit Franchisee's business without the prior written consent of IHA

E Multi-Unit Franchisee shall provide all information reasonably requested by IHA to enable it to review proposed sites for IceBorn Machines and to enable IHA to otherwise exercise its right to approve sites for the placement of IceBorn Machines

F Multi-Unit Franchisee shall ensure that all IceBorn Machines in the Territory are in good working order

G Periodically, but no less than quarterly, Multi-Unit Franchisee shall inspect the operation of each of the IceBorn Machines in the Territory to ensure compliance with IHA's standards In addition, and without limitation of the foregoing, Multi-Unit Franchisee agrees to assist in administering quality assurance programs established by IHA from time to time

6 **Duties of IHA**

A IHA shall sell or arrange for the sale of IceBorn Machines to Multi-Unit Franchisee for purposes of enabling Multi-Unit Franchisee to satisfy its duties and obligations under this Agreement IHA shall use its reasonable efforts to ensure that Multi-Unit Franchisee's purchase orders are filled promptly

B IHA shall make available to Multi-Unit Franchisee repair and replacement parts determined by IHA to be reasonably necessary to service IceBorn Machines

C IHA shall seek to maintain high standards of quality, cleanliness, health, safety, appearance and service at the IceBorn Machines, and to that end shall provide Multi-Unit Franchisee with such continuing advisory assistance as IHA deems advisable in the operation of the IceBorn Machines and inspection of the IceBorn Machines operating at Approved Locations to ensure quality of products and services and the appearance of the system

D IHA will provide Multi-Unit Franchisee with access to any promotional materials that IHA may (but is not required to) develop, the cost of which IHA may pass on to Multi-Unit Franchisee

7 **The Marks** This Agreement is not a franchise agreement and does not grant Multi-Unit Franchisee the right to engage in the business of offering, selling or distributing goods and services under the Marks or to use the Marks in any manner These rights are granted only by the franchise agreements

8 **No Sublicensing Rights** This Agreement does not grant Multi-Unit Franchisee any right to license others to operate IceBorn Machines Only Multi-Unit Franchisee may open and operate IceBorn Machines pursuant to this Agreement and only under franchise agreements with IHA

9 **Transfers and Assignments**

A IHA shall have the right to transfer or assign all or any part of this Agreement and IHA's rights or obligations herein to any person or legal entity

B Multi-Unit Franchisee (and its owners) acknowledge that IHA is granting Multi-Unit Franchisee the rights under this Agreement because of IHA's perception of Multi-Unit Franchisee's (and Multi-Unit Franchisee's owners') individual and collective character, skill, business acumen, financial capability and ability to operate IceBorn Machines according to IHA's standards Therefore, this Agreement may not be assigned or transferred without the prior written consent of IHA, which IHA may grant or withhold for any or no reason Multi-Unit Franchisee shall pay a transfer fee of Five Thousand Dollars ($5,000) to IHA in connection with any transfer or assignment of this Agreement

10 **Termination** IHA may terminate this Agreement and Multi-Unit Franchisee's right to develop additional IceBorn Machines within the Territory at any time, effective upon delivery of written notice of termination, if (a) Multi-Unit Franchisee fails to satisfy either its development obligations under the Development Schedule or any other obligation under this Agreement, which defaults Multi-Unit Franchisee has no right to cure, or (b) any franchise agreement between IHA and Multi-Unit Franchisee for an IceBorn Machine is terminated by IHA or Multi-Unit Franchisee for any reason If this Agreement is terminated for any reason, Multi-Unit Franchisee will lose all rights to further develop IceBorn Machines in the Territory, provided, however, termination will not affect Multi-Unit Franchisee's right to operate any IceBorn Machines in existence or under development provided Multi-Unit Franchisee is in compliance with the franchise agreement for any such IceBorn Machine

11 **Corporate, Limited Liability Company or Partnership Multi-Unit Franchisees**

A In the event that Multi-Unit Franchisee is a corporation or a limited liability company, Multi-Unit Franchisee shall comply with the following requirements

(1) Multi-Unit Franchisee shall be newly organized

(2) Copies of Multi-Unit Franchisee's Articles of Incorporation, Certificate of Organization or charter shall at all times provide that its activities are confined exclusively to operating the business contemplated hereunder

(3) Multi-Unit Franchisee shall maintain stop-transfer instructions against the transfer on its records of any equity security, and each equity security of Multi-Unit Franchisee shall have endorsed on it the following printed legend which shall legibly and conspicuously appear

"The transfer of the [stock][ownership interest] represented by this certificate is subject to the terms and conditions of a Multi-Unit Franchise Agreement with IHA Franchising, LLC dated [insert date of Agreement] "

(4) Multi-Unit Franchisee shall maintain a current list of all owners of record or members and all beneficial owners of any class of voting securities or securities convertible into voting securities of Multi-Unit Franchisee and shall furnish the list to IHA upon request

B In the event that Multi-Unit Franchisee is a partnership, Multi-Unit Franchisee shall comply with the following requirements

(1) Multi-Unit Franchisee shall furnish IHA with its partnership agreement as well as such other documents as IHA may reasonably request, and any amendment thereto, and

(2) Multi-Unit Franchisee shall prepare and furnish to IHA, upon request, a list of all general and limited partners in Multi-Unit Franchisee

C If Multi-Unit Franchisee is a corporation, partnership, limited liability company or other legal entity, the ownership interests in Multi-Unit Franchisee are accurately and completely described in Exhibit C

12 **Taxes and Permits**

A Multi-Unit Franchisee shall promptly pay when due all taxes levied or assessed including, without limitation, unemployment and sales taxes, and all accounts and other indebtedness of every kind incurred by Multi-Unit Franchisee in the conduct of Multi-Unit Franchisee's business

B Multi-Unit Franchisee shall comply with all federal, state, and local laws, rules, and regulations, and shall timely obtain any and all permits, certificates, or licenses necessary for the full and proper conduct of Multi-Unit Franchisee's business including, without limitation, licenses to do business, fictitious or assumed name registrations, and sales tax permits

C Multi-Unit Franchisee shall notify IHA, in writing, within five (5) days of the commencement of any action, suit, or proceeding, and of the issuance of any order, writ, injunction, aware, or decree of any court, agency, or other governmental instrumentality, which may adversely affect the operation or financial condition of Multi-Unit Franchisee's business

13 **Confidential Information**

A Multi-Unit Franchisee shall not, during the Term of this Agreement or at any time thereafter, communicate, divulge, or use for the benefit of any other person, persons, partnership, association, or corporation any confidential information, knowledge, or know-how including, without limitation, standards, procedures, product information, specifications and the methods of operation of IceBorn Machines which may be communicated to Multi-Unit Franchisee, or of which Multi-Unit Franchisee may be apprised, by virtue of Multi-Unit Franchisee's operation under the terms of this Agreement Multi-Unit Franchisee shall divulge such confidential information only to those employees who must have access to such confidential information in order to assist Multi-Unit Franchisee in the operation of its business Any and all information, knowledge, know-how, and techniques which IHA designates as confidential shall be deemed confidential for purposes of this Agreement, except information which Multi-Unit Franchisee can demonstrate came to its attention prior to disclosure thereof by IHA or which becomes a part of the public domain, through publication or communication by others, who by that communication are not breaching any obligation of confidentiality to Multi-Unit Franchisee or IHA

B Multi-Unit Franchisee acknowledges that the provisions of this Section 13 are and have been a primary inducement to IHA to enter into this Agreement and that any failure to comply with the requirements of Section 13 A may cause IHA irreparable injury without any adequate remedy at law, and, that IHA shall be entitled to all court costs and reasonable attorneys' fees incurred in obtaining specific performance of the covenants contained in Section 13 A or an injunction against any violation of the requirements of Section 13 A of this Agreement

C At IHA's request, Multi-Unit Franchisee shall require any or all of Multi-Unit Franchisee's managers and personnel who may have access to confidential information to execute covenants that they will maintain the confidentiality of information they receive in connection with their employment by Multi-Unit Franchisee Such covenants shall be in a form satisfactory to IHA, which may include, without limitation, specific identification of IHA as a third party beneficiary of such covenants with the independent right to enforce them.

14 **Insurance**

A Multi-Unit Franchisee shall procure and maintain in full force and effect during the Term of this Agreement, at Multi-Unit Franchisee's expense, an insurance policy or policies protecting Multi-Unit Franchisee and IHA, and IHA's respective officers, directors, partners, and employees, against any claims for loss, liability, personal injury, death, property damage, or any expense whatsoever arising out of or occurring upon or in connection with Multi-Unit Franchisee's business Such policy or policies shall be written by an insurance company satisfactory to IHA in accordance with IHA's then current standards and specifications for insurance coverage, including minimum policy limits of coverage, and shall include, at a minimum (except as additional coverages and higher policy limits may reasonably be specified by IHA from time to time), comprehensive general liability insurance, including product liability, contractual liability, personal injury, property damage, and independent contractor's coverage and owned and non-owned automobile liability coverage

B Upon obtaining the insurance required by this Agreement and on each policy renewal date thereafter, Multi-Unit Franchisee shall promptly submit evidence of satisfactory insurance and proof of payment therefor to IHA, together with, upon request, copies of all policies and policy amendments The evidence of insurance shall include a statement by the insurer that the policy or policies will not be canceled or materially altered without at least thirty (30) days prior written notice to IHA Should Multi-Unit Franchisee, for any reason, fail to procure or maintain any insurance required by this Agreement, as such requirements may be revised from time to time by IHA in writing, IHA shall have the right and authority (without, however, any obligation), immediately to procure such insurance and to charge the same to Multi-Unit Franchisee

15 **Independent Contractor and Indemnification**

A It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them, that Multi-Unit Franchisee shall be an independent contractor, and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever

B Multi-Unit Franchisee shall hold itself out to the public as an independent contractor Multi-Unit Franchisee agrees to take such affirmative action as may be necessary to do so, including without limitation, exhibiting a notice of that fact on business cards, promotional materials and other materials used by Multi-Unit Franchisee in its business, the content of which IHA reserves the right to specify

C It is understood and agreed that nothing in this Agreement authorizes Multi-Unit Franchisee to make any contract, agreement, warranty, or representation on IHA's behalf, or to incur any debt or other obligation in IHA's name and, that IHA shall in no event assume liability for, or be deemed liable as a result of, any such action, or by reason of any act or omission of Multi-Unit Franchisee in the conduct of its business or any claim or judgment arising therefrom against IHA

D Multi-Unit Franchisee hereby agrees to indemnify and save IHA, its affiliates, and its and their respective owners, directors, officers, employees, and agents ("**Indemnitees**") harmless from and reimburse the Indemnitees for any and all liabilities, losses, suits, claims, demands, costs, fines, taxes, losses (including legal fees and costs) and actions of any kind or nature whatsoever to which they shall or may become liable for or suffer (i) by reason of any breach, violation or non-performance on the part of Multi-Unit Franchisee or any of Multi-Unit Franchisee's affiliates, owners, directors, officers, employees and agents of any term or condition of this Agreement, or (ii) by reason of the operation by Multi-Unit Franchisee of the business contemplated by this Agreement IHA has the right to defend any such claim The terms of this Section 15 D shall survive the termination, expiration or transfer of this Agreement or any interest herein

16 **Approvals and Waivers**

A Whenever this Agreement requires the prior approval or consent of IHA, Multi-Unit Franchisee shall make a timely written request to IHA, and such approval or consent shall be obtained in writing

B IHA makes no warranties or guarantees upon which Multi-Unit Franchisee may rely, and assumes no liability or obligation to Multi-Unit Franchisee, by providing any waiver, approval, consent, or suggestion to Multi-Unit Franchisee in connection with this Agreement, or by reason of any neglect, delay, or denial of any request therefore

C No delay, waiver, omission, or forbearance on the part of IHA to exercise any right, option, duty, or power arising out of any breach or default by Multi-Unit Franchisee, or by any other franchisee, of any of the terms, provisions, or covenants hereof, shall constitute a waiver by IHA to enforce any such right, option, or power against Multi-Unit Franchisee, or as to subsequent breach or default by Multi-Unit Franchisee Subsequent acceptance by IHA of any payments due to it hereunder shall not be deemed to be a waiver by IHA of any preceding breach by Multi-Unit Franchisee of any terms, covenants, or conditions of this Agreement

17 **<u>Notices</u>** All written notices permitted or required by the provisions of this Agreement shall be deemed delivered (i) one (1) business day after transmission by facsimile, telecopy or other electronic system (evidenced by a machine generated receipt), (ii) one (1) business day after being placed in the hands of a commercial courier service for guaranteed next-day delivery, or (iii) five (5) business days after mailing, proper postage prepaid, by Registered or Certified Mail (or the equivalent), Return Receipt Requested Any notice to any party must be sent to the address specified on the first page of this Agreement, although IHA may change this address for notice by giving Multi-Unit Franchisee written notice of the new address Multi-Unit Franchisee may change the address for notice only by giving IHA fifteen (15) days' prior notice by any of the means specified in subparagraphs (i) through (iii) above

18 **<u>Entire Agreement</u>** This Agreement, the documents referred to herein, and the Exhibits hereto, constitute the entire, full, and complete understanding and agreement between the parties concerning the subject matter hereof, and supersede any and all prior agreements between the parties Notwithstanding the foregoing, nothing in this Agreement shall disclaim or require Multi-Unit Franchisee to waive reliance on any representation that IHA made in the most recent franchise disclosure document (including its exhibits and amendments) that IHA has delivered to Multi-Unit Franchisee No amendment, change, or variance from this Agreement shall be binding on the parties unless mutually agreed to by the parties and executed by themselves or their authorized officers or agents in writing No purported amendment, change or variance from the printed form of this Agreement shall be binding unless initialed by all parties hereto

