FRANCHISE DISCLOSURE DOCUMENT

Kona Ice, Inc.
5945 Centennial Circle
Florence, Kentucky 41042
Phone: 1-800-KONA-ICE (1-800-566-2423)
Fax: (859) 282-9890
Email: Tony@Kona-Ice.com
www.Kona-Ice.com

Kona Ice businesses provide flavored shaved ice, ice cream, and related products to the general public in a mobile environment ("Kona Ice Business(es)").

The total investment necessary to begin operation of a Kona Ice Business ranges from $124,750 to $147,550, including between $120,150 and $128,150, which must be paid to the franchisor or its affiliates.

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, the franchisor 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 Tony Lamb, 5945 Centennial Circle, Florence, Kentucky 41042 or at 1-800-566-2423.

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 an 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. In addition, there may be laws on franchising in your state. Ask your state agencies about them.

ISSUANCE DATE: April 20, 2018

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor 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 A for information about the franchisor 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 REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION/LITIGATION ONLY IN KENTUCKY. OUT-OF-STATE ARBITRATION/LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE/LITIGATE WITH US IN KENTUCKY THAN IN YOUR OWN STATE.

2. THE FRANCHISE AGREEMENT STATES THAT KENTUCKY LAW GOVERNS THE AGREEMENT AND THAT THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

3. YOUR SPOUSE MUST ALSO SIGN AN OWNERS AGREEMENT THAT CONTAINS A PERSONAL GUARANTEE, WHICH MAKES YOUR SPOUSE INDIVIDUALLY LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE AGREEMENT. THIS GUARANTEE WILL PLACE BOTH YOUR AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS AT RISK IF YOUR FRANCHISE FAILS.

4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source is our agent and represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

Effective Dates: See next page for state effective dates.

STATE EFFECTIVE DATES

The following states require the 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 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:

Effective Dates for States Requiring Registration and Notice Filings:

STATE	EFFECTIVE DATE
CALIFORNIA	PENDING
HAWAII	PENDING
ILLINOIS	PENDING
INDIANA	PENDING
MARYLAND	PENDING
MICHIGAN	PENDING
MINNESOTA	PENDING
NEW YORK	PENDING
NORTH DAKOTA	PENDING
RHODE ISLAND	PENDING
SOUTH DAKOTA	PENDING
VIRGINIA	PENDING
WASHINGTON	PENDING
WISCONSIN	PENDING

NOTICE REQUIRED BY
STATE OF MICHIGAN

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.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

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

(b) A requirement that the franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this 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 terms 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 six (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 or 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.

The fact there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to the Department of Attorney General, State of Michigan, 670 Williams Building, Lansing, Michigan 48913, telephone (517) 373-7117.

THE MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.

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EXHIBITS:

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APPLICABLE STATE LAW MAY REQUIRE ADDITIONAL DISCLOSURES REGARDING THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT OR STATE SPECIFIC AMENDMENTS TO THE FRANCHISE AGREEMENT. THESE ADDITIONAL DISCLOSURES OR STATE SPECIFIC AMENDMENTS, IF ANY, APPEAR IN THE STATE ADDENDA AS EXHIBIT G.

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

To simplify the language in this Franchise Disclosure Document, "KII," "we," "us," and "our" means Kona Ice, Inc., the franchisor. "You," "your," and "Franchisee" means the business entity and its owners that buys the franchise from Kona Ice, Inc.

The Franchisor

Kona Ice, Inc. is a Kentucky corporation formed in February 2008. We operate under the name Kona Ice, Inc. and Kona Ice and no other name. Our principal business address is 5945 Centennial Circle, Florence, Kentucky 41042. We do not have any parent entities. We began offering Kona Ice franchises in March 2008. We operate Kona Ice businesses similar to the type being offered and have done so since June 2007. Except as described above, we have not engaged in or offered franchises in any other line of business.

Predecessors and Affiliates

Our predecessor, EGR Holdings, Inc. ("EGR") was a Kentucky corporation formed in February 2007 and offered franchises and Kona Ice trucks similar to the type being offered under this Franchise Disclosure Document from 2007 to 2008. Its principal business address was 10943 Dixie Hwy, Walton, Kentucky, 41094. EGR operated under the name EGR Holdings, Inc. and Kona Ice from June 2007 until November 2008 when Kona Ice, Inc. and EGR merged.

We have one affiliate, Kreations Flavoring, LLC ("Kreations Flavoring"), which offers products or services to our franchisees. Kreations Flavoring is a Texas corporation incorporated on March 30th, 2015. Its principal business address is 4306 Ganymede Dr. Austin, TX, 78727. Kreations Flavoring sells flavoring. None of our affiliates offer franchises in any line of business.

Our agent for service of process in Kentucky is Tony Lamb, 710 Chambers Road, Walton, KY 41094. Our other agents for service of process are disclosed on Exhibit A. 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 franchise laws. There may be states in addition to those listed above in which we have appointed an agent for service of process. There may also be additional agents appointed in some of the states listed.

The Franchise

We offer franchises ("Kona Ice Franchise(s)" or "Franchise(s)") for the use of our "KONA ICE" trademarks, trade names, service marks, and logos ("Marks") for the operation of Kona Ice Businesses. Kona Ice Businesses are operated under our proprietary Kona Ice system ("System"). The System may be changed or modified by us throughout your ownership of the Franchise. Kona Ice Businesses operate a mobile business which includes our proprietary Kona Ice truck, known as the Kona Entertainment Vehicle ("KEV") with the patented Flavor Wave Self-Service System, and other mobile units that sell flavored shaved ice, ice cream, and related products. Customers can also book the KEV or other mobile units for various events, including fundraising events, sports leagues, school events or sports, festivals and fairs, birthday parties, corporate events, picnics, church events, block parties, daycares and preschools, etc.

As the Kona Ice Business is a mobile business, you will most likely operate your Kona Ice Franchise from your home, but you may choose to rent an executive suite office or other commercial

office space. Depending on your local laws and community rules, you may be required to rent or lease storage space for your KEV at a commissary location or other location.

You must sign our standard franchise agreement attached to this Franchise Disclosure Document as Exhibit C ("Franchise Agreement"). You must operate one (1) KEV per Franchise Agreement. Each Franchise will have a protected territory which will be described in the Franchise Agreement ("Protected Territory"). Your Kona Ice Business must offer only those services and products that we have authorized. We reserve the right to add, modify, or delete any services or products that you must offer or sell at your Kona Ice Business at any time at our sole discretion.

Existing franchisees also have the option to purchase other Kona Ice equipment ("Additional Equipment"). As of the Issuance Date of this Franchise Disclosure Document, we currently offer the "Kona Entertainment Trailer," "Kona Entertainment Kiosk," "Kona Mini" and the "KEV Express Truck." The KEV Express Truck is a smaller version of the KEV and does not have a freezer. Existing Franchisees may trade in their KEV for a KEV Express Truck ("KEV Express Conversion"). If a Franchisee does a KEV Express Conversion, all disclosures in this Disclosure Document that apply to a KEV will also apply to the KEV Express Truck (including royalty calculation and compliance with the Franchise Agreement). If a franchisee purchases a KEV Express Truck in addition to the KEV, the KEV Express Truck will be treated as Additional Equipment for purposes of royalties and compliance with the Franchise Agreement. Currently, the purchase of Additional Equipment is not mandatory and can only be purchased after your Kona Ice Business is established. Franchisees must purchase the Additional Equipment from us or our affiliates but are not required to pay an additional initial franchise fee to use the Additional Equipment. Franchisees may only use the Additional Equipment in their Protected Territory.

Market and Competition

Kona Ice Businesses target their services to the general public. The market for frozen desserts and confections and other food and beverage products served in a mobile dining atmosphere is competitive and well-developed. Due to the nature of shaved ice and ice cream related products, sales are seasonal with more business activity in the warm months and little to no sales in colder months. The casual dining industry is highly competitive and is often affected by changes in eating habits, by local and national conditions affecting spending habits, and by population and traffic patterns. Kona Ice Businesses will compete with other local businesses, as well as many local, regional, and national restaurant chains, grocery stores, street vendors, and other food service businesses offering similar products for mobile consumption, take out, delivery, and catering services.

You will also face normal business risks that could have an adverse effect on your Kona Ice Business. These include industry developments, such as pricing policies of competitors, consumer tastes, and supply and demand.