19 **<u>Severability and Construction</u>**

A Except as expressly provided to the contrary herein, each section, part, term, and/or provision of this Agreement shall be considered severable, and if, for any reason, any section, part, term, and/or provision herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such shall not impair the operation of, or have any other effect upon, such other sections, parts, terms and/or provisions of this Agreement as may remain otherwise intelligible, and, the latter shall continue to be given full force and effect and bind the parties hereto, and said invalid sections, parts, terms and/or provisions shall be deemed not to be a part of this Agreement, provided, however, that if IHA determines that such finding of invalidity or illegality adversely affects the basic consideration of this Agreement, IHA may, at its option, terminate this Agreement

B Notwithstanding anything to the contrary herein, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than IHA, Multi-Unit Franchisee, their officers, directors, members, managers, partners and such of their respective successors and assigns as may be contemplated by Section 9 of this Agreement, any rights or remedies under or by reason of this Agreement

C All captions in this Agreement are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof

D All references herein to the masculine, neuter or singular shall be construed to include the masculine, feminine, neuter or plural, where applicable, and all acknowledgments, promises, covenants, agreements and obligations herein made or undertaken by Multi-Unit Franchisee shall be deemed jointly and severally undertaken by all the parties hereto on behalf of Multi-Unit Franchisee

E This Agreement takes effect upon its acceptance and execution by IHA

20 **Applicable Law and Dispute Resolution**

A All issues relating to arbitration by IHA and Multi-Unit Franchisee shall be governed by the Federal Arbitration Act (the "**FAA**") Except to the extent governed by the FAA, this Agreement, and the relationship between IHA and Multi-Unit Franchisee shall be governed by and construed in accordance with the laws of the State of Florida (without regard to its conflict of law principles)

B All controversies, disputes or claims between IHA, its affiliates (and their respective shareholders, officers, directors, agents and employees) and Multi-Unit Franchisee (and its affiliates and their respective shareholders, officers, directors, agents and employees) arising out of or related to this Agreement or the relationship of the parties hereto shall be submitted for arbitration to the American Arbitration Association on demand of either party Such arbitration proceedings shall be conducted in the city in which IHA then maintains its principal place of business and shall be heard by one arbitrator, and except as this Section otherwise provides, in accordance with the then current commercial arbitration rules of the American Arbitration Association The arbitrator shall have no authority to select a different hearing locale The arbitrator shall have the right to award or include in the award any relief which he deems proper in the circumstances, including, without limitation, money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief and attorneys' fees and costs The award and decision of the arbitrator shall be conclusive and binding upon all parties hereto and judgment upon the award may be entered in any court of competent jurisdiction This provision shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement Nothing herein shall prevent either party from applying to and obtaining a writ of attachment, temporary or preliminary injunction or other equitable relief from a court of competent jurisdiction, if necessary to preserve the status quo pending arbitration

C With respect to any controversies, disputes or claims which are not subject to arbitration above, the parties irrevocably submit themselves to the jurisdiction of the state courts in the state in which IHA then maintains its principal place of business and the federal district courts for such state and hereby waive all questions of personal jurisdiction for the purpose of carrying out this provision

D No right or remedy conferred upon or reserved to IHA or Multi-Unit Franchisee by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy Notwithstanding any other provision of this Agreement, nothing herein contained shall bar IHA's right to seek injunctive relief against threatened conduct that will cause it loss or damages under the usual equity rules, including the applicable rules for seeking restraining orders and preliminary injunctions

E In any arbitration or litigation brought or conducted hereunder, the prevailing party shall recover its reasonable costs and expenses, including attorneys' fees incurred with respect to the dispute

F Multi-Unit Franchisee hereby waives, to the fullest extent permitted by law, any right to or claim or any punitive, exemplary, incidental, indirect, special, consequential or other similar damages (including, without limitation, loss of profits) against IHA, its affiliates, and their respective officers, directors, shareholders, partners, members, agents, and employees, in their corporate and individual capacities, arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agrees that in the event of a dispute, Multi-Unit Franchisee shall be limited to the recovery of any actual damages sustained by it If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions of waiver by agreement of punitive, exemplary, incidental, indirect, special, consequential or other similar damages (including, without limitation, loss of profits) shall continue in full force and effect

G In any litigation between the parties founded upon or arising from this Agreement, the parties hereby waive their respective rights to a jury trial and the parties hereby stipulate that any such trial shall occur without a jury

21 **Acknowledgments**

A Multi-Unit Franchisee acknowledges that it has conducted an independent investigation of the business contemplated hereunder, and recognizes that the business venture contemplated by this Agreement involves business risks and that its success will be largely dependent upon the ability of Multi-Unit Franchisee as an independent business owner IHA expressly disclaims the making of, and Multi-Unit Franchisee acknowledges that it has not received, any warranty or guarantee, express or implied, as to the potential volume, profits, or success of the business venture contemplated by this Agreement

B Multi-Unit Franchisee acknowledges that it has read and understood this Agreement, the Exhibits hereto, and agreements relating hereto, if any and, that IHA has accorded Multi-Unit Franchisee ample time and opportunity to consult with advisors of its own choosing about the potential benefits and risks of entering into this Agreement

C Multi-Unit Franchisee acknowledges having received a complete copy of this Agreement and all related attachments and Exhibits and a complete copy of IHA's franchise disclosure document required by the Federal Trade Commission's Franchise Trade Regulation Rule (16 C F R Part 436) within the time period required by applicable law before Multi-Unit Franchisee executed this Agreement or paid any consideration to IHA Multi-Unit Franchisee acknowledges that it did not rely on any promises, representations or agreements about IHA's business not expressly contained in this Agreement or IHA's franchise disclosure document in making its decision to sign this Agreement Multi-Unit Franchisee acknowledges that IHA and its representatives have not made any promises, representations or agreements, oral or written, except as expressly contained in this Agreement and the franchise disclosure document Multi-Unit Franchisee further acknowledges that Multi-Unit Franchisee has read this Agreement and IHA's franchise disclosure document and that Multi-Unit Franchisee understands the terms of this Agreement and accepts them as being reasonably necessary for IHA to protect the goodwill of the Marks and the integrity of IHA's business Nothing in this Agreement will disclaim or require Multi-Unit Franchisee to waive reliance on any representation in the franchise disclosure document (including its exhibits and attachments) that IHA delivered to Multi-Unit Franchisee or its representative

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement on the day and year first above written

IHA FRANCHISING, LLC, a Delaware limited liability company

By ______________________________

Name (printed) ______________________

Title ____________________________

MULTI-UNIT FRANCHISEE

____

By ______________________________

Name (printed) ______________________

Title ____________________________

EXHIBIT A

TERRITORY

The "**Territory**" consists of the following geographical area

____

Initials___

EXHIBIT B

DEVELOPMENT SCHEDULE

EXHIBIT C

STATEMENT OF OWNERSHIP INTERESTS

The following is a list of all shareholders, partners, members or other investors owning a direct or indirect interest in Multi-Unit Franchisee, and a description of the nature of their interest

EXHIBIT D

OPERATING MANUAL TABLE OF CONTENTS

OPERATING MANUAL

TABLE OF CONTENTS

EXHIBIT E

TERMS AND CONDITIONS

ICEBORN HOUSE AND ICEBORN KIOSK TERMS AND CONDITIONS

ICE HOUSE AMERICA, L L C TERMS AND CONDITIONS

1 GENERAL The sale of Ice House Amenca, LLC (IHA) Ice Vendıng Machınes and Huts and servıces ıs subject to the followıng terms and condıtıons, and to any addıtıonal terms and condıtıons (not ın conflict wıth the followıng terms and condıtıons) to whıch IHA expressly agrees ın wrıtıng IHA specıfically objects to and rejects any contrary terms and condıtıons contaıned ın any purchase order for IHA Ice Vendıng Machınes and Huts and servıces No acknowledgment of a purchase order waıves the followıng terms and condıtıons unless sıgned by an executıve officer of IHA The provısıons of thıs sectıon and the followıng terms and condıtıons shall constıtute a part of any contract for the sale of IHA Ice Vendıng Machınes and Huts and servıces These Terms and Condıtıons may be superseded or revısed by IHA wıth notıce to Owner-Operator and any revısed Terms and Condıtıons shall be bındıng on Owner-Operator by ıts purchase of products from IHA

2 DELIVERY AND RISK OF LOSS Delıvery shall occur ten (10) days after Manufacturer's completıon date, or upon pıck-up, whıchever occurs first By "completıon date" ıs meant Manufacturer's estımated completıon date or actual completıon, whıchever occurs later All delıvenes are f o b Moultne, Georgıa, or such other place from whıch IHA Ice Vendıng Machınes and Huts are shıpped All Rısk of Ownershıp, ıncludıng but not lımıted to, damage to, or loss or destructıon of, the Ice Vendıng Machınes and Huts passes to Owner-Operator upon Delıvery Manufacturer reserves the nght to transfer the Ice Vendıng Machınes and Huts ın a sıngle shıpment or ın ınstallments In no event shall any Ice Vendıng Machıne and/or Hut shıp unless paıd ın full Owner-Operator shall keep the Ice Vendıng Machınes and Huts ınsured agaınst all nsks of loss or damage by fire and such other nsks as are covered by endorsement commonly known as supplemental or extended coverage begınnıng on the 10th day after Manufacturer's completıon date or upon pıck-up for transport, whıchever comes first, and durıng shıpment through set-up regardless of when shıpped In addıtıon, the Owner-Operator ıs responsıble for carryıng publıc lıabılıty and property damage ınsurance covenng the equıpment that ıt owns and ıts busıness ın an amount of not less than $1,000,000 per occurrence and covenng Owner-Operator's ındemnıty oblıgatıons under the Agreement The Owner-Operator's polıcy shall remaın ın force throughout the Term of the Agreement, or so long as the machıne ıs ın operatıon All polıcıes shall name IHA as an addıtıonal ınsured and shall be wntten by companıes reasonably acceptable to IHA Owner-Operator shall furnısh to IHA at least annually (and more frequently as reasonably requested) certıficates evıdencıng Owner-Operator's ınsurance coverage satısfyıng the terms hereof

3 PRICING AND TERMS All pnces are ın U S dollars and are F O B Terms are CIA unless wrıtten credıt terms are establıshed between IHA and the Owner-Operator Orders for IHA Ice Vendıng Machınes and Huts receıved and acknowledged wıll be entıtled to pncıng per IHA's bonafide retaıl pnce lıst ın effect on the date the order ıs receıved Reasonable requests for extended completıon dates wıll be granted ın IHA's dıscretıon, provıded, however, that Owner-Operator shall be responsıble to pay any pnce ıncreases wıth respect to such Ice Vendıng Machıne and Huts that may occur between (a) the

normal quoted completion date and (b) the extended completion date, unless the parties expressly agree otherwise in writing

4 DEFAULT In the event Owner-Operator fails to take possession of any Ice Vending Machine or Hut within 120 days of completion, or other default, IHA at its discretion and option shall be entitled to consider the product abandoned and retain all money paid for the machine by Owner-Operator as liquidated damages Waiver by IHA of any breach or default shall not constitute a waiver of any subsequent breach or default

5 INSPECTIONS Owner-Operator shall have the right to inspect IHA's Ice Vending Machines and Huts prior to shipment, and will also have the right to inspect the Ice Vending Machines and Huts within ten (10) days after their arrival at receiving point Failure to make inspection, and to provide IHA with written or facsimile notice specifying any claimed basis for rejection, within that time, will constitute acceptance of the Ice Vending Machines and Huts and, if the Owner-Operator has established credit terms, a final waiver of any right to make any inspection prior to payment for the Ice Vending Machines and Huts If Owner-Operator exercises the right to inspect the Ice Vending Machines and Huts prior to shipment, IHA will provide reasonable facilities and assistance for the safety and convenience of the inspectors, such inspection will be deemed preliminary only, and all such Ice Vending Machines and Huts so inspected will be subject to Owner-Operator's right to final inspection at receiving point as specified above

6 LIMITED WARRANTIES

(a) Encumbrances IHA warrants that IHA Ice Vending Machines and Huts will be delivered free from any security interest, lien, or encumbrance EXCEPTING such liens against the Ice Vending Machines and Huts as security for payment for the Ice Vending Machines and Huts by the Owner-Operator, if credit terms have been established

(b) Freedom from Defects IHA Ice Vending Machine and Huts, when properly installed and maintained according to the Manufacturer's recommendations, are warranted to be free from defects in material and workmanship for a period of one year from the time of shipment provided, however, that the Manufacturer's completion date and the shipment date are no longer than 60 days apart In the event the house is shipped later than 60 days after completion, the warranty period will commence on the 60th day after completion (the "**Warranty Period**")

(c) Remedy for Defects in IHA Assemblies During the Warranty Period, the warranty covers the cost of material and labor for replacement or repair to an IHA assembly or sub assembly fabricated by IHA However, IHA reserves the right to refund Owner-Operators's documented costs of in-warranty repair, in lieu of Manufacturer's repairing or replacing of the assembly-under-warranty, but in no case shall the refund exceed the costs IHA would have incurred if it had installed the component

(d) Remedy for Defects in Third Party Parts Where applicable, IHA will provide replacement parts for items, under warranty, that have been provided by a third party vendor Such warranty service will be in accordance with such third party vendor's warranty policies IHA does not provide labor or pay for labor costs in these cases and IHA is not required to legally pursue the vendor

(e) Limitations Concerning Product Treatment This limited warranty does not apply to Ice Vending Machine or Hut components that have been subjected to abnormal or unusual conditions such as unauthorized modifications, unauthorized repairs, misuse, neglect, accident, alteration, improper installation, (unless such installation is by IHA) or other acts which IHA has not authorized, including damage caused in shipping/transportation

(f) Limitations Concerning Other External Events This limited warranty also does not apply to any product that has been damaged by external causes, such as fire, flood, sand, dirt, lightning, acts of God, theft, and improper use of any electrical source or connection to a product not recommended

(g) Requirement for Proper Warranty Claim Every claim under this warranty must meet the following two additional criteria the claim (a) must concern a defect discovered before expiration of the Warranty Period, and (b) must be made in writing and delivered to IHA within thirty (30) days of the date of such discovery A claim that does not meet all applicable criteria will not trigger IHA's warranty obligations under this Section 5 IHA must be given an opportunity to inspect the Ice Vending Machine and Hut component alleged to be defective in order to determine if the handling, installation, and operating conditions have been satisfactory, and otherwise to determine whether the claim falls within this warranty

7 RETURNS/LIMITED REMEDIES IHA Ice Vending Machines and Huts, which are nonconforming, may be returned, at Manufacturer's expense, for full credit or replacement, at Owner Operator's option, provided, however, that no IHA Ice Vending Machines and Huts may be returned without prior written authorization by IHA All freight charges on a replacement Ice Vending Machine or Hut shall be prepaid at the Manufacturer's expense IHA shall have no liability for Ice Vending Machines and Huts damaged in shipment **THIS SECTION STATES THE SOLE AND EXCLUSIVE REMEDIES FOR BREACH OF WARRANTY**

8 LIMITATION OF LIABILITY TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE MAXIMUM LIABILITY, IF ANY, OF IHA FOR ALL DAMAGES, INCLUDING, WITHOUT LIMITATION, CONTRACT DAMAGES AND DAMAGES TO PERSONS OR PROPERTY, WHETHER ARISING FROM IHA'S BREACH OF THESE TERMS AND CONDITIONS, NEGLIGENCE, STRICT LIABILITY, OR OTHER TORT, WITH RESPECT TO IHA ICE VENDING MACHINES AND HUTS OR ANY PARTS OR SERVICE PROVIDED BY IHA, IS HEREBY EXPRESSLY LIMITED TO AN AMOUNT NOT TO EXCEED THE PURCHASE PRICE OF THE INVOLVED IHA ICE VENDING MACHINE AND/OR HUT IN NO EVENT SHALL IHA BE

LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST REVENUES AND PROFITS, EVEN IF IHA HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES

9 FORCE MAJEURE Either party shall not be liable to the other for any delay or inability to provide Owner-Operator with IHA Ice Vending Machines and Huts due to fire, windstorm, flood, or act of god, governmental order or regulation, or labor difficulties

10 GOVERNING LAW Any and all disputes between IHA and Owner-Operator relating to the sale of IHA Ice Vending Machines and Huts and services are governed by the laws of the state of Florida, without regard to conflict of laws principals

ICEBORN EXPRESS TERMS AND CONDITIONS

IceBorn Express Terms and Conditions -- Franchise

1 **GENERAL** All deposits for Ice House America (IHA) IceBorn Express units are nonrefundable IHA shall require balance due for all IceBorn Express Orders to Buyer on the completion date, or upon pick-up FOB Moultrie, Georgia, whichever occurs first At such time, a paid-in-full invoice and Bill of Sale will be issued and for all intents and purposes, will constitute Delivery, at which time Buyer shall assume all Risks of Ownership In no event shall Buyer pick-up any IceBorn Express prior to paying any outstanding balance for such unit in full In the event that the IceBorn Express is not paid in full and/or picked up from IHA's manufacturing facility within thirty (30) days following its completion date, IHA reserves the right to consider the IceBorn Express abandoned and forfeited, with no return of any deposit to Buyer The "completion date" used herein, is defined as the first date communicated to Buyer following the placement and acceptance of the applicable IceBorn Express order, or the actual completion date, whichever occurs later In other words, if IHA completes the IceBorn Express earlier than originally expected, the original communicated completion date will prevail for purposes of this policy However, if IHA completes the IceBorn Express later than originally communicated, the actual completion date will prevail for purposes of this policy All sales of IceBorn Express units are final and units cannot be returned except in an accordance with IHA's Limited Warranty Policy (see below for details and additional terms and conditions)

2 **LIMITED WARRANTIES**

(a) Encumbrances IHA warrants that IceBorn Express units will be delivered free from any security interest, lien, or encumbrance EXCEPTING such liens against the IceBorn Express as security for payment for the IceBorn Express, if credit terms have been established

(b) Freedom from Defects IHA IceBorn Express units, when properly installed and maintained according to the IHA's recommendations, are warranted to be free from defects in material and workmanship for a period of one year from the time of shipment provided, however, that the IHA's completion date and the shipment date are no longer than 60 days apart In the event the IceBorn Express is shipped later than 60 days after completion, the warranty period will commence on the 60th day after completion (the "Warranty Period")

(c) Remedy for Defects in IHA Assemblies During the Warranty Period, the warranty covers the cost of material and labor for replacement or repair to an IHA assembly or sub assembly fabricated by IHA However, IHA reserves the right to refund documented costs of in-warranty repair, in lieu of IHA's repairing or replacing of the assembly-under-warranty, but in no case shall the refund exceed the costs IHA would have incurred if it had installed the component

(d) Remedy for Defects in Third Party Parts Where applicable, IHA will provide replacement parts for items, under warranty, that have been provided by a third party vendor Such warranty service will be in accordance with such third party vendor's warranty policies IHA does not provide labor or pay for labor costs in these cases and IHA is not required to legally pursue the vendor

(e) Limitations Concerning Product Treatment This limited warranty does not apply to IceBorn Express components that have been subjected to abnormal or unusual conditions such as unauthorized modifications, unauthorized repairs, misuse, neglect, accident, alteration, improper installation, (unless such installation is by IHA) or other acts which IHA has not authorized, including damage caused in shipping/transportation and shipment to foreign jurisdictions

(f) Limitations Concerning Other External Events This limited warranty also does not apply to any product that has been damaged by external causes, such as fire, flood, sand, dirt, lightning, acts of God, theft, and improper use of any electrical source or connection to a product not recommended

(g) Requirement for Proper Warranty Claim Every claim under this warranty must meet the following two additional criteria the claim (a) must concern a defect discovered before expiration of the Warranty Period, and (b) must be made in writing and delivered to IHA within thirty (30) days of the date of such discovery A claim that does not meet all applicable criteria will not trigger IHA's warranty obligations under this Section IHA must be given an opportunity to inspect the IceBorn Express component alleged to be defective in order to determine if the handling, installation, and operating conditions have been satisfactory, and otherwise to determine whether the claim falls within this warranty

(h) No Alterations to Electronic Equipment Any alteration or modification to the electronics of this equipment, including but not limited to the PLC and SmartIceTM system, immediately voids this product's warranty and may result in IHA's inability to provide future service assistance

3 **RETURNS/LIMITED REMEDIES** IceBorn Express units, which are nonconforming, may be returned, at IHA's expense, for full credit or replacement, at Buyer's option However, no IHA IceBorn Express units may be returned without prior written authorization by IHA All freight charges on a replacement IceBorn Express shall be prepaid at the IHA's expense IHA shall have no liability for IceBorn Express units damaged in shipment THIS SECTION STATES THE SOLE AND EXCLUSIVE REMEDIES FOR BREACH OF WARRANTY

4 **LIMITATION OF LIABILITY** TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE MAXIMUM LIABILITY, IF ANY, OF IHA FOR ALL DAMAGES, INCLUDING, WITHOUT LIMITATION, CONTRACT DAMAGES AND DAMAGES TO PERSONS OR PROPERTY, WHETHER ARISING FROM IHA'S BREACH OF THESE TERMS AND CONDITIONS, NEGLIGENCE, STRICT LIABILITY, OR OTHER TORT, WITH RESPECT TO IHA ICEBORN EXPRESS OR ANY PARTS OR SERVICE PROVIDED BY IHA, IS HEREBY EXPRESSLY LIMITED TO AN AMOUNT NOT TO EXCEED THE PURCHASE PRICE OF THE INVOLVED IHA ICEBORN EXPRESS IN NO EVENT SHALL IHA BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST REVENUES AND PROFITS, EVEN IF IHA HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES

5 **FORCE MAJEURE** Either party shall not be liable to the other for any delay or inability to provide Buyer with IceBorn Express due to fire, windstorm, flood, or act of god, governmental order or regulation, or labor difficulties

6 **GOVERNING LAW** Any and all disputes relating to or regarding the sale of IHA IceBorn Express units and services are governed by the laws of the state of Florida, without regard to conflict of laws principals

EXHIBIT F

LIST OF STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

STATE AGENCIES/AGENTS
FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for the franchising disclosure/registration laws We may not yet be registered to sell franchises in any or all of these states

If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of the franchise laws There may be states in addition to those listed below in which we have appointed an agent for service of process

There also may be additional agents appointed in some of the states listed

CALIFORNIA

Commissioner of the Department
of Business Oversight
Toll Free 1 (866) 275-2677

Los Angeles

Suite 750
320 West 4th Street
Los Angeles, California 90013-2344
(213) 576-7500

Sacramento

1515 K Street, Suite 200
Sacramento, California 95814-4052
(916) 445-7205

San Diego

1350 Front Street, Rm 2034
San Diego, California 92101-3697
(619) 525-4233

San Francisco

One Sansome Street, Suite 600
San Francisco, California 94105-2980
(415) 972-8559

HAWAII

(for service of process)

Commissioner of Securities
Business Registration Division
Department of Commerce
and Consumer Affairs
335 Merchant Street, Room 205
Honolulu, Hawaii 96813
(808) 586-2722

(for other matters)

Commissioner of Securities
Business Registration Division
Department of Commerce
and Consumer Affairs
335 Merchant Street, Room 205
Honolulu, Hawaii 96813
(808) 586-2722

ILLINOIS

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

INDIANA

(for service of process)

Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6531

(state agency)

Indiana Secretary of State
Securities Division
Room E-111
302 West Washington Street
Indianapolis, Indiana 46204
(317)232-6681

MARYLAND

(state agency)

Office of the Attorney General-
Securities Division
200 St Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

(for service of process)

Maryland Securities Commissioner
at the Office of Attorney General-
Securities Division
200 St Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

MICHIGAN

Corporations Division
Franchise
P O Box 30054
Lansing, Michigan 48909
(517) 373-7117

MINNESOTA

Commissioner of Commerce
Department of Commerce
85 7th Place East, Suite 500
St Paul, Minnesota 55101
(651) 539-1500

NEW YORK

(Administrator)

Office of the New York State Attorney General
Investor Protection Bureau
Franchise Section
120 Broadway, 23rd Floor
New York, New York 10271-0332
(212) 416-8236 (Phone)
(212) 416-6042 (Fax)

(Agent for Service)

Attention New York Secretary of State
New York Department of State
One Commerce Plaza,
99 Washington Avenue, 6th Floor
Albany, New York 12231-0001
(518) 473-2492

NORTH DAKOTA

(state agency)

North Dakota Securities Department
600 East Boulevard Avenue State Capitol
Fifth Floor Dept 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

(for service of process)

Securities Commissioner
600 East Boulevard Avenue State Capitol
Fifth Floor Dept 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

OREGON

Oregon Division of Finance and Corporate Securities
350 Winter Street NE, Room 410
Salem, Oregon 97301-3881
(503) 378-4387

RHODE ISLAND

Securities Division
Department of Business Regulations
1511 Pontiac Avenue
John O Pastore Complex-Building 69-1
Cranston, Rhode Island 02920
(401) 462-9500

SOUTH DAKOTA

Division of Securities
Department of Labor and Regulation
124 S Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-4823

VIRGINIA

(for service of process)

Clerk, State Corporation Commission
1300 East Main Street
First Floor
Richmond, Virginia 23219
(804) 371-9733

(for other matters)

State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street
Ninth Floor
Richmond, Virginia 23219
(804) 371-9051

WASHINGTON

(for service of process)

Director Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, Washington 98501
(360) 902-8760

(for other matters)

Department of Financial Institutions
Securities Division
P O Box 9033
Olympia, Washington 98501-9033
(360) 902-8760

WISCONSIN

Commissioner of Securities
345 W Washington Ave, 4th Floor
Madison, Wisconsin 53703
(608) 266-8557

EXHIBIT G

SMARTICE REMOTE MANAGEMENT SYSTEM TERMS AND CONDITIONS

REMOTE MANAGEMENT SYSTEM AND SERVICE TERMS AND CONDITIONS

You are signing up for a service that Ice House America ("IHA") makes available to you on a fee-paid basis pursuant to these Terms and Conditions The services include notifications of maintenance issues access to the collected data on Owner-Operator s Ice Machines and reports that help Owner-Operators manage and maximize the profitability of their Ice Machines To help improve the end-user experience and the profitability of these ice machines IHA collects and analyzes data on the operation and use of the machines and makes available certain data reports to the Owner-Operators of the machines As a purchaser of such an ice machine (the Ice Machine) You will be a participant in the IHA remote management system program with the rights, obligations and responsibilities with respect to such program described herein