Industry-Specific Laws

Many states and local jurisdictions have enacted laws, rules, regulations, and ordinances which may apply to the operation of your Kona Ice Business, including those which: (a) establish general standards, specifications, and requirements for the construction, design, and maintenance of the KEV; (b) regulate matters affecting the health, safety, and welfare of your customers, such as general health and sanitation requirements; employee practices concerning the storage, handling, and preparation of food; special health, food service, and frozen dessert machine licensing requirements; restrictions on smoking and exposure to tobacco smoke or other carcinogens or reproductive toxicants and saccharin; availability of and requirements for public accommodations, including restrooms; (c) set standards pertaining to employee health and safety; (d) set standards and requirements for fire safety and general emergency

preparedness, (e) govern the use of vending machines, (f) regulate the proper use, storage, and disposal of waste, insecticides, and other hazardous materials, (g) establish general requirements or restrictions on advertising containing false or misleading claims, or health and nutrient claims on menus or otherwise, such as "low calorie" or "fat free," and (h) establish requirements concerning withholdings and employee reporting of taxes on tips. Additionally, most states require a food handler's license and possibly a hawkers or peddlers license. Certain city or town clerks in the communities you plan to service may have additional licensing requirements.

Any person who drives your KEV must have a valid driver's license and each of your KEVs must be properly licensed. The requirements for these licenses may vary, depending on your location.

You alone are responsible for investigating, understanding, and complying with all applicable laws, regulations, and requirements applicable to you and your Kona Ice Franchise despite any advice or information that we may give you. You should consult with a legal advisor about whether these and/or other requirements apply to your Kona Ice Business. Failing to comply with laws and regulations is a material breach of the Franchise Agreement.

ITEM 2
BUSINESS EXPERIENCE

President, Secretary, and Franchise Sales Manager: Tony Lamb

Mr. Lamb serves as our President, Secretary, and as the Franchise Sales Manager in Walton, Kentucky and has done so since our inception in February 2008. Mr. Lamb also serves as the President of Targett Information Services in Union, Kentucky and has done so since November 2003.

Chief Executive Officer, Treasurer, and Chief Financial Officer: Edward G. Reynolds

Mr. Reynolds serves as our Chief Executive Officer, Treasurer, and Chief Financial Officer in Walton, Kentucky and has done so since our inception in February 2008. Mr. Reynolds also serves as the President of Eagle Financial Services, Inc. in Florence, Kentucky and has done so since June 1994.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Initial Franchise Fee

You must pay us an initial franchise fee ("Initial Franchise Fee") of $15,000 when you sign the Franchise Agreement. Each Franchise Agreement will grant you the right to operate one (1) KEV and Additional Equipment in the Protected Territory. If you desire to operate more than one (1) KEV, you will be required to purchase an additional Kona Ice Franchise for each KEV (unless you purchase a KEV

Express Truck as Additional Equipment which you may operate in your Protected Territory). The Initial Franchise Fee is due in full at the time you sign the Franchise Agreement(s), and is deemed fully earned by us once paid and is not refundable.

Territory Reservation Fee

Franchisees may also reserve additional territories by paying a territory reservation fee of $10,000 per territory ("Territory Reservation Fee") and signing the "Agreement of Provisional Territory Hold with Intent to Purchase Additional Franchise" which is attached as Exhibit H to this Disclosure Document. The Territory Reservation Fee will be applied to the Initial Franchise Fee if you execute a new franchise agreement for an additional Kona Ice Franchise. The Territory Reservation Fee is uniform and nonrefundable even if you do not open an additional Kona Ice Franchise.

Kona Entertainment Vehicle

You will be required to purchase one (1) KEV for $99,650 from us. You will pay a nonrefundable $5,000 deposit when you sign the Franchise Agreement and the remaining balance of $94,650 when you take delivery of your KEV. You will be required to pay for any optional customization or additional features that you request that are not standard on the KEV. KEV payments are nonrefundable even if you do not open a Kona Ice Franchise. The KEV will come equipped with an ice shaving machine, two cold plate freezers, our proprietary music system, and our proprietary patented "FlavorWave Self-Service System" (US Patent Number 8,157,136). This station allows the customer to choose and apply his or her own flavorings to the shaved ice product.

KEV Compliance Fee

You may be required to pay a fee in the event that we or our affiliate needs to modify any part of the KEV from our standard specifications in order to meet with relevant state or local health department requirements in your Protected Territory. Should modifications be required on the KEV, we estimate this fee to cost between $0 and $4,000. These payments are nonrefundable.

Initial Inventory

We require all Franchisees to purchase an initial supply of cups and flavorings, a graphics package, and a Kona Ice welcome box that includes branded t-shirt uniforms from us before you begin operation of your Kona Ice Business. The cost of the initial inventory is $5,500 and is to be paid prior to the start of your Kona Ice Business and is nonrefundable.

Optional Inventory

You may, but are not required to, purchase Kona Ice branded merchandise from us such as stuffed penguins, beach balls, shirts, and hats for approximately $500, depending on the quantity you purchase. These payments are nonrefundable.

ITEM 6
OTHER FEES

Type of Fee[1]	Amount	Due Date	Remarks
Royalty[2], [3]	$3,000 annually for the first 5 years, $3,500 for the next 2 years, and $4,000 for the remaining 3 years	3 equal installments due June 30, July 31, and August 31 of each year, payable beginning the first calendar year in which you take delivery of the KEV	This "Royalty" is an ongoing payment that allows you to use the Marks and the intellectual property of the System and pays for our ongoing support and assistance. We reserve the right to charge additional royalties for the use of Additional Equipment. If you are renewing your franchise agreement or purchasing an existing franchise agreement, the date for determining royalty payments will be determined from the date the initial franchise agreement was signed.
Additional Equipment Royalty[3]	Varies based on the type of Additional Equipment (currently $600 to $2,000 per year)	Same as royalty	You may purchase any Additional Equipment for use in your Protected Territory. You are not required to purchase any Additional Equipment during the term of the Franchise Agreement.
Territory Reservation Fee	$10,000 per territory	As incurred	Franchisees may reserve territories in addition to the Protected Territory. The Territory Reservation Fee will be applied to the Initial Franchise Fee if you purchase an additional Franchise.
Territory Infringement Fee	$1,000 plus invoice amount for first violation; $5,000 plus invoice amount for second and subsequent violations	As incurred	Payable to us if you infringe on another Kona Ice Franchisee's Protected Territory by receiving payment for goods and/or services provided and/or rendered within the other franchisee's Protected Territory without that franchisee's and/or our permission. We may direct the funds at our option.
Territory Relocation Fee	$2,500	As incurred	Payable to us if you relocate your Protected Territory
Change of Territory Fee	$1,000 if territory is revised after 30 days (30 days beyond initial territory approval) $2,500 after 1 year (beyond 1 year from initial territory approval)	As incurred	Payable to us if you revise your Protected Territory

Type of Fee[1]	Amount	Due Date	Remarks
Marketing Fund[4]	Currently $500 per year	Annually on or before June 30	We have established a system wide "Marketing Fund." Amount can be raised annually by up to 10%, and/or increased for marketing projects upon approval of the "Advertising Advisory Board." See Item 11 for more information.
Additional Training	Then-current fee (currently approximately $0)	As incurred	We may charge you for training newly-hired personnel, refresher training courses, advanced training courses, and additional or special assistance or training you may need or request. The fee amount will depend on the training required and experience level of the trainer.
Kona Email Address Fee	$60 per email address per year	Annually on or before October 1	Payable to us for each email address we establish for you. Each franchisee entity is required to have at least one (1) Kona email address. If you purchase multiple Franchises, you will be required to have a separate email address for each Franchise.
Customer Satisfaction Reimbursement	Varies under circumstances	As incurred	We may, in our sole discretion, remedy any issues with customers of your Kona Ice Business, including full reimbursement of any fees paid to you. You are required to reimburse us for any such costs.
Non-Compliance Fee	$250 for the first violation; $500 if violation is not corrected within 30 days; $100 per day if violation not corrected within 30 more days	As incurred	This fee is assessed if you receive notice that you are failing to follow our system standards, failing to comply with the provisions of the Franchise Agreement or failing to follow the provisions of our operating manual. This fee is in addition to any and all remedies that we have available under the Franchise Agreement.
Misappropriated Success Guide Fee[5]	Will vary under the circumstances	On demand	Our "Success Guide" (as defined in Item 8) contains valuable intellectual property and trade secrets. Each franchisee will get one copy of the Success Guide. If you lose, give away, make unauthorized copies, fail to return or otherwise misappropriate all or some of the Success Guide, you will be required to pay us liquidated damages to offset the damages that we will incur as a result of this misappropriation.
Payment Service Fees	Up to 3% of total charge	As incurred	If payment is made to us or our affiliates by credit card for any fee required, we may include a service fee of up to three percent (3%) of the total charge.