1 REMOTE MANAGEMENT SYSTEM Program Owner-Operator acknowledges and agrees that a device providing remote management services and data collection is installed in each Ice Machine and that when Owner-Operator provides electrical power to the Ice Machine the device will automatically collect and transmit to IHA certain data on the operation and use of the Ice Machine which may include without limitation (a) the condition of the Ice Machine including the status of any required maintenance or repair and (b) the usage of the Ice Machine including (1) the location of the Ice Machine and the demographic characteristics of the surrounding area, (2) the frequency volume and timing of purchases (3) whether purchases are cash debit or credit (4) whether purchasers use other remote payment devices such as smart phones and (5) any available information on the characteristics and purchase history of individual purchasers

2 Use of Collected Data IHA may use the collected data internally to analyze and manage the use and to assess the condition, of the ice machines produced and sold by IHA IHA may aggregate the information and data collected from the Ice Machine with other data that it collects ("Aggregate Data"), to identify trends and patterns of usage IHA may disclose only Aggregate Data to third parties ***and IHA will not disclose any of the data that it collects from the Ice Machine to any third party in a manner that would associate the identity of the Ice Machine with the data that was collected from it*** Should IHA collect any personally identifiable information it will comply with all applicable federal and state laws governing the collection, storage and use of that information to guard your nonpublic personal information **WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL AND/OR FINANCIAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PERPOSE OTHER**

THAN IN ACCORDANCE WITH THIS AGREEMENT, OR AS MAY BE COMPELLED BY LAW

3 Service Effective Date and Term Unless as otherwise agreed to in writing by IHA all Services ('Service) shall be provided for the Term indicated on your Order Such Term shall commence when Service is made available to Owner-Operator and shall continue until the expiration of the Term or the Service is otherwise terminated as set forth herein whichever comes first At expiration of the initial Term the rates charges, term and conditions in effect at the end of the expiring Term will automatically renew on a year to year basis Discontinuance will require Owner-Operator to submit written notice to IHA thirty (30) days prior to the renewal term Note Owner-Operator will continue to be a participant in the IHA remote management system program, with the rights obligations and responsibilities with respect to such program described above

4 Billing and Payment Terms Payment for remote management system service will be paid by credit card

5 Limitation of Liability IHA may discontinue Service to Owner-Operator without incurring any liability immediately and without notice if IHA deems in its sole discretion that such action is necessary to prevent or protect against fraud tricks tampering or any other fraudulent means or devices Owner-Operator agrees that IHA its directors officers, employees, and agents shall not be liable for any loss or damage sustained by Owner-Operator its customers or end users due to any failure in or a breakdown of the communication facilities associated with providing the Service, any delay interruption or degradation of the Services whatsoever shall be the cause or duration thereof Except as specifically set forth herein the Service and related software and/or equipment provided by IHA, if any are provided as an "as is" basis and "as available" basis IHA makes no representations or warranties of any kind whatsoever including any implied warranties of merchantability or fitness for a particular purpose IHA disclaims any warranties of non-infringement with respect to the products or services and neither IHA nor any IHA affiliate or parent shall have any duty to defend indemnify or hold Owner-Operator harmless from and against any or all damages or costs incurred by Owner-Operator arising from the infringement of patent or trademarks or violation of copyrights by any of the products

IN NO EVENT SHALL IHA, INCLUDING BUT NOT LIMITED TO, ITS SUBSIDIARIES AFFILIATES OR PARENTS, BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, OR FOR ANY LOST REVENUE, PROFIT, CUSTOMERS, LOSS OF THE GOODS OR ANY ASSOCIATED EQUIPMENT,

COST OF CAPITAL COST OF SUBSITUTE OR REPLACEMENT EQUIPMENT, FACILITIES OR SERVICES, DOWN TIME, OWNER-OPERATOR'S TIME, INJURY TO PROPERTY OR ANY DAMAGES OR SUMS PAID BY OWNER-OPERATOR TO THIRD PARTIES, EVEN IF IHA OR ANY OF THE IHA AFFILIATES OR PARENTS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES

6 Equipment The parties agree that the remote management system equipment and related software contain the intellectual property of IHA Owner-Operator shall not and shall not permit others to, rearrange disconnect disable attempt to repair reverse engineer or otherwise tamper with the equipment and related software without the prior written consent of IHA Owner-Operator agrees (which Agreement shall survive the expiration or termination of any Term), to allow IHA full and complete access to remove the equipment in the event IHA becomes aware of a violation of this subsection

7 Termination In the event the Term of the Services is for one year or more and Owner-Operator terminates the Services prior to expiration of the Term Owner-Operator will be responsible 50% of the monthly fees which would have been owed under the remaining balance of the Service Term It is agreed that the terms of this paragraph are intended as liquidated damages and not as a penalty in the event of early termination

8 Cancellation IHA may discontinue Service or cancel an application for service without incurring any liability for any of the following reasons (a) non-payment when due of any sum payable to IHA for Service (b) if in the sole discretion of IHA, Owner-Operator's financial condition has deteriorated or if Owner-Operator is involved in a bankruptcy or similar proceeding (c) fraudulent use of the Service (d) Owner-Operator or any successor-in-interest relocates the ice vending machine in which the equipment is placed in violation of any applicable agreement (e) any default or violation of these Terms and Conditions

9 No Assignment Entire Understanding Owner-Operator may not assign resell sublicense or transfer any interest in the Service without IHA's written consent which may be withheld in IHA's sole discretion These Terms and Conditions shall be binding upon and inure to the benefit of the parties hereto and their respective affiliates, successors and permitted assigns These Terms and Conditions constitute the entire Agreement and understanding between Owner-Operator and IHA as to the subject matter hereof These Terms and Conditions may be supplemented or amended by IHA at any time and effective immediately upon notice to Owner-Operator provided however that the fees for Service shall not be increased during any term

10 Choice of law Venue These Terms and Conditions shall be governed by and construed in accordance with the laws of the State of Florida, without giving effect to conflicts of laws

principals Any action commenced hereunder or relating to any way to the subject of this Agreement or the terms hereof shall be resolved exclusively by arbitration in accordance with the Rules of the American Arbitration Association in Jacksonville Florida If a dispute arises and IHA refers this Agreement to an attorney or agency for collection, Owner-Operator shall pay all costs of investigation enforcement and collection including interest court and arbitration costs fees and attorney's fees

Revised 10/2012

EXHIBIT G-1

ePORT® CONNECT SERVICES AGREEMENT AND ACTIVATION CONSENT FORM

USA TECHNOLOGIES

ePORT® CONNECT SERVICES AGREEMENT

Ice House America/IHA Franchising, LLC & Affiliates

Customer/Company Name ______________________________ **("Customer")**

1 **Parties**—USA Technologies Inc (USAT), per the effective date herein hereby agrees to provide to (Customer') cashless financial services utilizing the USAT processing network in connection with the Customer's unattended vending or kiosk machines ('Equipment)

2 **Cashless Transaction Processing & Associated Fees**—USAT shall act as and is hereby appointed the agent on behalf of Customer in connection with the processing of all card transactions (authorized and settled) by the payment processor or other private network in connection with the Customer's Equipment USAT shall retain a processing fee consisting of a percentage or a processing fee of a percentage + a set dollar amount per transaction of the gross sales price for all card revenues derived from the Equipment All processing fees charged to Customer, as selected by Customer are predicated upon processor or private network authorized and settled transactions, and *not* from third party controllers providing DEX data or other forms of M2M data See *Schedule A — Fees* The net revenues (gross revenues less refunds, transaction processing fees, any consumer refund and/or chargeback fees from the card processor and/or fraudulent transactions or any other fee due to USAT hereunder) shall be remitted to Customer by USAT

3 **PrePaid Card Programs**—Additional transaction and service fees may apply for the implementation and use of prepaid cards on the USAT network The net revenues (gross revenues less refunds prepaid transaction processing fees, any consumer chargeback and/or chargeback fees and/or fraudulent transactions or any other fee due to USAT hereunder) shall be remitted to Customer by USAT

4 **Network & Services Fees**—The Customer shall pay to USAT a monthly fee per activated device or system connected to the USAT processing network for Wireless or Ethernet communications, web based cashless transaction reporting financial/accounting transaction services and customer support services *See Schedule A—Fees* If optional M2M data transport such as CASH or DEX exceeds the monthly kilobytes within the stated price plans, Customer will be automatically moved to the next wireless data plan

5 **Seasonal Equipment**—If the Customer's business (whole or in part) is of a seasonal nature whereby the Equipment will not be in use for at least four consecutive months, the Customer may elect to deactivate some or all affected Equipment for that time period The monthly network fee may be adjusted for each seasonally designated cashless device or system connected to the USAT processing network *See Schedule A—Fees* The Customer will receive a one time adjusted payment (credit) at the time of reactivation of the seasonally affected Equipment during the following month remittance to Customer by USAT

6 **Registration and Fees**—USAT will charge Customer at the time of shipment or at time of transfer of ownership to Customer USAT will include on the invoice an initial fee to register each device or system installed and linked to the USAT processing network *See Schedule A—Fees* This may include but is not limited to the registration of a SIM card required to establish wireless communications or an Ethernet connection in addition to administrative

setup for Customer to receive weekly EFT payments, Merchant ID assignment and access to USALive web reporting

7 **UnRegistration, ReRegistration, and Fees**—The Customer may choose to unregister the SIM card or system, which stops all communications with the USAT processing network at no charge However, if the customer decides to re register a SIM card or system a re registration fee is required *See Schedule A—Fees*

8 **Device Default Settings**—All ePorts will be shipped to Customer with the following device default settings (a) Single Vend - ON (b) Multi Vend - OFF, (c) Cash - ON (d) DEX - OFF and (e) Pre authorization amount - **$1 50**, and maximum purchase amount per Pre authorization - **$10 00**

9 **SIM Cards**—All SIM cards remain the property of USAT and must be returned to USAT upon termination of this services agreement for any reason

10 **Device Location Assignment**—After the Wireless or Ethernet card acceptance device is installed into Customer s Equipment, Customer should use USALive to update the device location for proper identification USALive has the ability to accept a spreadsheet using the Mass Update function or individually update each ePort device installed in the field If this function is performed by USA Technologies a fee may be applied for each device updated Improper location assignment could result in higher chargeback activity

11 **Pre-Authorization**—Customer agrees for all cashless transactions every card will be submitted to the card processor for card validation and transaction authorization

12 **Settlement**—Customer agrees that for any transaction during the settlement process that is subsequently declined by the card processor for non sufficient funds (NSF) or other reasons the risk of the associated loss of vended product, settlement funds and transaction fee for that transaction shall be assumed by the Customer

13 **Proprietary Software**—Customer acknowledges and agrees that the computer programs, computer software, specifications, data, images, designs, codes, configurations, (Software') contained in or utilized by the Equipment and USAT's USALive® network are proprietary and confidential to USAT and protected under United States copyright law Customer shall not copy, modify, adopt, translate merge, reverse engineer decompile or disassemble, the equipment or Software, or create any derivative works based on the Equipment, USALive® network or Software

14 **Term**—The term of this Agreement shall be for a period of thirty six **(36)** months effective on the effective date of this agreement The Agreement will automatically renew for one (1) year unless thirty (30) day written notice has been provided to USAT by Customer

15 **Termination**—Customer may choose to terminate its USAT ePort Connect Services agreement on all of its Customer owned equipment with a written thirty (30) day notice **The termination of this Agreement by the Customer shall not affect any equipment LEASE agreement relating to an e-Port between Customer and USAT which shall remain in full force and effect in accordance with the terms provided within the LEASE agreement**

16 **Availability of Service**—Customer acknowledges that USAT relies on third party providers in the delivery of its services including but not limited to wireless data network providers cellular radio service provided by third parties that is available only when within the operating range of cellular systems, and cellular service is subject to

transmissions limitations and dropped or interrupted transmissions Cellular service may be temporarily refused, limited, interrupted, or curtailed because of government regulations or orders, atmospheric and/or topographical conditions, and cellular system modifications, repairs, and upgrades Customer agrees that USAT shall not be liable for, and to hold USAT harmless for any losses, damages or business interruptions sustained as a result of interruptions caused by its wireless data network providers or any other third-party provider

17 **No Consequential Damages**—In no event shall USAT be liable for any punitive incidental, or consequential damages or any damages for loss of profits, business interruption, loss of information or pecuniary loss, even if such party has been advised of the possibility of such damages

18 **Indemnification**—Each party shall indemnify and hold harmless the other party, its officers, directors, agents, and employees from and against any and all claims, demands, causes of action, obligations, liabilities, expense (including reasonable attorney's fees), damages, or suits whatsoever, in connection with, arising out of, or relating to in whole or in part any act or omission of the other party including but not limited to, the operation and management of the Equipment

19 **Validity**—Should any part of this Agreement, for any reason be declared invalid, then such portion shall be invalid only to the extent of the prohibition without invalidating or affecting the remaining provisions of the Current Customer and USAT Agreement This agreement shall be constructed in accordance with the laws of the State of Pennsylvania exclusive of any conflicts of law principles

Schedule A—Fees

Average Card Purchase Amount	US Blended Rate Fee	Canada Blended Rate Fee	Customer Selection
Average Card Purchase $0 50–$0 99	5 95%	5 95%	
Average Card Purchase $1 00–$1 99	5 45%	5 45%	
Average Card Purchase $2 00–$2 99	5 10%	5 10%	
Average Card Purchase $3 00–$3 99	4 10%	4 10%	
Average Card Purchase $4 00–$4 99	3 50%	3 50%	
Average Card Purchase $5 00–$5 99	3 20%	3 20%	

Please initial in the last column the corresponding rate for an average card transaction on your merchant account Please initial only a single rate

*1 If the semi annual Card Associations Interchange or Processor fee increases are in excess of the stated processing fees above, with a 30 day written notice USAT has the right to increase rates and pass through to Customer

2 The transaction processing rates are predicated upon the indicated average card purchase amount and upon 30 days of initial transaction processing the average card purchase price and rate will be reviewed

3 Customer agrees that if the average card purchase amount is above or below the customer selected average purchase amount then USAT may adjust the rate according to the schedule provided upon written notice

Activation Fees	US Dollars	Canadian Dollars
Registration/Activation Fee per Device or System— Cashless *Fee is billed by separate invoice at the time of shipment of devices*	$25 00	$20 00
Registration/Activation Fee per Device or System – DEX Only *Fee is billed by separate invoice at the time of shipment of devices*	$10 00	$10 00
Re Registration Fee per Device or System	$15 00	$15 00
Chargeback Fees	**US Dollars**	**Canadian Dollars**
Consumer Chargeback Fee per item + Actual Transaction Amount	$20 00	$20 00

Network Data Service Plans	US Dollars	Canadian Dollars	INITIAL Your Monthly Service Option
USAT G8 Telemeter Only	$3 95	$12 95	
Cashless Only – Edge or G8	$9 95	$15 95	
Cashless and Cash – Edge or G8	$9 95	$15 95	
Cashless and DEX* Edge or G8	$9 95	$15 95	
De-Activated (Seasonal) Devices	$4 95	$6 95	

INITIAL HERE

**DEX data transfers include up to two (2) DEX file transfers per day Additional DEX data file transfers will be charged an additional fee*

IN WITNESS WHEREOF, the parties hereto agreeing to be legally bound have executed this **AGREEMENT** by their duly authorized representatives the signatures of which are set forth below

Customer/Company ____________________

Signature ____________________ Sign Here

Printed Name ____________________

Title ____________________

Address ____________________

City, State & Zip ____________________

Phone ____________________

EMAIL ____________________

DATE ____________________ Date Here

Service Provider USA Technologies, Inc

Signature ____________________

Printed Name ____________________

Title ____________________

Address 100 Deerfield Lane, Suite 140

City, State & Zip Malvern, PA 19355

Phone 800-633-0340 **Fax** 610-989-0344

DATE ____________________

ICE HOUSE AMERICA

USA Technologies Activation Consent Form

Franchisee/Area Developer Name		
Company Name	Street Address	
City	State	Postal Code
Phone	Fax	
E mail		
Approved Vending Unit#	Street Address	
City	State	Postal Code

Name of Financial Institution	Address	
City	State	Postal Code
Phone	Fax	
Contact Person	Email	

Account Type	Checking	Savings	Other	Specify Type of Account
Routing Number		Account Number		

I, hereby authorize, "IHA Franchising, LLC or affiliated entity (collectively "the Company"), to activate my USA Technologies ePort ® Connect Services I understand the Company will initially create my username and password, and I subsequently will be able to change my password, provided, however, that I must continue to allow the Company access to my account The Company will also be an additional user with access to USA Technologies for financial reporting purposes on my approved vending unit I have attached the signed USA Technologies agreement, in which I have read and understand the terms and conditions of the agreement I am liable for the payment due automatically to USA Technologies and I have attached a voided check for the appropriate account This authorization is to remain full force and effect until I change it through USA technologies online website, or termination of the USA Technologies Service Agreement I shall notify the Company of any or all changes with USA Technologies in writing with appropriate notice to give the Company a reasonable opportunity to act on it

Franchisee/Area Developer Signature	Signature of IHA Financial Officer
Please print Franchisee/Area Developer Name	Please print name of IHA Financial Officer
Date	Date

EXHIBIT H

GENERAL RELEASE

IHA FRANCHISING, LLC

GENERAL RELEASE

IHA Franchising, LLC ("IHA") and the undersigned ____________________, ______________________ ("__________"), currently are parties to a certain ____________________ Agreement (the "Agreement") dated ________________ ____________ has asked IHA to take the following action or to agree to the following request [insert as appropriate for renewal or transfer situation] ___________
____
____
____ IHA has the right under the Agreement to obtain a general release from _________ (and, if applicable, ____________'s owners) as a condition of taking this action or agreeing to this request Therefore, IHA is willing to take the action or agree to the request specified above if __________ (and, if applicable, __________'s owners) give IHA the release and covenant not to sue provided below in this document __________ (and, if applicable, __________'s owners) are willing to give IHA the release and covenant not to sue provided below as partial consideration for our willingness to take the action or agree to the request described above

Consistent with the previous introduction, _________ on __________'s own behalf and on behalf of ________'s successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, shareholders, members, directors, officers, principals, employees, and affiliated entities (collectively, the "Releasing Parties"), hereby forever release and discharge IHA and its current and former officers directors, owners, principals, employees, agents, representatives affiliated entities, successors, and assigns (collectively, the "IHA Parties") from any and all claims, damages (known and unknown), demands, causes of action, suits, duties, liabilities, and agreements of any nature and kind (collectively, "Claims") that __________ and any of the other Releasing Parties now has, ever had, or, but for this document, hereafter would or could have against any of the IHA Parties (1) arising out of or related to the IHA Parties' obligations under the Agreement or (2) otherwise arising from or related to ________'s and the other Releasing Parties' relationship, from the beginning of time to the date of ________'s signature below, with any of the IHA Parties _________, on _________'s own behalf and on behalf of the other Releasing Parties, further covenants not to sue any of the IHA Parties on any of the Claims released by this paragraph and represents that _______ have not assigned any of the Claims released by this paragraph to any individual or entity who is not bound by this paragraph

IHA also is entitled to a release and covenant not to sue from ________'s owners By his, her, or their separate signatures below _________'s owners likewise grant to IHA the release and covenant not to sue provided above

IHA FRANCHISING, LLC

By ______________________________
Title ______________________________

Date ______________________________

____

[Name of ________________]

By ______________________________
Title ______________________________

Date ______________________________

____

[Name of Owner]

____

[Signature]

Date ______________________________

EXHIBIT I

FRANCHISEE DISCLOSURE QUESTIONNAIRE

FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you know, IHA FRANCHISING, LLC ("IHA") and you are preparing to enter into a Franchise Agreement for the operation of an IceBorn House, IceBorn Kiosk or IceBorn Express (each, an "IceBorn Machine") The purpose of this Questionnaire is to determine whether any statements or promises were made to you that IHA has not authorized and that may be untrue, inaccurate or misleading Please review each of the following questions carefully and provide honest and complete responses to each question

1 Have you received and personally reviewed the Franchise Agreement and each exhibit attached to it?
Yes ____ No ____

2 Do you understand all of the information contained in the Franchise Agreement and each exhibit attached to it?
Yes ____ No ____

If "No", what parts of the Franchise Agreement do you not understand? (Attach additional pages, if necessary)

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3 Do you understand that the success or failure of your business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors?
Yes ____ No ____

4 Has any employee or other person speaking on behalf of IHA made any statement or promise concerning the revenues or profits of the IceBorn Machine?
Yes ____ No ____

5 Has any employee or other person speaking on behalf of IHA made any statement or promise concerning the IceBorn Machine that is contrary to, or different from, the information contained in the Franchise Disclosure Document?
Yes ____ No ____

6 Has any employee or other person speaking on behalf of IHA made any statement or promise regarding the amount of money you may earn in operating the IceBorn Machine?
Yes ____ No ____

7 Has any employee or other person speaking on behalf of IHA made any statement or promise concerning the total amount of revenue the IceBorn Machine will generate?
Yes ____ No ____

8 Has any employee or other person speaking on behalf of IHA made any statement or promise regarding the costs you may incur in operating the IceBorn Machine that is contrary to, or different from, the information contained in the Franchise Disclosure Document?
Yes ____ No ____

9 Has any employee or other person speaking on behalf of IHA made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating the IceBorn Machine?
Yes ____ No ____

10 If you have answered "Yes" to any of questions five (5) through nine (9), please provide a full explanation of your answer in the following blank lines (Attach additional pages, if necessary, and refer to them below) If you have answered "No" to each of such questions, please leave the following lines blank

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You understand that your answers are important to us and that we will rely on them

By signing this Questionnaire, you are representing that you have responded truthfully to the above questions

____
APPLICANT

Date ______________________________

EXHIBIT I-1

MULTI-UNIT FRANCHISEE DISCLOSURE QUESTIONNAIRE

MULTI-UNIT FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you know, IHA FRANCHISING, LLC ("IHA") and you are preparing to enter into a Multi-Unit Franchise Agreement for the development of IceBorn Houses, IceBorn Kiosks and/or IceBorn Expresses (collectively, the "IceBorn Machines") The purpose of this Questionnaire is to determine whether any statements or promises were made to you that IHA has not authorized and that may be untrue, inaccurate or misleading Please review each of the following questions carefully and provide honest and complete responses to each question

1 Have you received and personally reviewed the Multi-Unit Franchise Agreement and each exhibit attached to it?
Yes ____ No ____

2 Do you understand all of the information contained in the Multi-Unit Franchise Agreement and each exhibit attached to it?
Yes ____ No ____

If "No", what parts of the Multi-Unit Franchise Agreement do you not understand? (Attach additional pages, if necessary)

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3 Do you understand that the success or failure of your business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors?
Yes ____ No ____

4 Has any employee or other person speaking on behalf of IHA made any statement or promise concerning the revenues or profits of the IceBorn Machines or a Multi-Unit Franchisee business?
Yes ____ No ____

5 Has any employee or other person speaking on behalf of IHA made any statement or promise concerning the IceBorn Machines or a Multi-Unit Franchisee business that is contrary to, or different from, the information contained in the Franchise Disclosure Document?
Yes ____ No ____

6 Has any employee or other person speaking on behalf of IHA made any statement or promise regarding the amount of money you may earn in operating the IceBorn Machines or a Multi-Unit Franchisee business?
Yes ____ No ____

7 Has any employee or other person speaking on behalf of IHA made any statement or promise concerning the total amount of revenue the IceBorn Machines or a Multi-Unit Franchisee business will generate or a Multi-Unit Franchisee business?
Yes ____ No ____

8 Has any employee or other person speaking on behalf of IHA made any statement or promise regarding the costs you may incur in operating the IceBorn Machines or a Multi-Unit Franchisee business that is contrary to, or different from, the information contained in the Franchise Disclosure Document?
Yes ____ No ____

9 Has any employee or other person speaking on behalf of IHA made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating the IceBorn Machines or a Multi-Unit Franchisee business?
Yes ____ No ____

10 If you have answered "Yes" to any of questions five (5) through nine (9), please provide a full explanation of your answer in the following blank lines (Attach additional pages, if necessary, and refer to them below) If you have answered "No" to each of such questions, please leave the following lines blank

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You understand that your answers are important to us and that we will rely on them.

By signing this Questionnaire, you are representing that you have responded truthfully to the above questions

APPLICANT

Date ______________________

EXHIBIT J

LIST OF FRANCHISEES AND MULTI-UNIT FRANCHISEES

LIST OF FRANCHISEES AND MULTI-UNIT FRANCHISEES AS OF DECEMBER 31, 2016

Franchisee Name	Owner	State	Business Phone	IceBorn Machine Location(s)
Ice Ice Tucson, LLC*	Joe Tooke	AZ	520-818-4132	- 944 West Prince Road, Tucson, AZ 85705 - 2524 S Wilmot Road, Tucson, AZ 85705 - Grant Ave & Swan Road, Tucson, AZ 85712 - 4145 W Inda Road, Tucson, AZ 85714 - 2021 N Grande Avenue, Tucson, AZ 85745 - 3660 E Benson Hwy, Tucson, AZ 85706 - 24 W Irvington Road, Tucson, AZ 85714 - 2770 W Valencia Road, Tucson, AZ 85746 - 8412 E Broadway, Tucson, AZ 85713 - 2209 S 6th Avenue, Tucson, AZ 85713
Pimlico Properties, LLC*	Jason Goldblatt, Brad Goldblatt & Howard Goldblatt	CA	925-719-2010	- 1201 Morning Drive, Bakersfield, CA 93306 - 2311 Cottonwood Road, Bakersfield, CA 93307 - 2601 Chester Avenue, Bakersfield, CA 93304 - 810 Oildale Drive, Bakersfield, CA 93308 - 3808 Stockdale Hwy , Bakersfield, CA 93309 - 5500 S Union, Bakersfield, CA 93307 - 714 Bernard Street, Bakersfield, CA 93305 - 2053 Flower Street, Bakersfield, CA 93305 - 4198 Union Avenue, Bakersfield, CA 93305 - 307 4th Street, Bakersfield, CA 93304 - 1701 Union Avenue, Bakersfield, CA 93305 - 3901 Niles Street, Bakersfield, CA 93306 - 2274 E Springville Ave , Porterville, CA 93257 - 1643 Cecil Avenue, Delano, CA 93215 - 10621 B Main Street, Lamont, CA 93241 - 600 2nd Street, McFarland, CA 93250 - 170 S Main Street, Pixley, CA 93257 - 188 Richgrove Drive, Richgrove, CA 93261 - 501 South 10th Street, Taft, CA 93268
Sierra Ice	Fabian Silva	CA	806-335-6203	- 434 Plumas Avenue, Oroville, CA 95965
Grand Junction Ice	Eben Abshire	CO	970-712-8089	- 201 Columbine Court, Parachute, CO 81635
Fresh Ice is Nice*	Karole Romero	CO	719-647-5712	- 849 Desert Flower Blvd , Pueblo, CO 81001 - 1611 S Prairie Avenue, Pueblo, CO 81005
Ice N Easy	K Heinicke	CO	719-510-9484	-5832 Omaha Blvd , Colorado Springs, CO 80915
Ice Shack	T Dohrmann	KS	620-339-4695	- 1200 W Wyatt Earp Blvd , Dodge City, KS 67801
N/A	Terry Gaudreau	ND	701-770-8060	- 4710 2nd Avenue W, Williston, ND 58801
ATG Enterprises*	D Glinn	NE	308-289-5220	- 3220 S Jeffers, North Platte, NE 69101 - 417 E 1st Street, Ogallala, NE 69153
Peconic Beverages	T Peconic	NY	631-283-0602	- 74 County Road 39, South Hampton, NY 11968
JB's Ice	J Brown	OH	440-265-7179	- 1301 Mariana Drive, Conneaut Harbor, OH 44030