Type of Fee[1]	Amount	Due Date	Remarks
Late Fees	$25 per day, plus the lesser of the daily equivalent of 12% per year simple interest or the highest rate allowed by law	On demand	Payable if any payment due to us or our affiliate is not made by the due date. Interest accrues from the original due date until payment is received in full.
Returned Check Or Insufficient Funds Fee	$100	As incurred	Payable if any check or electronic funds transfer payment is not successful due to insufficient funds, stop payment, or any similar event.
Indemnification	Varies under circumstances	As incurred	You must indemnify and reimburse us for any expenses or losses that we or our representatives incur related in any way to your Kona Ice Business or Franchise.
Professional Fees and Expenses	Will vary under circumstances	As incurred	You must reimburse us for any legal or accounting fees that we incur as a result of any breach or termination of your Franchise Agreement. You must reimburse us if we are required to incur any expenses in enforcing our rights against you under the Franchise Agreement.
Renewal Franchise Fee	$5,000	At the time you sign the successor franchise agreement	Payable if you qualify to renew your Franchise Agreement and choose to enter into a successor franchise agreement.
Transfer Fee[6]	$5,000	$1,000 nonrefundable deposit at time of transfer application submittal and the remaining balance of fee at time of approved transfer	Payable in connection with the transfer of your Kona Ice Business, your KEV a transfer of ownership of your legal entity, or the Franchise Agreement.
Ancillary Transfer Fee	$500	At time of approved transfer	Payable in connection with the transfer of your Additional Equipment. You will be required to pay off any loans on the Additional Equipment prior to transfer.
KEV Remodel or KEV Upgrades	$0 - $15,000 (The average in 2017 was $9,250)	Upon execution of successor franchise agreement, upon a KEV rewrap or upon a transfer of an existing KEV that has not completed the required remodels	Payable to us upon execution of successor franchise agreement for a Kona Ice Franchise with a KEV that has not completed the required remodels or is not in compliance with current standards, or for the transfer of a Kona Ice Business with a KEV that has not completed the required remodels or is not in compliance with current standards, or if we rewrap your KEV in your seventh year of operations.

Type of Fee[1]	Amount	Due Date	Remarks
Mystery Shopper Fee	$1,000 per occurrence	On demand	We may send a mystery shopper or similar third party to your Kona Ice Franchise. If the results of the third party mystery shop are unsatisfactory, we will send another mystery shopper or similar third party to conduct a second mystery shop. If the results of the second mystery shop are unsatisfactory, we will conduct a mystery shop of your Kona Ice Franchise and you must pay us a fee of $1,000 to cover our travel and expenses.
Broker Fees	$5,000 if you transfer your business to a prospect that came from KII or KII's cost of the brokerage commissions, finder's fees, or similar charges	As incurred	Payable only in connection with the transfer to a purchaser that was referred to you through one of our leads or through a third party broker that we have a contract with.
Management Fee	$250 per day, plus costs and expenses	As incurred	Payable if we manage the Kona Ice Business because you are in breach of the Franchise Agreement.

Notes:

1. Fees. All fees paid to us or our affiliates are uniform and not refundable under any circumstances once paid. Fees paid to vendors or other suppliers may be refundable depending on the vendors and suppliers. We currently require you to pay fees and other amounts due to us and our affiliates via electronic funds transfer ("EFT") or other similar means. You are required to complete the EFT authorization (in the form attached to this Franchise Disclosure Document in Exhibit H. We can require an alternative payment method or payment frequency for any fees or amounts owed to us or our affiliates under the Franchise Agreement. All fees are current as of the Issuance Date of this Franchise Disclosure Document. Certain fees that we have indicated may increase over the term of the Franchise Agreement.

2. Royalty. Royalty fees for the Kona Entertainment Vehicle are paid in three (3) monthly installments on June 30, July 31, and August 31 of each year as follows:

Years	Installments
1 through 5	3 installments of $1,000
6 through 7	$1,166, $1,166 and $1,168
8 through 10	$1,333, $1,333 and $1,334

3. Additional Equipment Royalty. If you purchase Additional Equipment, you will be required to pay the additional equipment royalty ("AE Royalty") for such Additional Equipment, which will be noted in an amendment to the Franchise Agreement.

As of the Issuance Date of this Franchise Disclosure Document, the Additional Equipment offered, the purchase price, and the AE Royalty amount are as follows:

Equipment	Amount	AE Royalty
Kona Entertainment Trailer	$38,450 plus shipping	$1,000 annually
Kona Entertainment Kiosk	$29,650 plus shipping	$750 annually
KEV Express Truck*	$84,375 plus shipping	$2,000 annually**
Kona Mini	$24,650 - $26,850 plus shipping	$600 annually

These amounts are subject to change. You may not purchase any Additional Equipment until your KEV is operating in your Protected Territory. The AE Royalty will be due for as long as you own the Additional Equipment.
*If you are doing a KEV Express Conversion, you will be required to trade in your KEV to us and pay shipping for the KEV Express Truck.
**If you are doing a KEV Express Conversion, you will be required to pay the Royalty and not the AE Royalty listed in the chart above.

4. Marketing Fund. We reserve the right to adjust your Marketing Fund payments annually by up to 10%.

5. Misappropriated Success Guide Fee. These liquidated damages are determined by taking our total revenue from our previous fiscal year, multiplied by the fraction which results from taking 1 divided by the current number of Kona Ice franchisees as of the date of the misappropriation, except that this fee will not, under any circumstances, be less than thirty thousand dollars ($30,000).

6. Transfer Fee. We do not charge a transfer fee if you transfer your Franchise to your child, parent, sibling or spouse.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is Made
	Low	High			
Initial Franchise Fee	$15,000	$15,000	Lump Sum	Upon signing the Franchise Agreement	Us
KEV and Installed Equipment(1)	$99,650	$99,650	2 Installments	$5,000 due upon signing the Franchise Agreement and the balance of $94,650 due upon delivery or pick up of the KEV and related equipment	Us

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is Made
	Low	High			
Training Expenses[2]	$200	$500	As Incurred	As Incurred	Providers of Travel, Lodging, and Food Services
KEV Delivery[3]	$500	$3,000	Lump Sum	Upon delivery of the KEV and related equipment	Third Party
KEV Compliance Fee	$0	$4,000	As Incurred	As Incurred	Us or our affiliate
KEV Insurance for 3 Months[4]	$450	$1,200	As Agreed	As Agreed	Insurance Companies
Tax, Title, and Licensing of KEV[5]	$2,000	$6,000	Lump Sum	Upon delivery or pick up of the KEV	Government Agencies
Initial Inventory[6]	$5,500	$5,500	Lump Sum	Before Opening	Us
Optional Inventory[7]	$0	$500	As Incurred	As Incurred	Us, Suppliers
Permits and Licenses[8]	$250	$1,500	Lump Sum	As Incurred	Government Agencies
Real Estate or KEV Storage[9]	$0	$1,200	As Incurred	As Agreed	Third Parties
Computer System and Software	$200	$1,000	As Incurred	Before Opening	Suppliers
Additional Funds – 3 Months[10]	$1,000	$8,500	As Incurred	As Incurred	Us, Third Parties
TOTAL ESTIMATED INITIAL INVESTMENT[11]	$124,750	$147,550			

Notes:

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your Kona Ice Franchise. You may be able to finance the purchase of your KEV (See Item 10). Our estimates are based on our experience, the experience of our affiliates, and our current requirements for Kona Ice Franchises. The factors underlying our estimates may vary depending on several variables, and the actual investment you make in developing and opening your Franchise may be greater or less than the estimates given depending upon the location of your Franchise, and current relevant market conditions. Your costs will also depend on factors such as how well you follow our methods and procedures; your management skills; your business experience and capabilities; local economic conditions; the local market for our products and services; the prevailing wage rates; competition; and sales levels reached during your initial phase of business operations. All expenditures paid to us

or our affiliates are uniform and nonrefundable under any circumstances once paid. All expenses payable to third parties are nonrefundable, except as you may arrange for utility deposits and other payments.