Franchisee Name	Owner	State	Business Phone	IceBorn Machine Location(s)
FamEd	G Edwards	OH	419-906-0653	- 1414 North Scott Street, Napoleon, OH 43545
Eco Ice*	D Hamilton	OH	618-204-1078	- 1339 S Byrne Road, Toledo, OH 43614 - 5133 Heatherdowns Blvd , Toledo, OH 43614
Blue Thunder, Inc *	E Hoover	PA	814-931-4180	- 7447 Admiral Peary Hwy , Cresson, PA 16630 - 300 Allegheny Street, Hollidaysburg, PA 16648
Absolute Ice	E Thomas	PA	412-689-2063	- 820 Pennsylvania Ave , Pittsburgh, PA 15233
Utah Ice Vending Machines, LLC*	Douglas Goodfellow	UT	703-989-8443	- Hite Marina Hwy 276, Bullfrog, UT 85433 - 356 South Main, Moab, UT 84532
RLA Ice	Ray Burney	WA	360-607-7526	- 4905 NE 94th Avenue, Vancouver, WA 98662

* Denotes Multi-Unit Franchisee

EXHIBIT K

LIST OF FORMER FRANCHISEES AND MULTI-UNIT FRANCHISEES

LIST OF FORMER FRANCHISEES AND MULTI-UNIT FRANCHISEES
(Franchisees Departing the Franchise System During the 2016 Fiscal Year)

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system

Franchisee Name	Owner	State	Business Phone	IceBorn Machine Location(s)
Utah Ice Vending Machines, LLC*	Douglas Goodfellow	UT	703-989-8443	- Hite Marina Hwy 276, Bullfrog, UT 84533 - 600 North Main, Moab, UT 84532

* Denotes Multi-Unit Franchisee

EXHIBIT L

STATE ADDENDA AND AGREEMENT RIDERS

ADDITIONAL DISCLOSURES FOR THE MULTI-STATE FRANCHISE DISCLOSURE DOCUMENT OF IHA FRANCHISING, LLC

The following are additional disclosures for the Franchise Disclosure Document of IHA Franchising, LLC required by various state franchise laws Each provision of these additional disclosures will not apply unless, with respect to that provision, the jurisdictional requirements of the applicable state franchise registration and disclosure law are met independently, without reference to these additional disclosures

CALIFORNIA

1 THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT

2 OUR WEBSITE, www icehouseamerica com, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT ANY COMPLAINTS CONCERNING THE CONTENT OF THE WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT www dbo ca gov

3 SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF BUSINESS OVERSIGHT BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT

4 The following risk factor is added to the State Cover Page

ALL THE OWNERS OF THE FRANCHISE WILL BE REQUIRED TO EXECUTE PERSONAL GUARANTEES THIS REQUIREMENT PLACES THE PERSONAL ASSETS OF THE FRANCHISE OWNER(S) AT RISK

5 The following paragraph is added at the end of Item 3 of the Disclosure Document

Except as disclosed above, neither we nor any person identified in Item 2 is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, 15 U S C A Section 78a et seq , suspending or expelling such person from membership in such association or exchange

6 The following paragraph is added at the end of Item 5 of the Disclosure Document

Despite the payment provisions above, we will defer the payment of initial franchise fees owed to us by you until such time as all initial obligations owed to you under the Franchise Agreement or Multi-Unit Franchise Agreement have been fulfilled by us and you have commenced doing business

7 The following is added to the remarks section of the line item of Item 6 of the Disclosure Document titled "Interest"

The highest interest rate allowed under California law is 10% annually

8 The following paragraphs are added at the end of Item 17 of the Disclosure Document

California Law Regarding Termination and Nonrenewal California Business and Professions Code Sections 20000 through 20043 provide rights to franchisees concerning termination, transfer, or nonrenewal of the franchise If the Franchise Agreement or Multi-Unit Franchise Agreement contain any provision that is inconsistent with the law, and the law applies, then the law will control

Termination Upon Bankruptcy The Franchise Agreement and Multi-Unit Franchise Agreement provide for termination upon bankruptcy These provisions might not be enforceable under federal bankruptcy law (11 U S C A Sec 101 et seq)

Covenant not to Compete The Franchise Agreement and Multi-Unit Franchise Agreement contain a covenant not to compete which extend beyond the termination of the franchise This provision may not be enforceable under California law

Arbitration The Franchise Agreement and Multi-Unit Franchise Agreement require binding arbitration The arbitration will be conducted by one (1) arbitrator and will occur in the city where we maintain our headquarters at the time that the action is brought with the costs being borne as the arbitrator determines Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040 5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provision of the Franchise Agreement or Multi-Unit Franchise Agreement restricting venue to a forum outside the State of California

Releases The Franchise Agreement and Multi-Unit Franchise Agreement require you to sign a general release of claims upon renewal or transfer of the Franchise Agreement or Multi-Unit Franchise Agreement California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order thereunder is void Section 31512 might void a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 31000 – 31516) Business and Professions Code Section 20010 might void a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043)

9 The following paragraph is added at the end of Item 19 of the Disclosure Document

> The financial performance representations do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit You should conduct an independent investigation of the costs and expenses you will incur in operating your IceBorn House, IceBorn Kiosk, or IceBorn Express Franchisees or former franchisees, listed in the offering circular, may be one source of this information

HAWAII

1 The following is added to the State Cover Page of the Disclosure Document as an additional Risk Factor

> THE FRANCHISOR HAS A MEMBERS' DEFICIT NET WORTH OF $1,682,689 AS OF DECEMBER 31, 2016

2 The following paragraph is added at the end of Item 5 of the Disclosure Document

> Despite the payment provisions above, we will defer the payment of initial franchise fees owed to us by you until such time as all initial obligations owed to you under the Franchise Agreement or Multi-Unit Franchise Agreement have been fulfilled by us and you have commenced doing business

MINNESOTA

1 The following language is added to the end of Items 5 and 7 of the Disclosure Document

> Despite the payment provisions above, we will defer the payment of initial franchise fees you owe us until we have fulfilled all initial obligations we owe to you under the Franchise Agreement or Multi-Unit Franchise Agreement and you have commenced doing business

2 The following language is added to the end of Item 13 of the Disclosure Document

> To the extent required by Minnesota Stat Sec 80C 12, Subd 1(g), we will protect your right to use the Marks and indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the Marks

3 The following is added at the end of the chart in Item 17 of the Disclosure Document

With respect to franchises governed by Minnesota law, we will comply with Minn Stat Sec 80C 14, Subds 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Multi-Unit Franchise Agreement or Franchise Agreement

Minn Stat Sec 80C 21 and Minn Rule 2860 4400J might prohibit us from requiring litigation to be conducted outside Minnesota Those provisions also provide that no condition, stipulations or provision in the Franchise Agreement or Multi-Unit Franchise Agreement shall in any way abrogate or reduce any rights you have under the Minnesota Franchises Law, including (if applicable) the right to submit matters to the jurisdiction of the courts of Minnesota and the right to any procedure, forum or remedies that the laws of the jurisdiction provide

Any release required as a condition of renewal or transfer/assignment will not apply to the extent prohibited by the Minnesota Franchises Law

Minn Rule Part 2860 4400J might prohibit a franchisee from waiving rights to a jury trial, waiving rights to any procedure, forum or remedies provided by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes However, we and you will enforce these provisions in our Franchise Agreement or Multi-Unit Franchise Agreement to the extent the law allows

NORTH DAKOTA

1 The following paragraph is added at the end of Item 5 of the Disclosure Document

Despite the payment provisions above, we will defer the payment of initial franchise fees owed to us by you until such time as all initial obligations owed to you under the Franchise Agreement or Multi-Unit Franchise Agreement have been fulfilled by us and you have commenced doing business

2 The "Summary" sections of Item 17(c), entitled **Requirements for franchisee to renew or extend**, and Item 17(m), entitled **Conditions for franchisor approval of transfer**, of the Franchise Agreement and Multi-Unit Franchise Agreement charts of the Disclosure Document are amended by adding the following

However, any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law

3 The "Summary" sections of Item 17(i), entitled **Franchisee's obligations on termination/non-renewal**, of the Franchise Agreement and Multi-Unit Franchise Agreement charts of the Disclosure Document are amended by adding the following

The Commissioner has determined termination or liquidated damages to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law However, we and you agree to enforce these provisions to the extent the law allows

4 The "Summary" sections of Item 17(r), entitled **Non-competition covenants during the term of the franchise**, of the Franchise Agreement and Multi-Unit Franchise Agreement charts of the Disclosure Document are amended by adding the following

Covenants not to compete such as those mentioned above generally are considered unenforceable in North Dakota However, we will seek to enforce them to the extent enforceable

5 The "Summary" sections of Item 17(u), entitled **Dispute resolution by arbitration or mediation**, of the Franchise Agreement and Multi-Unit Franchise Agreement charts of the Disclosure Document are amended by adding the following

However, to the extent required by the North Dakota Franchise Investment Law (unless preempted by the Federal Arbitration Act), arbitration will be at a site to which we and you mutually agree

6 The "Summary" sections of Item 17(v), entitled **Choice of Forum**, of the Franchise Agreement and Multi-Unit Franchise Agreement charts of the Disclosure Document are amended by adding the following

Subject to arbitration requirements and to the extent required by the North Dakota Franchise Investment Law, you may bring an action in North Dakota

7 The "Summary" section of Item 17(w), entitled **Choice of law**, of the Franchise Agreement and Multi-Unit Franchise Agreement charts of the Disclosure Document are amended by adding the following

Except for Federal Arbitration Act and other federal law, North Dakota law governs

RHODE ISLAND

1 The "Summary" sections of Item 17(v), entitled **Choice of Forum**, of the Franchise Agreement and Multi-Unit Franchise Agreement charts of the Disclosure Document are deleted and replaced with the following

All arbitration proceedings, involving disputes between you and us, will be conducted in the city where we maintain our headquarters at the time that the action is brought, except that, to the extent required by applicable law, you may bring an action in Rhode Island for claims arising under the Rhode Island Franchise Investment Act

2 The "Summary" sections of Item 17(w), entitled **Choice of law**, of the Franchise Agreement and Multi-Unit Franchise Agreement charts of the Disclosure Document is deleted and replaced with the following

All issues relating to arbitration will be governed by the Federal Arbitration Act (the "FAA") Except to the extent governed by the FAA and except as otherwise required by the Rhode Island Franchise Investment Act, Florida law applies

SOUTH DAKOTA

The following paragraph is added at the end of Item 5 of the Disclosure Document

Despite the payment provisions above, we will defer the payment of initial franchise fees owed to us by you until such time as all initial obligations owed to you under the Franchise Agreement or Multi-Unit Franchise Agreement have been fulfilled by us and you have commenced doing business

WASHINGTON

1 The following is added to the State Cover Page as an additional Risk Factor

THE FRANCHISOR IS A NEWLY ORGANIZED COMPANY AND THERE IS NO OPERATING HISTORY TO ASSIST A PROSPECTIVE FRANCHISEE IN DECIDING WHETHER TO MAKE AN INVESTMENT IN THIS FRANCHISE

2 The following is added to the end of Item 5 of the Disclosure Document

Despite the payment provisions above, we will defer your payment of all initial fees due to us until we have fulfilled all initial obligations we owe to you under the Franchise Agreement and you have commenced operation of the Machine In addition, despite the payment provisions above, we will defer your payment of all initial fees due to us under the Multi-Unit Franchise Agreement until you have completed the initial training program.

3 The "Summary" sections of Item 17(u), entitled **Dispute resolution by arbitration or mediation**, of the Franchise Agreement and Multi-Unit Franchise Agreement charts of the Disclosure Document are deleted and replaced with the following

Except for claims seeking a writ of attachment, temporary or preliminary injunction or other equitable relief, all disputes related to Franchise Agreement must be submitted for conclusive and binding arbitration in the city where we maintain our principal place of business at the time that the action is brought (subject to state law)

4 The "Summary" section of Item 17(u), entitled **Dispute resolution by arbitration or mediation**, of the Franchise Agreement and Multi-Unit Franchise Agreement charts of the Disclosure Document are deleted and replaced with the following

All controversies, disputes or claims are subject to arbitration in the city where we maintain our principal place of business at the time that the action is brought (subject to state law)

5 The following paragraph is added at the end of Item 17 of the Disclosure Document

If any of the provisions in this disclosure document, the Franchise Agreement or the Multi-Unit Franchise Agreement are inconsistent with the relationship provisions of RCW 19 100 180 or other requirements of the Washington Franchise Investment Protection Act (the "Act"), the Act's provisions will prevail over the inconsistent provisions of the disclosure document, the Franchise Agreement or the Multi-Unit Franchise Agreement with regard to any franchises sold in Washington However, you acknowledge that we intend to enforce all such provisions to the extent allowed under the Act

THE FOLLOWING PAGES IN THIS EXHIBIT ARE STATE-SPECIFIC RIDERS TO THE FRANCHISE AGREEMENT

RIDER TO THE IHA FRANCHISING, LLC
FRANCHISE AGREEMENT
FOR USE IN HAWAII

THIS RIDER (the "**Rider**") is made and entered into as of this _____ day of ______________, 201__ (the "**Agreement Date**," regardless of the dates of the parties' signatures), between **IHA FRANCHISING, LLC**, a Delaware limited liability company, with offices at 13901 Sutton Place South, Building A, Suite 100, Jacksonville, Florida 32224 ("**IHA**"), and ____ ("**Franchisee**")

1 **Background** IHA and Franchisee are parties to that certain Franchise Agreement dated ____________________, 201__ (the "**Agreement**") that has been signed concurrently with the signing of this Rider This Rider is annexed to and forms part of the Agreement This Rider is being signed because (a) the offer or sale of the franchise for the Approved Vending Unit that Franchisee will operate under the Agreement was made in the State of Hawaii, and/or (b) Franchisee is a resident of the State of Hawaii

2 **Fees** The following language is added to the end of Section 4 of the Agreement

> Despite the payment provisions above, IHA will defer the payment of the initial fees owed to IHA by Franchisee until such time as all initial obligations owed to Franchisee under the Agreement have been fulfilled by IHA and Franchisee has commenced doing business

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date

IHA FRANCHISING, LLC

By ______________________________
Title

FRANCHISEE

____
____
____

RIDER TO THE IHA FRANCHISING, LLC
FRANCHISE AGREEMENT
FOR USE IN MINNESOTA

THIS RIDER (the "**Rider**") is made and entered into as of this ______ day of ______________, 201__ (the "**Agreement Date**," regardless of the dates of the parties' signatures), between **IHA FRANCHISING, LLC**, a Delaware limited liability company, with offices at 13901 Sutton Place South, Building A, Suite 100, Jacksonville, Florida 32224 ("**IHA**"), and ____ ("**Franchisee**")

1 **Background** IHA and Franchisee are parties to that certain Franchise Agreement dated ____________________, 201__ (the "**Agreement**") that has been signed concurrently with the signing of this Rider This Rider is annexed to and forms part of the Agreement This Rider is being signed because (a) the Approved Vending Unit that Franchisee will operate under the Agreement will be located in Minnesota, and/or (b) any of the offering or sales activity relating to the Agreement occurred in Minnesota

2 **Releases** The following is added to the end of Sections 3 and 22 of the Agreement

Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law

3 **Fees** The following language is added to the end of Section 4 of the Agreement

Despite the payment provisions above, IHA will defer the payment of the initial fees owed to IHA by Franchisee until such time as all initial obligations owed to Franchisee under the Agreement have been fulfilled by IHA and Franchisee has commenced doing business

4 **Renewal and Termination** The following is added to the end of Sections 3 and 16 of the Agreement

However, with respect to franchises governed by Minnesota law, IHA will comply with Minn Stat Sec 80C 14, Subds 3, 4 and 5 which require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of this Agreement

5 **Governing Law** The following is added to the end of Section 26 of the Agreement

However, nothing in this Agreement shall abrogate or reduce any of Franchisee's rights under Minnesota Statutes Chapter 80C or Franchisee's right to any procedure, forum or remedies that the laws of the jurisdiction provide

6 **Consent to Jurisdiction** The following is added to the end of Section 26 of the Agreement

However, Minn Stat Sec 80C 21 and Minn Rule 2860 4400J prohibits IHA, except in certain specified cases, from requiring litigation to be conducted outside Minnesota Nothing in this Agreement shall abrogate or reduce any of Franchisee's rights under Minnesota Statutes Chapter 80C or Franchisee's right to any procedure, forum or remedies that the laws of the jurisdiction provide

7 **Limitations of Claims** The following is added as a new Section 33 of the Agreement

Minnesota law provides that no action may be commenced under Minn Stat Sec 80C 17 more than three (3) years after the cause of action accrues

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date

IHA FRANCHISING, LLC

By ______________________________
Title

FRANCHISEE

____
____
____

RIDER TO THE IHA FRANCHISING, LLC
FRANCHISE AGREEMENT
FOR USE IN NORTH DAKOTA

THIS RIDER (the "**Rider**") is made and entered into as of this ______ day of ______________, 201__ (the "**Agreement Date**," regardless of the dates of the parties' signatures), between **IHA FRANCHISING, LLC**, a Delaware limited liability company, with offices at 13901 Sutton Place South, Building A, Suite 100, Jacksonville, Florida 32224 ("**IHA**"), and ____ ("**Franchisee**")

1 **Background** IHA and Franchisee are parties to that certain Franchise Agreement dated ____________________, 201__ (the "**Agreement**") that has been signed concurrently with the signing of this Rider This Rider is annexed to and forms part of the Agreement This Rider is being signed because (a) Franchisee is a resident of North Dakota <u>and</u> the Approved Vending Unit that Franchisee will operate under the Agreement will be located in North Dakota, and/or (b) any of the offering or sales activity relating to the Agreement occurred in North Dakota

2 **Fees** The following language is added to the end of Section 4 of the Agreement

> Despite the payment provisions above, IHA will defer the payment of the initial fees owed to IHA by Franchisee until such time as all initial obligations owed to Franchisee under the Agreement have been fulfilled by IHA and Franchisee has commenced doing business

3 **Releases** The following is added to the end of Sections 3 and 22 of the Agreement

> Any general release shall not apply to the extent prohibited by law with respect to claims arising under the North Dakota Franchise Investment Law

4 **Covenant Not to Compete** The following is added to the end of Section 23 of the Agreement

> Covenants not to compete such as those mentioned above generally are considered unenforceable in North Dakota However, IHA will seek to enforce them to the extent enforceable

5 **Arbitration** Section 24 of the Agreement is deleted and replaced with the following

> All controversies, disputes or claims between IHA, its subsidiaries and affiliates (and their respective shareholders, officers, directors, agents and employees) and Franchisee (and its affiliates, agents and employees) arising out of or related to this Agreement or the relationship of the parties hereto shall be submitted for arbitration to the American Arbitration Association on demand of either party Such arbitration proceedings shall be conducted in the city in which IHA then

maintains its principal place of business, however, to the extent required by the North Dakota Franchise Investment Law (unless preempted by the Federal Arbitration Act), arbitration proceedings will be held at a site to which we and you agree and shall be heard by one arbitrator, and except as this Section otherwise provides, in accordance with the then current commercial arbitration rules of the American Arbitration Association The arbitrator shall have no authority to select a different hearing locale The arbitrator shall have the right to award or include in the award any relief which he deems proper in the circumstances, including, without limitation, money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief and attorneys' fees and costs The award and decision of the arbitrator shall be conclusive and binding upon all parties hereto and judgment upon the award may be entered in any court of competent jurisdiction This provision shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement

6 **Governing Law** The following language is added to the end of Section 26 of the Agreement

Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, North Dakota law will apply to this Agreement

7 **Consent To Jurisdiction** The following language is added to the end of Section 26 of the Agreement

However, that to the extent required by applicable law, subject to Franchisee's arbitration obligation, Franchisee may bring an action in North Dakota

8 **Limitations of Claims** The following is added as a new Section 33 of the Agreement

The time limitations set forth in this Section might be modified by the North Dakota Franchise Investment Law

[Signatures on following page]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date

IHA FRANCHISING, LLC

By ______________________________
Title

FRANCHISEE

____
____
____

RIDER TO THE IHA FRANCHISING, LLC
FRANCHISE AGREEMENT
FOR USE IN RHODE ISLAND

THIS RIDER (the "**Rider**") is made and entered into as of this ______ day of ______________, 201__ (the "**Agreement Date**," regardless of the dates of the parties' signatures), between **IHA FRANCHISING, LLC**, a Delaware limited liability company, with offices at 13901 Sutton Place South, Building A, Suite 100, Jacksonville, Florida 32224 ("**IHA**"), and ____ ("**Franchisee**")

1 **Background** IHA and Franchisee are parties to that certain Franchise Agreement dated ____________________, 201__ (the "**Agreement**") that has been signed concurrently with the signing of this Rider This Rider is annexed to and forms part of the Agreement This Rider is being signed because (a) Franchisee is a resident of Rhode Island and the Approved Vending Unit that Franchisee will operate under the Agreement will be located in Rhode Island, and/or (b) any of the offering or sales activity relating to the Agreement occurred in Rhode Island

2 **Governing Law** The following language is added to the end of Section 26 of the Agreement

> Notwithstanding the foregoing, to the extent required by applicable law, Rhode Island law will apply to claims arising under the Rhode Island Franchise Investment Act Section 19-28 1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act "

3 **Consent to Jurisdiction** The following language is added to the end of Section 26 of the Agreement

> However, subject to Franchisee's arbitration obligation, to the extent required by applicable law, Franchisee may bring an action in Rhode Island for claims arising under the Rhode Island Franchise Investment Act

[Signatures on following page]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date

IHA FRANCHISING, LLC

By ______________________________
Title

FRANCHISEE

____
____
____

RIDER TO THE IHA FRANCHISING, LLC
FRANCHISE AGREEMENT
FOR USE IN SOUTH DAKOTA

THIS RIDER (the "**Rider**") is made and entered into as of this ______ day of ______________, 201__ (the "**Agreement Date**," regardless of the dates of the parties' signatures), between **IHA FRANCHISING, LLC**, a Delaware limited liability company, with offices at 13901 Sutton Place South, Building A, Suite 100, Jacksonville, Florida 32224 ("**IHA**"), and ____ ("**Franchisee**")

1 **Background** IHA and Franchisee are parties to that certain Franchise Agreement dated ____________________, 201__ (the "**Agreement**") that has been signed concurrently with the signing of this Rider This Rider is annexed to and forms part of the Agreement This Rider is being signed because (a) the offer or sale of the franchise for the Approved Vending Unit that you will operate under the Agreement was made in the State of South Dakota, and/or (b) Franchisee is a resident of the State of South Dakota and the Approved Vending Unit will be located in South Dakota

2 **Fees** The following language is added to the end of Section 4 of the Agreement

Despite the payment provisions above, IHA will defer the payment of the initial fees owed to IHA by Franchisee until such time as all initial obligations owed to Franchisee under the Agreement have been fulfilled by IHA and Franchisee has commenced doing business

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date

IHA FRANCHISING, LLC

By ______________________________
Title

FRANCHISEE

____
____
____

RIDER TO THE IHA FRANCHISING, LLC
FRANCHISE AGREEMENT
FOR USE IN WASHINGTON

THIS RIDER (the "**Rider**") is made and entered into as of this _____ day of ______________, 201__ (the "**Agreement Date**," regardless of the dates of the parties' signatures), between **IHA FRANCHISING, LLC**, a Delaware limited liability company, with offices at 13901 Sutton Place South, Building A, Suite 100, Jacksonville, Florida 32224 ("**IHA**"), and ____ ("**Franchisee**")

1 **Background** IHA and Franchisee are parties to that certain Franchise Agreement dated ____________________, 201__ (the "**Agreement**") that has been signed concurrently with the signing of this Rider This Rider is annexed to and forms part of the Agreement This Rider is being signed because (a) the Approved Vending Unit that Franchisee will operate under the Agreement will be located in Washington, and/or (b) Franchisee is a resident of Washington, and/or (c) any of the offering or sales activity relating to the Agreement occurred in Washington

2 **Fees** The following is added to the end of Section 4 of the Agreement

Despite the payment provisions above, IHA will defer Franchisee's payment of all initial fees due to IHA until IHA has fulfilled all initial obligations IHA owes to Franchisee under this Agreement and Franchisee has commenced doing business at the Approved Vending Unit

3 **Addition of Paragraphs** The following is added to the end of the Agreement

In recognition of the requirements by the Washington Franchise Investment Protection Act and the Rules and Regulations promulgated thereunder, the Agreement shall be modified as follows

The State of Washington has a statute, RCW 19 100 180, which might supersede this Agreement in Franchisee's relationship with IHA, including the areas of termination and renewal of Franchisee's franchise There may also be court decisions which might supersede this Agreement in Franchisee's relationship with IHA, including the areas of termination and renewal of Franchisee's franchise

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator

In the event of a conflict of laws, to the extent required by the Washington Franchise Investment Protection Act, the provisions of the Washington Franchise Investment Protection Act, Chapter 19 100 RCW shall prevail

To the extent required by the Washington Franchise Investment Protection Act, a release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the Agreement is in effect and where the parties are represented by independent counsel Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, might not be enforceable, however, IHA and Franchisee agree to enforce those provisions as written to the maximum extent the law allows

To the extent required by the Washington Franchise Investment Protection Act, transfer fees are collectable to the extent that they reflect IHA's reasonable estimate or actual costs in effecting a transfer