1. KEV and Installed Equipment. Only the KEV may be used in the operation of your Kona Ice Business. No other truck or vehicle may be used in the operation of your Kona Ice Business. These items must be purchased from us or our affiliate.

2. Training Expenses. This estimates the expense you will incur attending our initial training program in Florence, Kentucky, including travel expenses. We do not charge a fee for training. If additional initial training is required, an additional fee will be assessed.

3. KEV Delivery. You are responsible for picking up your KEV from the manufacturer located in Elkhart, Indiana after initial training, or you may choose to have your KEV delivered. KEVs are delivered from Elkhart, Indiana. If you choose delivery, you will pay the delivery fee directly to the transportation company based on the then-current delivery rate.

4. KEV Insurance. You must obtain and maintain, at your own expense, the insurance coverage we require, and satisfy other insurance-related obligations. Please note that if you have had prior issues or claims from previous operations unrelated to the operation of a Kona Ice Business, your rates may be significantly higher than those estimated above.

5. Tax, Title, and Licensing of KEV. You are required to pay all federal and state tax, title, licenses, and other costs of titling the KEV. The estimates above include a sales (or usage) tax of an estimated six percent (6%) of the purchase price of the KEV. The actual amount may be more depending on the tax rate in the jurisdiction where you title your KEV. You should check with your local county clerk's office or other governmental titling office for your state's tax rate and the exact cost to title and license your KEV.

6. Initial Inventory. You must purchase an initial inventory of ice, sugar, cups and flavorings, a graphics package, and a Kona Ice welcome box that includes branded t-shirt uniforms to begin operation of your Kona Ice Business. These items must be purchased from us or our affiliate, and you are not permitted to purchase any of these items, with the exception of ice and sugar, from alternate sources.

7. Optional Inventory. You may choose to purchase pre-packaged ice cream products from any vendor of your choosing, but you are not required to do so. You may also purchase Kona Ice branded merchandise such as stuffed penguins, beach balls, shirts, and hats from us; however you are not required to do so.

8. Permits and Licenses. You are required to pay for local permits and licenses, usually required in each city, county, and state where you operate. You should check with your local taxing authorities and with your tax advisor for the amount of such governmental charges.

9. Real Estate or KEV Storage. Because most of our Franchisees will operate their Kona Ice Business out of their residences, aside from a rented storage area for your KEV, this chart does not include estimates for items such as real property, real estate deposits, leases, leasehold improvements, furniture, fixtures, fixed assets, remodeling, construction, decorating costs, utility deposits, or security deposits, which will likely not apply unless you choose to acquire a business premises. In addition, we assume that you will not need to obtain desks, chairs, and other standard office supplies and equipment and do not include estimates for these items.

10. Additional Funds. These amounts represent our estimate of the amount needed to cover your expenses for the initial three (3)-month start-up phase of your Kona Ice Business. Expenses could include office/warehouse space (if required), utilities, special event fees, uniforms, as well as additional operating capital for other variable costs such as fuel, vehicle maintenance, Internet service, and mobile phones/telephone. In the event you intend to hire employees to operate your KEV, you should add their expected salary to this figure. These figures include $3,000 in royalty fees and $500 in Marketing Fund contributions, which may be due within your initial three (3)-month start-up phase. For purposes of this disclosure, we estimated the start-up phase to be three (3) months from the date your Kona Ice Business opens for business. We have relied on the experience of our officers and our Franchisees to arrive at these estimates. You must bear any deviation or escalation in costs from the estimates that we have given. Your costs will depend on factors such as: how well you follow our methods and procedures; your management skills, experience, and business acumen; local economic conditions; the local market for your products and services; the prevailing wage rate; competition; and the sales level reached during the start-up period. Additional funds for the operation of your Kona Ice Franchise will be required after the first three (3) months of operation if sales produced by the Kona Ice Franchise are not sufficient to produce positive cash flow.

11. Figures May Vary. This is an estimate of your initial start-up expenses for one (1) Kona Ice Franchise. You should review these figures carefully with a business advisor before making any decision to purchase the Franchise.

ITEM 8
RESTRICTIONS ON SOURCES OF SERVICES AND PRODUCTS

System Standards

To ensure the highest degree of quality and service is maintained, you must operate the Kona Ice Business in strict conformity with the methods, standards, and specifications we list in our proprietary and confidential operating manual ("Success Guide"), which may exist in various parts, locations, and formats, and may include a combination of audio, video, written material, electronic media, website content, and/or software components. System standards may regulate, among other things, the types, models, and brands of supplies, equipment, furnishings, and signs; services, products, and supplies the Kona Ice Franchise must offer; unauthorized and prohibited services and products; inventory requirements; and designated and approved suppliers of these items. You must not: (i) deviate from these methods, standards, and specifications without our prior written consent, or (ii) otherwise operate in any manner which reflects adversely on our Marks or the System. Your Kona Ice franchise must prepare and sell only the products that we designate and approve. We have the right to make modifications to these products from time to time, and you agree to comply with any modifications. You may not offer or sell any other product or service without our prior written consent. Establishing and enforcing brand standards are the mechanism by which we maintain the quality and consistency of the Kona Ice brand.

We will notify you of new or modified specifications, standards, and guidelines through periodic amendments or supplements to the Success Guide or through written communication (including electronic communication). We will issue copies of our standards and specifications to you unless these standards and specifications contain our confidential information. You may be required to, at your sole expense, remodel, modernize, and redecorate the KEV so that the KEV reflects our then-current Standards as to image and quality.

You must use the computer hardware and software, including the point-of-sale system that we periodically designate to operate your Kona Ice Franchise. You must obtain the computer hardware, software licenses, maintenance and support services, and other related services that meet our specifications from the suppliers we specify. You must obtain the insurance coverage required under the Franchise Agreement.

Insurance

You must obtain and maintain at your own expense and from a supplier rated "A-" or better by Best's Insurance Reports, the insurance coverage that we periodically require and satisfy other insurance-related obligations. You currently must have the following coverage:

A. If you have employees, workers' compensation insurance in amounts prescribed by law in your Protected Territory;

B. Fire and lightening, extended coverage, theft, vandalism and malicious mischief, flood (if the KEV is in a Designated Flood Hazard Area), and sprinkler leakage insurance for the KEV and all fixtures, equipment, supplies and other property used in the operation of the Kona Ice Business, for not less than one hundred percent (100%) of the replacement value of the same, except that an appropriate deductible clause will be permitted;

C. Comprehensive general liability insurance and product liability insurance coverage in such amounts and upon such terms as may from time to time be customary for a shaved ice business located in your Protected Territory, but not less than $1,000,000, insuring both you and us against all claims, suits, obligations, liabilities and damage, including attorney fees, based upon or arising out of actual or alleged personal injuries or property damage relating to the use or condition of the Franchise;

D. You must procure, maintain and provide evidence of automobile (truck) vehicle liability insurance covering the driving of the KEV and any Additional Equipment in an amount of not less than $1,000,000; and

E. Such additional insurance as may be required by the terms of any lease or mortgage for the Franchise.

We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverage at any time. All insurance policies, except for employment liability insurance policies, must name us and any affiliates we designate as additional named insured parties and provide for thirty (30) days prior written notice to us of a policy's material modification, cancellation or expiration. You must furnish us with a copy of your Certificate of Insurance within ten (10) days after the policy is issued or renewed.

Approved Products and Services

We may develop proprietary food products ("Products") and may develop and own proprietary recipes ("Proprietary Recipes"). In order to protect their trade secrets and to monitor the manufacture, packaging, processing, and sale of Products, we or our affiliate will: (i) manufacture, supply, and sell proprietary food Products to Kona Ice Franchisees; and/or (ii) disclose Proprietary Recipes to a limited number of suppliers, including our affiliate.

You must obtain services and products from: (1) designated suppliers, (2) approved suppliers, and/or (3) according to our specifications. We will issue you a list of the designated and approved suppliers. If you want to use or sell a product or service that we have not yet evaluated or if you want to purchase or lease a product or service from a supplier or provider that we have not yet approved (for services and products that require supplier approval), you must notify us and submit to us the information, specifications, and samples we request. We will use commercially reasonable efforts to notify you within 30 days after receiving all requested information and materials whether you are authorized to purchase or lease the product or service from that supplier or provider. We will not charge you for the cost of evaluating a proposed new vendor/supplier and/or its product. We do not make these specifications and/or standards generally available to franchisees or vendors/suppliers. We may periodically re-inspect approved suppliers' facilities and products, and we reserve the right to revoke our approval of any supplier, provider, product or service that does not continue to meet our specifications. We do not provide material benefits to you based solely on your use of designated or approved suppliers, other than that you will not be in default, will be able to renew or transfer, and will have the intangible benefit of uniform quality standards. Some of our officers own an interest in Kona Ice, which is the only approved supplier of the KEV, the Additional Equipment and certain branded merchandise. Some of our officers own an interest in Kreations Flavoring, LLC, which is an approved supplier of flavoring.

We estimate that approximately 90% of purchases required to open your Kona Ice Franchise and 15% of purchases required to operate your Kona Ice Franchise will be from us or from other approved suppliers or under our specifications. During our last fiscal year, we received $19,674,595 in revenue from these required purchases. This number represents revenue and not profit from product sales and includes those products which franchisee may choose to buy from us but are not required (such as merchandise). This number represents 72% of our total revenues of $26,267,871.

We have negotiated purchase arrangements with suppliers and distributors for the benefit of our Franchisees, and we may receive rebates or volume discounts (maximum of 3% to 5%) from our purchase of equipment and supplies that we resell to you. Some of our officers own an interest in Kona Ice, Inc. which is an approved supplier.

Additional Equipment

You may, but are not required to, purchase any Additional Equipment that we offer for use in your Protected Territory during the term of the Franchise Agreement. If you purchase Additional Equipment, you will be required to pay the AE Royalty as stated in Item 6.

Approval of New Suppliers

We may update the list of approved suppliers in the Success Guide. If you desire to have a non-approved supplier of a product or service designated as an approved supplier, you must submit samples of the supplier's products or services to us, along with a written statement describing why such items, services, or suppliers should be approved for use in the System. We do not make our supplier specifications and/or standards generally available to franchisees or suppliers. While we will be required to respond to a request within 60 days, we generally respond to a request for an additional approved supplier within seven (7) days. Our written approval must be received before you use products not purchased from an approved supplier. We may revoke our approval at any time if we determine, in our discretion, that the supplier no longer meets our standards. When you receive written notice of a revocation, you must stop selling any disapproved products, and stop purchasing from any disapproved supplier.

ITEM 9
FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise agreement 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 Franchise Agreement	Franchise Disclosure Document Item
a. Site selection and acquisition/lease	Sections 2, 3A, & 3B	Items 7 & 11
b. Pre-opening purchases/leases	Section 3	Item 7
c. Site development and other pre-opening requirements	Sections 3, 4A, 4B, 5A, & 9	Item 11
d. Initial and ongoing training	Sections 5A, 5B, & 5C	Item 11
e. Opening	Section 3	Item 7 & 11
f. Fees	Section 4	Items 5, 6 & 7
g. Compliance with standards and policies/Franchise Operations Manual	Section 9	Items 8, 15, & 16
h. Trademarks and proprietary information	Sections 6 & 7	Items 13 & 14
i. Restrictions on products/services offered	Sections 9B & 9D	Items 8 & 16
j. Warranty and customer service requirements	Sections 1A, 1B & 9E	Not Applicable
k. Territorial development and sales quotas	Section 2	Item 12
l. On-going product/service purchases	Section 9D	Item 8
m. Maintenance, appearance, and remodeling requirements	Sections 3 & 9	Items 7, 8, & 11
n. Insurance	Section 9G	Item 7
o. Advertising	Section 10	Items 6 & 11
p. Indemnification	Section 17D	Item 6
q. Owner's participation/management and staffing	Sections 3, 5E, 5F, & 9F	Items 11 & 15
r. Records and reports	Section 11	Item 17
s. Inspections and audits	Section 12	Item 6
t. Transfer	Section 13	Item 17
u. Renewal	Section 14	Item 17
v. Post-termination obligations	Section 16	Item 17
w. Non-competition covenants	Section 16D	Item 17
x. Dispute resolution	Section 18	Item 17

ITEM 10
FINANCING

Except as stated below, neither Kona Ice, nor any agent or affiliate of ours offers direct financing. We do not guarantee your note, lease, or obligation. We do not have any past or present practice to sell, assign, or discount to any third party, in whole or in part, any financing arrangements. We reserve the right to offer further financing or assist Franchisees in obtaining financing in the future.

At their sole discretion and if you qualify, PNC Equipment Finance, may offer you financing for the purchase of your KEV ("Financing"). Neither we nor any affiliate or agent receives any consideration for placing financing with this lender. PNC Equipment Finance may finance your KEV purchase. You will be required to enter into a loan and security agreement ("Loan and Security Agreement") attached in Exhibit H to this Franchise Disclosure Document. The following table summarizes the financing PNC Equipment Finance may offer you:

SUMMARY OF FINANCING OFFERED[1]

Item Financed	Purchase price of one (1) KEV and initial inventory pack
Amount Financed	Full balance of KEV plus initial inventory pack
Down Payment	Balance of purchase price after Financing amount has been determined
Term	60 Months
APR %	7.5%
Monthly Payment	60 equal monthly installments; varies according to amount financed
Prepayment Penalty	One percent (1%) for each year or partial year remaining on the loan
Security Required	Partner or shareholder and personal guarantee and pledge of the Franchise[2]
Liability Upon Default	Late penalty; acceleration of amounts due; fees[3]
Loss of Legal Right On Default	Waiver of trial by jury and right to interpose any defense, set-off, or counterclaim of any nature or description[4]

The Financing is paid in 60 equal monthly installments at an interest rate of 7.5%.

Notes:

1. PNC Equipment Finance reserves the right to change the terms, interest rate, and amounts financed.

2. If your business is a partnership, corporation, or other recognized legal entity, the Loan and Security Agreement must be guaranteed individually by all partners or shareholders. The Loan and Security Agreement must be secured by the assets of the Kona Ice Franchise.

3. If you are late on your payments, PNC Equipment Finance can charge a late penalty. In the case of nonpayment or other default under the Loan and Security Agreement, PNC Equipment Finance can require immediate payment of all amounts due them, and can collect reasonable attorney fees and all costs and expenses of collection.

4. The Loan and Security Agreement requires that you waive trial by jury and the right to interpose any defense, set-off, or counterclaim of any nature or description.

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

Except as listed below, KII is not required to provide you with any assistance.

Pre-opening Obligations

Before you open the Kona Ice Franchise, we (or our affiliate or designees) will provide the following assistance and services to you:

1. Because you do not have to locate a site from which to operate your Kona Ice Business, we do not provide you with assistance in doing so. You may open an office, but it is not required and does not need to be approved by us. You must find a location to store the KEV, which may be at your residence if permitted. Before you purchase the Kona Ice Franchise, you and we will jointly agree on the Protected Territory in which you will operate your Kona Ice Business. If we cannot agree on a territory location, we will not award you a Kona Ice Franchise.

2. Provide you with mandatory and discretionary specifications for the Kona Ice Business, including standards and suggested criteria for design, image, and branding of KEV and Additional Equipment (Franchise Agreement – Sections 3 and 9).

3. Identify products, supplies, and designated and approved suppliers that you must use to develop and operate the Kona Ice Business; establish minimum standards and specifications that you must satisfy while operating the Kona Ice Business (Franchise Agreement – Sections 3 and 9).

4. Loan you or make available to you on our website one (1) copy of our Success Guide. The Success Guide contains approximately 265 pages. The table of contents for the Success Guide is attached to this Franchise Disclosure Document as Exhibit E (Franchise Agreement – Section 5D).

5. Provide an initial training program (Franchise Agreement - Section 5A).

6. Provide you with the KEV. We reserve the right to establish requirements regarding the design, image, and branding of the KEV, and the right to control and approve all content of the KEV, including the right to use the KEV to advertise our brand, products, and services (Franchise Agreement – Sections 3 and 9).