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date

IHA FRANCHISING, LLC

By ______________________________

Title

FRANCHISEE

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____

THE FOLLOWING PAGES IN THIS EXHIBIT ARE STATE-SPECIFIC RIDERS TO THE MULTI-UNIT FRANCHISE AGREEMENT

RIDER TO THE IHA FRANCHISING, LLC MULTI-UNIT FRANCHISE AGREEMENT FOR USE IN MINNESOTA

THIS RIDER (the "**Rider**") is made and entered into as of this ______ day of ______________, 201__ (the "**Agreement Date**," regardless of the dates of the parties' signatures), between **IHA FRANCHISING, LLC**, a Delaware limited liability company, with offices at 13901 Sutton Place South, Building A, Suite 100, Jacksonville, Florida 32224 ("**IHA**"), and ________________________________ ("**Multi-Unit Franchisee**")

1 **Background** IHA and Multi-Unit Franchisee are parties to that certain Multi-Unit Franchise Agreement dated ____________________, 201__ (the "**Agreement**") that has been signed concurrently with the signing of this Rider This Rider is annexed to and forms part of the Agreement This Rider is being signed because (a) the Territory under the Agreement will be located in Minnesota, and/or (b) any of the offering or sales activity relating to the Agreement occurred in Minnesota

2 **Releases** The following language is added to the end of Section 2 B (7) of the Agreement

> however, any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law

3 **Renewal and Termination** The following is added to the end of Sections 2 B and 9 of the Agreement

> However, with respect to franchises governed by Minnesota law, IHA will comply with Minn Stat Sec 80C 14, Subds 3, 4 and 5 which require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of this Agreement

4 **Governing Law** The following is added to the end of Section 20 A of the Agreement

> However, nothing in this Agreement shall abrogate or reduce any of Multi-Unit Franchisee's rights under Minnesota Statutes Chapter 80C or Multi-Unit Franchisee's right to any procedure, forum or remedies that the laws of the jurisdiction provide

5 **Consent to Jurisdiction** The following is added to the end of Section 20 C of the Agreement

> However, Minn Stat Sec 80C 21 and Minn Rule 2860 4400J prohibits IHA, except in certain specified cases, from requiring litigation to be conducted outside Minnesota Nothing in this Agreement shall abrogate or reduce any of Multi-Unit Franchisee's rights under Minnesota Statutes Chapter 80C or Multi-Unit

Franchisee's right to any procedure, forum or remedies that the laws of the jurisdiction provide

6 **<u>Waiver of Punitive Damages</u>** If required by the Minnesota Franchises Law, the waiver of punitive damages in Section 20 F of the Agreement is deleted

7 **<u>Limitations of Claims</u>** The following is added as a new Section 20 H of the Agreement

Minnesota law provides that no action may be commenced under Minn Stat Sec 80C 17 more than three (3) years after the cause of action accrues

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date

IHA FRANCHISING, LLC

By ____________________________

Title

MULTI-UNIT FRANCHISEE

____

____

____

RIDER TO THE IHA FRANCHISING, LLC
MULTI-UNIT FRANCHISE AGREEMENT
FOR USE IN NORTH DAKOTA

THIS RIDER (the "**Rider**") is made and entered into as of this ______ day of ______________, 201__ (the "**Agreement Date**," regardless of the dates of the parties' signatures), between **IHA FRANCHISING, LLC**, a Delaware limited liability company, with offices at 13901 Sutton Place South, Building A, Suite 100, Jacksonville, Florida 32224 ("**IHA**"), and ________________________________ ("**Multi-Unit Franchisee**")

1 **Background** IHA and Multi-Unit Franchisee are parties to that certain Multi-Unit Franchise Agreement dated ____________________, 201__ (the "**Agreement**") that has been signed concurrently with the signing of this Rider This Rider is annexed to and forms part of the Agreement This Rider is being signed because (a) Multi-Unit Franchisee is a resident of North Dakota and the Territory under the Agreement will be located in North Dakota, and/or (b) any of the offering or sales activity relating to the Agreement occurred in North Dakota

2 **Releases** The following language is added to the end of Section 2 B (7) of the Agreement

Any general release shall not apply to the extent prohibited by law with respect to claims arising under the North Dakota Franchise Investment Law

3 **Arbitration** Section 20 B of the Agreement is deleted and replaced with the following

All controversies, disputes or claims between IHA, its affiliates (and their respective shareholders, officers, directors, agents and employees) and Multi-Unit Franchisee (and its affiliates and their respective shareholders, officers, directors, agents and employees) arising out of or related to this Agreement or the relationship of the parties hereto shall be submitted for arbitration to the American Arbitration Association on demand of either party Such arbitration proceedings shall be conducted in the way in which IHA then maintains its principal place of business, however, to the extent required by the North Dakota Franchise Investment Law (unless preempted by the Federal Arbitration Act), arbitration proceedings will be held at a site to which we and you agree, and shall be heard by one arbitrator, and except as this Section otherwise provides, in accordance with the then current commercial arbitration rules of the American Arbitration Association The arbitrator shall have no authority to select a different hearing locale The arbitrator shall have the right to award or include in the award any relief which he deems proper in the circumstances, including, without limitation, money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief and attorneys' fees and costs The award and decision of the arbitrator shall be conclusive and binding upon all parties hereto and judgment upon the award may be entered in any court of competent jurisdiction This provision shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement Nothing herein shall prevent either party from applying to and obtaining a writ of attachment, temporary or preliminary injunction or other equitable relief from a court of competent jurisdiction, if necessary to preserve the status quo pending arbitration

4 **Governing Law** The following language is added to the end of Section 20 A of the Agreement

Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, North Dakota law will apply to this Agreement

5 **Consent To Jurisdiction** The following language is added to the end of Section 20 C of the Agreement

However, that to the extent required by applicable law, subject to Multi-Unit Franchisee's arbitration obligation, Multi-Unit Franchisee may bring an action in North Dakota

6 **Waiver of Punitive Damages** To the extent required by the North Dakota Franchise Investment Law, the waiver of punitive damages in Section 20 F of the Agreement is deleted

7 **Limitations of Claims** The following is added as a new Section 20 H of the Agreement

The time limitations set forth in this Section might be modified by the North Dakota Franchise Investment Law

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date

IHA FRANCHISING, LLC

By ______________________________

Title

MULTI-UNIT FRANCHISEE

____

____

____

RIDER TO THE IHA FRANCHISING, LLC
MULTI-UNIT FRANCHISE AGREEMENT
FOR USE IN RHODE ISLAND

THIS RIDER (the "**Rider**") is made and entered into as of this ______ day of ______________, 201__ (the "**Agreement Date**," regardless of the dates of the parties' signatures), between **IHA FRANCHISING, LLC**, a Delaware limited liability company, with offices at 13901 Sutton Place South, Building A, Suite 100, Jacksonville, Florida 32224 ("**IHA**"), and ________________________________ ("**Multi-Unit Franchisee**")

1 **Background** IHA and Multi-Unit Franchisee are parties to that certain Multi-Unit Franchise Agreement dated ____________________, 201__ (the "**Agreement**") that has been signed concurrently with the signing of this Rider This Rider is annexed to and forms part of the Agreement This Rider is being signed because (a) Multi-Unit Franchisee is a resident of Rhode Island and Territory under the Agreement will be located in Rhode Island, and/or (b) any of the offering or sales activity relating to the Agreement occurred in Rhode Island

2 **Governing Law** The following language is added to the end of Section 20 A of the Agreement

> Notwithstanding the foregoing, to the extent required by applicable law, Rhode Island law will apply to claims arising under the Rhode Island Franchise Investment Act Section 19-28 1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act "

3 **Consent to Jurisdiction** The following language is added to the end of Section 20 C of the Agreement

> However, subject to Multi-Unit Franchisee's arbitration obligation, to the extent required by applicable law, Multi-Unit Franchisee may bring an action in Rhode Island for claims arising under the Rhode Island Franchise Investment Act

[Signatures on following page]

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date

IHA FRANCHISING, LLC

By ______________________________
Title

MULTI-UNIT FRANCHISEE

____
____
____

RIDER TO THE IHA FRANCHISING, LLC
MULTI-UNIT FRANCHISE AGREEMENT
FOR USE IN WASHINGTON

THIS RIDER (the "**Rider**") is made and entered into as of this ______ day of ______________, 201__ (the "**Agreement Date**," regardless of the dates of the parties' signatures), between **IHA FRANCHISING, LLC**, a Delaware limited liability company, with offices at 13901 Sutton Place South, Building A, Suite 100, Jacksonville, Florida 32224 ("**IHA**"), and ________________________________ ("**Multi-Unit Franchisee**")

1 **<u>Background</u>** IHA and Multi-Unit Franchisee are parties to that certain Multi-Unit Franchise Agreement dated ____________________, 201__ (the "**Agreement**") that has been signed concurrently with the signing of this Rider This Rider is annexed to and forms part of the Agreement This Rider is being signed because (a) the Territory under the Agreement will be located in Washington, and/or (b) Multi-Unit Franchisee is a resident of Washington, and/or (c) any of the offering or sales activity relating to the Agreement occurred in Washington

2 **<u>Addition of Paragraphs</u>** The following is added to the end of the Agreement

In recognition of the requirements by the Washington Franchise Investment Protection Act and the Rules and Regulations promulgated thereunder, the Agreement shall be modified as follows

The State of Washington has a statute, RCW 19 100 180, which might supersede this Agreement in Multi-Unit Franchisee's relationship with IHA, including the areas of termination and renewal of Multi-Unit Franchisee's franchise There may also be court decisions which might supersede this Agreement in Multi-Unit Franchisee's relationship with IHA, including the areas of termination and renewal of Multi-Unit Franchisee's franchise

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator

In the event of a conflict of laws, to the extent required by the Washington Franchise Investment Protection Act, the provisions of the Washington Franchise Investment Protection Act, Chapter 19 100 RCW shall prevail

To the extent required by the Washington Franchise Investment Protection Act, a release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the Agreement is in effect and where the parties are represented by independent counsel Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, might not be enforceable, however, IHA and Multi-Unit Franchisee agree to enforce those provisions as written to the maximum extent the law allows

To the extent required by the Washington Franchise Investment Protection Act, transfer fees are collectable to the extent that they reflect IHA's reasonable estimate or actual costs in effecting a transfer

IN WITNESS WHEREOF, the parties have executed and delivered this Rider effective on the Agreement Date

IHA FRANCHISING, LLC

By ______________________________
Title

MULTI-UNIT FRANCHISEE

____
____
____

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language Read this disclosure document and all agreements carefully

If IHA Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first

If IHA Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D C 20580 and the appropriate state agency identified in Exhibit F

The franchisor is IHA Franchising, LLC located at 13901 Sutton Place South, Building A, Suite 100, Jacksonville, Florida Its telephone number is 904-241-7535

The franchise seller(s) for this offering are Ian B Olson, and __________________ *{complete only if applicable}* at IHA Franchising, LLC, 13901 Sutton Place South, Building A, Suite 100, Jacksonville, Florida, 904-241-7535

Issuance Date June 29, 2017

We authorize the respective state agents identified on Exhibit E to receive service of process for us in the particular states I received a disclosure document from IHA Franchising, LLC dated as of June 29, 2017, that included the following Exhibits

Exhibit A	Financial Statements
Exhibit B	Franchise Agreement
Exhibit C	Multi-Unit Franchise Agreement
Exhibit D	Operating Manual Table of Contents
Exhibit E	Terms and Conditions
Exhibit F	List of State Administrators/Agents for Service of Process
Exhibit G	SmartIce Remote Management System Terms and Conditions
Exhibit G-1	ePort® Connect Services Agreement and Activation Consent Form
Exhibit H	General Release
Exhibit I	Franchisee Disclosure Questionnaire
Exhibit I 1	Multi-Unit Franchisee Disclosure Questionnaire
Exhibit J	List of Franchisees and Multi Unit Franchisees
Exhibit K	List of Former Franchisees and Multi-Unit Franchisees
Exhibit L	State Addenda and Agreement Riders

______________________________   ______________________________

Date   Name of Prospective Franchisee

____

Signature of Prospective Franchisee

[Sign and return this page to us]

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language Read this disclosure document and all agreements carefully

If IHA Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first

If IHA Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D C 20580 and the appropriate state agency identified in Exhibit F

The franchisor is IHA Franchising, LLC located at 13901 Sutton Place South, Building A, Suite 100, Jacksonville, Florida Its telephone number is 904-241-7535

The franchise seller(s) for this offering are Ian B Olson, and ________________ *{complete only if applicable}* at IHA Franchising, LLC, 13901 Sutton Place South, Building A, Suite 100 Jacksonville, Florida, 904-241-7535

Issuance Date June 29 2017

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Exhibit B	Franchise Agreement	Exhibit I	Franchisee Disclosure Questionnaire
Exhibit C	Multi-Unit Franchise Agreement	Exhibit I-1	Multi-Unit Franchisee Disclosure Questionnaire
Exhibit D	Operating Manual Table of Contents	Exhibit J	List of Franchisees and Multi-Unit Franchisees
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Exhibit F	List of State Administrators/Agents for Service of Process	Exhibit L	State Addenda and Agreement Riders
Exhibit G	SmartIce Remote Management System Terms and Conditions		
Exhibit G 1	ePort® Connect Services Agreement and Activation Consent Form		

______________________ Date

______________________ Name of Prospective Franchisee

______________________ Signature of Prospective Franchisee

[Sign and keep this page for your records]