7. Provide you with advice and guidance regarding your pricing policies in compliance with the applicable laws. We have the right to recommend retail prices and prescribe minimum and/or

maximum retail prices for the products and/or services offered and sold at your Kona Ice Business. (Franchise Agreement – Section 9).

Schedule for Opening

We estimate that it will take 2 to 12 weeks after you sign the Franchise Agreement before you open your Kona Ice Business. The factors affecting this length of time include the time necessary for you to obtain the KEV and equipment, schedule your initial training, and hire and train any necessary employees.

Continuing Obligations

During the operation of your Kona Ice Franchise, we (or our affiliates or designees) will provide the following assistance and services to you:

1. Upon reasonable request, provide advice regarding the Kona Ice Business operations based on your reports and our inspections. We also will guide you on standards, specifications, and operating procedures, and methods that Kona Ice Businesses use; purchasing required and authorized operating assets and other items and arranging for their distribution to you from us or the suppliers; advertising and marketing materials and programs; employee training; and administrative, bookkeeping, accounting, and inventory control procedures. We will guide you through the Success Guide in bulletins or other written materials, through the use of electronic media, telephone conferences, and/or meetings at our offices or at your Kona Ice Business (Franchise Agreement – Section 5C).

2. Continue to loan you or make available to you on our website one (1) copy of the Success Guide, which may consist of electronic media, and/or written materials. We may modify the Success Guide periodically to reflect changes in System standards (Franchise Agreement – Section 5D).

3. We may periodically modify System standards, and those modifications may require you to invest additional capital in the Kona Ice Business and/or incur higher operating expenses (Franchise Agreement – Section 9).

4. License to you for your use confidential and proprietary information designed to assist you in the operation of the Kona Ice Business (Franchise Agreement – Section 7).

5. License to you for your use our Marks, as set forth in greater detail below in Item 13 (Franchise Agreement – Sections 6A and 6B).

6. Maintain and administer one or more websites to advertise, market, and promote Kona Ice Businesses and the services and products offered (each a "Website") (Franchise Agreement – Section 10E).

7. Your KEV will come wrapped in vinyl containing the Kona Ice™ design and insignia. We will provide the replacement vinyl wrap every seven (7) years for your KEV (or your KEV Express Truck if you did a KEV Express Conversion) if you meet the "Free Wrap Criteria" which is listed in our Success Guide. The Free Wrap Criteria currently requires that you have completed any necessary updates to your KEV, paid your royalties and received no notices of default. You are responsible for all other costs of removal of old vinyl and installation of new free wrap including, but not limited to, shipping. All necessary updates, removal of vinyl, and installation of vinyl must be performed at an authorized upfit facility. The upfit facility is currently located in Florence, KY.

8. Provide additional training to you for newly-hired personnel regarding the Kona Ice brand and System guidelines, refresher training courses, and additional training or assistance that, in our discretion, you need or request. You may be required to pay additional fees for this training or assistance (Franchise Agreement - Section 5).

Optional Assistance

During the term of the Franchise Agreement, we (or our affiliates or designees) may, but are not required to, provide the following assistance and services to you:

1. Modify, update, or change the System, including the adoption and use of new or modified trade names, trademarks, service marks, or copyrighted materials, new products, new menu items, new equipment, or new techniques.

2. Maintain and administer the Marketing Fund. We may dissolve the Marketing Fund upon written notice (Franchise Agreement - Section 10A and 10B).

3. Hold periodic national or regional conferences to discuss business and operational issues affecting Kona Ice franchisees.

Advertising

Marketing Fund

We have established a Marketing Fund for Kona Ice Businesses. You are required to pay $500 per year to the Marketing Fund. This amount can be raised annually by up to 10%. The amount of the Marketing Fund contribution may also be increased or decreased at any time upon unanimous approval of the "Advertising Advisory Board" (which is defined below) and upon 30 days' notice to you of the increase or decrease. The Marketing Fund may be held in a separate bank account, commercial account, or savings account, but we are not required to do so. The Marketing Fund is administered by us or one of our affiliates, and we may use a professional advertising agency or media buyer to assist us with the supervision and administration of the Marketing Fund. Your contribution to the Marketing Fund will be in addition to all other advertising requirements set out in this Item 11.

We may reimburse ourselves, our authorized representatives, or our affiliate from the Marketing Fund for administrative costs, independent audits, reasonable accounting, bookkeeping, reporting and legal expenses, taxes, and all other reasonable direct or indirect expenses that may be incurred by us or our authorized representatives and associated with the programs funded by the Marketing Fund. We assume no fiduciary duty to you or other direct or indirect liability or obligation to collect amounts due to the Marketing Fund or to maintain, direct, or administer the Marketing Fund. Any unused funds in any calendar year will be applied to the following year's funds, and we reserve the right to contribute or loan additional funds to the Marketing Fund on any terms we deem reasonable. Because we do not have this fund audited, audited financial statements are not available to Kona Ice Franchisees. We will provide to you each year an annual accounting for the Marketing Fund that shows how the Marketing Fund proceeds have been spent for the previous year upon written request (Franchise Agreement – Section 10B). We do not guarantee that advertising expenditures from the Marketing Fund will benefit you or any other franchisee directly, on a pro rata basis, or at all.

We are not obligated to spend any amount on advertising in the geographical area where you are or will be located. We will not use the Marketing Fund payments for advertising that is principally a

solicitation for the sale of Franchises, but we reserve the right to include a notation in any advertisement indicating "Franchises Available" or similar phrasing.

During our most recent fiscal year ended December 31, 2017, the Marketing Fund was spent as follows: 38% on media placement, 27% with Google AdWords, 20% for social media, 3% on production, 10% on franchisee e-mails and 2% on prizes and awards.

Local Advertising

You are not required to advertise on a local basis as an individual Kona Ice Business, and you are not required to spend a minimum of your gross revenues on local marketing and promotion in your Protected Territory. You are not required to participate in a local or regional advertising cooperative. You agree, at your sole cost and expense, to issue and offer such rebates, giveaways, and other promotions in accordance with advertising programs established by us, and further agree to honor the rebates, giveaways, and other promotions issued by other Kona Ice franchisees under any such program, so long as such compliance does not contravene any applicable law, rule, or regulation. You will not create or issue any gift cards/certificates and will only sell gift cards/certificates that have been issued or sponsored by us and which are accepted at all Kona Ice Businesses, and you will not issue coupons or discounts of any type except as approved by us. We may conduct market research and testing to determine consumer trends and the marketability of new food products and services. You agree to cooperate by participating in our market research programs, test marketing new food products and services in the Kona Ice Business and providing us with timely reports and other relevant information regarding such market research. You must conduct and participate in promotional campaigns ("Promotions") which may from time to time be required in the Success Guide, and you must conduct and participate in those Promotions in accordance with the policies and provisions set forth in the Success Guide. This may include requiring you to offer free products to customers on certain days; however, we do not anticipate this will occur more than three times per year. If we require you to conduct and participate in any Promotion, we reserve the right (but we are not required) to use a portion of the Marketing Fund to help Kona Ice Franchises defray a portion of any costs attributable to the Promotions (Franchise Agreement – Section 10D).

It is a material breach of the Franchise Agreement to use other marketing material, logos, and our Marks without obtaining our prior written approval. If you desire to use your own advertising materials, you must obtain our prior approval, which may be granted or denied in our sole discretion. We will review your request and we will respond in writing within 30 days from the date we receive all requested information. Our failure to notify you in the specified time frame will be deemed a disapproval of your request. Use of logos, Marks, and other name identification materials must be consistent with our approved standards (Franchise Agreement – Section 10B and 10D).

Internet

We have established a website for Kona Ice Businesses ("System Website"). Additionally, we reserve the right to develop a local website or local pages on the System Website. If you wish to advertise online, you must follow our online policy, which is contained in our Success Guide. Our online policy may change as technology and the Internet changes. Under our online policy, we may retain the sole right to market on the Internet, including all use of websites, domain names, advertising, and co-branding arrangements. We may restrict your use of social media. We may not allow you to independently market on the Internet, or use any domain name, address, locator, link, metatag, or search technique with words or symbols similar to the Marks. We intend that any franchisee website will be

accessed only through our home page. As long as we maintain a System Website, we will have the right to use the Marketing Fund assets to develop, maintain, and update the System Website.

We are only required to reference your Kona Ice Business on the System Website while you are in full compliance with your Franchise Agreement and all System standards. If you are in default of any obligation under the Franchise Agreement or System standards, then we may temporarily remove references to your Kona Ice Business from the Website until you fully cure the subject default(s) (Franchise Agreement – Section 10E).

Advertising Advisory Board

We have created an advertising advisory board ("Advertising Advisory Board") to help determine the type of advertising (television, radio, billboard, Internet, or other medium) we will use. The Advertising Advisory Board has written governing documents approved by us. We will choose the number and members of the Advertising Advisory Board in our sole discretion. In order to be chosen for the Advertising Advisory Board, the franchisee must be in good standing, must operate multiple Franchises, and actively involved in the betterment of the Kona Ice System. A copy of these governing documents will be available to you upon written request. We have the power to form, change, or dissolve the Advertising Advisory Board at any time.

Computer System

You must purchase computer hardware and software ("Computer System") for the operation of your Kona Ice Business, but we do not require any particular brand of computer hardware or software nor do we specify the standards for computer and communication equipment and Internet access. We suggest a personal computer running Windows 7 or later. You will need to buy and/or license third-party software such as QuickBooks and Microsoft Office to use in the operation of your Kona Ice Business. This hardware and software may be obtained from any computer reseller such as Dell, Office Depot, or Best Buy, and will cost approximately $200 to $1,000. We reserve the right to specify computer hardware or software and to specify other computer-related standards in the future. Kona Ice will not have independent access to your Computer System, but reserves the right to conduct periodic audits of any accounting records contained in your Computer System. You must also maintain a high-speed Internet connection at your Kona Ice Business. You may use an Internet provider of your choosing, and you must have access to the Internet, have an email address, and periodically check your email and the portion of our website devoted to franchise owners. We reserve the right to market and sell over the Internet. You must use any credit card vendors and accept all credit cards and debit cards that we determine. The term "credit card vendors" includes, among other things, companies that provide services for electronic payment, such as near field communication vendors (for example, "Apple Pay" and "Google Wallet").

We are not required to provide you with any ongoing maintenance, repairs, upgrades, updates, or support for the Computer System (Franchise Agreement – Section 3C). You must arrange for installation, maintenance, and support of the Computer System at your cost. There are no limitations in the Franchise Agreement regarding the costs of such required support, maintenance, repairs, or upgrades relating to the Computer System. You may be required to upgrade your hardware and/or software in order to utilize the computerized system as technological advances require. You will be responsible for the cost of such upgrades.

We cannot estimate the cost of maintaining, updating, or upgrading the Computer System or its components because it will depend on your repair history, costs of computer maintenance services in your area, and technological advances, which we cannot predict at this time. We may revise our specifications

for the Computer System periodically. You must upgrade or replace your Computer System at such time as specifications are revised. There is no limitation on the frequency and cost of this obligation.

Computer systems in general are vulnerable in varying degrees to computer viruses, bugs, power disruptions, communication line disruptions, internet access failures, internet content failures, date related problems and attacks by hackers and other unauthorized intruders ("E-Problems"). We have taken reasonable steps so that E-Problems will not materially affect our business. We do not guarantee that information or communication systems that we or others supply will not be vulnerable to E-Problems. It is your responsibility to protect yourself from E-Problems. You should also take reasonable steps to verify that your suppliers, lenders, landlords, customers, and governmental agencies on which you rely, have reasonable protection from E-problems. This may include taking reasonable steps to secure your systems (including firewalls, password protection, and anti-virus systems), and to provide backup systems.

Training

Initial Training

You and any designated manager or representative that we require must complete the training program to our reasonable satisfaction before you open your Kona Ice Franchise. You will be enrolled in the initial training program which we call "Kona Kollege." Franchisees that purchase existing Kona Ice Franchises as a result of a transfer are also required to attend Kona Kollege. We provide initial training at no cost. Initial training classes are held whenever necessary to train new franchisees. You will not receive any compensation or reimbursement for services or expenses for participation in the initial training program. You are responsible for all your expenses to attend any training program, including lodging, transportation, food, and similar expenses. We plan to provide the training listed in the table below. The hours presented for each subject are estimates and may change as our training program continues to evolve.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
KEV & Equipment Operation	0	4	Our corporate office in Florence, Kentucky
KEV & Equipment Maintenance	0	4	Our corporate office in Florence, Kentucky
Field Sales and Customer Service	0	8-12	Our corporate office in Florence, Kentucky
TOTAL HOURS	0	16-20	

Notes:

1. The training may be less than the times indicated above depending on the number and experience of the attendees. Training includes actual operation of a KEV under our supervision. The instructional materials for the training program consist of the KEV and its equipment, manufacturer brochures and operational manuals, and the Success Guide.

2. Tony Lamb, our President, Secretary, and Franchise Sales Manager, currently oversees our training program to which he brings more than 13 years of management experience.

3. Other instructors will include other franchisees who have had at least two (2) years of experience in the operation and management of a Kona Ice Business or have successfully completed Kona Kollege.

Ongoing Training

From time to time, we may require that you, designated managers, and other employees attend system-wide refresher or additional training courses. Some of these courses may be optional, while others may be required. If you appoint a new designated manager, that person must attend and successfully complete our initial training program before assuming responsibility for the management of your Kona Ice Business. If we conduct an inspection of your Kona Ice Business and determine you are not operating in compliance with the Franchise Agreement, we may require that you attend remedial training that addresses your operational deficiencies. You may also request that we provide additional training (either at corporate headquarters or at your Kona Ice Business).

ITEM 12
TERRITORY

The Franchise Agreement for your Kona Ice Business grants you a protected territory based on the geographic area and population properties within that area and other relevant demographic characteristics. We will generally grant only one (1) license to a franchisee for any area with a population up to 100,000. We will use the population as listed on zip-codes.com, which is derived from known delivery information, household occupancy rates, etc., as well as any other sources that we believe are reliable for determining the current population in and around your Protected Territory. In certain densely populated metropolitan areas, a territory may be considerably smaller, while franchisees operating in less densely populated urban areas may have significantly larger areas.

You will operate a single Kona Ice Business and a single KEV within the Protected Territory identified in the Franchise Agreement. You are not restricted from the amount of Additional Equipment that you may operate in your Protected Territory. Your Protected Territory will be identified in an exhibit to your Franchise Agreement. The boundaries of your territory will coincide with the boundaries of one (1) or more adjacent zip codes. You will be permitted to engage in direct advertising and solicitation of clients only within the boundaries of your Protected Territory unless we approve otherwise. Other than as described below, while the Franchise Agreement is in effect and you are not in default, we and our affiliate will not, in your Protected Territory, operate a company-owned unit or grant a franchise for a similar or competitive business. You will only have the right to operate the Kona Ice Business in your Protected Territory under the terms and conditions of the Franchise Agreement, and we reserve all other rights to ourselves and our affiliate. You may not operate, solicit, or accept orders outside your Protected Territory unless we allow otherwise in our sole discretion.

We reserve all rights not expressly granted in the Franchise Agreement. We or our affiliate may own, operate, or authorize others to own or operate Kona Ice Businesses or any other form of Kona Ice's business outside your Protected Territory, including co-branding activities, and may operate other kinds of businesses under other marks within your Protected Territory. We and our affiliate may conduct, or authorize others to conduct, any form of business at any location selling any type of product or service not offered under the Marks. We reserve the right to purchase or be purchased by, or merge or combine with, any business, including a business that competes directly with your Kona Ice Business, wherever

located; and to implement multi-area marketing programs which may allow us or others to solicit or sell to customers anywhere. We also reserve the right to issue mandatory policies to coordinate such multi-area marketing programs.

Although we have not done so, we and our affiliate may sell products under the Marks within and outside your Protected Territory through any method of distribution other than through a dedicated Kona Ice Business, including sales through such channels of distribution as the Internet, mail order sales, telemarketing, or other direct marketing sales, wholesalers, retail outlets or other distribution outlets (together, "Alternative Distribution Channels"). You may not use Alternative Distribution Channels to make sales outside or inside your Protected Territory and you will receive no compensation for our sales through Alternative Distribution Channels except as described in the following paragraph.

If we engage in electronic commerce through the Internet, or sell through any other Alternative Distribution Channel, and we receive orders for any products or services calling for delivery or performance in your Protected Territory, then we will offer the order to you at the price we establish. If you choose not to fulfill the order or are unable to do so, then we, our affiliate, or a third party we designate (including another Kona Ice Business) may fulfill the order, and you will be entitled to no compensation in connection with the sale.

Your Kona Ice Business and Protected Territory do not depend upon obtaining any certain sales quotas, sales goals, or market penetration. You must not relocate the Kona Ice Business without obtaining our written consent of the relocation. If you wish to purchase an additional Kona Ice Business, you must apply to us, and we may offer an additional Franchise to you.

If you wish to revise, amend, or relocate your Protected Territory, you must apply to us to do so, and we may, but are not required, to grant your request. We may condition our approval of such request on any terms or conditions which we deem reasonable, including, but not limited to, requiring you to pay a change of territory fee of: (1) $1,000 if the territory is revised after 30 days beyond initial territory approval or (2) $2,500 if the territory is revised after one (1) year beyond initial territory approval.

We do not grant a right of first refusal to franchisees to purchase new or existing locations, but we do allow you to reserve adjacent territories to the Protected Territory by paying the Protected Territory Reservation Fee.

ITEM 13
TRADEMARKS

The Franchise Agreement and your payment of Royalties grant you the non-exclusive right and license to use the System, which includes the use of the proprietary Marks. We are the owner of the registrations of the following trademarks with the United States Patent and Trademark Office ("USPTO"):

Mark	Filing or Registration Date	Serial or Registration No.	Status
KONA ICE	January 20, 2009	3,563,488	Registered on the Principal Register
PENGUIN DESIGN	May 26, 2009	3,625,423	Registered on the Principal Register
KONA ICE	October 1, 2013	4,410,379	Registered on the Principal Register
	October 27, 2014	4,839,900	Registered on the Principal Register
	September 8, 2015	4,807,108	Registered on the Principal Register

There are no effective adverse material determinations of the USPTO, the Trademark Trial and Appeal Board, or the trademark administrator of any state or any court. All required affidavits have been filed.

No agreement significantly limits our right to use or license the Marks in any manner material to the Kona Ice Business. We do not know of any superior prior rights or infringing uses that could materially affect your use of the trademarks. You must follow our rules when using the Marks. You cannot use our name or Marks as part of a corporate name or with modifying words, designs, or symbols unless you receive our prior written consent. You must indicate to the public in any contract, advertisement, and with a conspicuous sign in your KEV that you are an independently owned and operated licensed franchisee of Kona Ice, Inc. You may not use the Marks in the sale of unauthorized services or products or in any manner we do not authorize. You may not use the Marks in any advertising for the transfer, sale, or other disposition of the Kona Ice Business or any interest in the Franchise. All rights and goodwill from the use of the Marks accrue to us.

We will defend you against any claim brought against you by a third party that your use of the Marks in accordance with the Franchise Agreement infringes upon that party's intellectual property

rights. We may require your assistance, but you are not permitted to control any proceeding or litigation relating to our Marks. We have no obligation to pursue any infringing users of our Marks. If we learn of an infringing user, we will take the action appropriate, but we are not required to take any action if we do not feel it is warranted. You must notify us within three (3) days if you learn that any party is using the Marks or a trademark that is confusingly similar to the Marks. We have the sole discretion to take such action as we deem appropriate to exclusively control any litigation or administrative proceeding involving a trademark licensed by us to you.

If it becomes advisable at any time, in our sole discretion, for us and/or you to modify or discontinue using any Mark and/or use one or more additional or substitute trademarks or service marks, you must comply with our directions within a reasonable time after receiving notice. We will not reimburse you for your direct expenses of changing signage, for any loss of revenue, or other indirect expenses due to any modified or discontinued Mark, or for your expenses of promoting a modified or substituted trademark or service mark.

You must not directly or indirectly contest our right to the Marks. We may acquire, develop, and use additional marks not listed here, and may make those marks available for your use and for use by other franchisees.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We have patent protection of our FlavorWave Self-Service Station. This station allows the customer to choose and apply his or her own flavorings to the shaved ice product.

Our patent protection is summarized below:

Patent Title	Patent Number	Issue Date	Type
Mobile Confectionary Apparatus with Protectable Dispensing System	8,157,136	April 7, 2012	Mechanical
Liquid Toppings Dispensing System	9,321,387	April 26, 2016	Mechanical
Liquid Toppings Dispensing System	9,751,447	September 5, 2017	Mechanical

Our right to use or license this patent is not materially limited by any agreement or known infringing use. There are no agreements or claims of infringement which limit the use of our patents or pending patents.

There are no determinations in effect that significantly limit our rights to use or license others to use the patents in any manner material to the franchise by the United States Patent and Trademark Office, the Patent Trial And Appeal Board, or the patent administrator of any state or any court, nor any pending interference, opposition or cancellation proceeding or litigation involving the patent.

We will defend you against any claim brought against you by a third party that your use of our patent in accordance with the Franchise Agreement that infringes upon that party's intellectual property rights. We may require your assistance, but you are not permitted to control any proceeding or litigation

relating to our patent. We have no obligation to pursue any infringing users of our patent. If we learn of an infringing user, we will take the action we think appropriate, but we are not required to take any action if we do not feel it is warranted. You must notify us within three (3) days if you learn that any unauthorized party is using the patent. We have the sole discretion to take such action as we deem appropriate to exclusively control any litigation or administrative proceeding involving the patents.

You must tell us within three (3) days if you learn about an infringement or challenge to our use of this patent. We will take action that we think is appropriate. The Franchise Agreement does not require us to take any affirmative action when we are notified of an infringement. We are not required to participate in your defense nor are we required to indemnify you for expenses or damages in a proceeding involving a patent, patent application, or copyright licensed to you. You must also agree not to contest our interest in these or our other trade secrets.

If we decide to add, modify, or discontinue the use of an item or process covered by a patent or copyright, you must also do so. We have no liability to you in connection with this exchange. Upon expiration of the Franchise Agreement you may not use our patent.

We claim copyrights in the Success Guide, which contains trade secrets, advertising and marketing materials, the Website, and similar items used in operating a Kona Ice Business. We have not registered these copyrights with the United States Registrar of Copyrights, but need not do so at this time to protect them. You may use these items only as we specify while operating your Kona Ice Business (and must stop using them if we so direct you).

There are no effective adverse determinations of the USPTO, the Copyright Office (Library of Congress), 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 Kona Ice 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.

Our Success Guide, passwords, and other materials contain our confidential information (some of which constitutes trade secrets under applicable law). This information includes site selection criteria; training and operations materials; methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge, and experience used in developing and operating Kona Ice Businesses; marketing and advertising programs for Kona Ice Businesses; any computer software or similar technology that is proprietary to us or the Kona Ice Franchise System; knowledge of, specifications for, and suppliers of operating assets and other products and supplies; and knowledge of the operating results and financial performance of Kona Ice Businesses other than your Kona Ice Business.

All ideas, concepts, techniques, or materials concerning a Kona Ice Business, whether or not they are protected intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to us and will be deemed to be our sole and exclusive property, part of the Kona Ice Franchise System, and works-made-for-hire for our use. If any item does not qualify as a "work-made-for-hire" for us, you must assign ownership of that item, and all related rights to that item, to us and must take whatever action, including executing an assignment agreement or other documents, that we request to show our ownership or to help us obtain intellectual property rights in the subject item(s).

You may not use our confidential information in an unauthorized manner. You must take reasonable steps to prevent its improper disclosure to others and use non-disclosure and non-competition

agreements with those having access to such information. We may regulate the form of confidentiality agreement that you use and must be included as a third party beneficiary with independent enforcement rights in that agreement.

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

You are required to own your Kona Ice Franchise in a legal entity. The Kona Ice Franchise shall be managed by one of your owners who is a natural person with at least a twenty-five percent (25%) ownership interest and voting power in the entity ("Managing Owner"). Because our franchisees who have actually been owner/operators in the past have generally proven to have greater success than passive owners, we require you to be an active owner and operator of your Kona Ice Business for at least the first 60 days that you operate as a Kona Ice Franchisee.

Under certain circumstances, after the first 60 days of operation, we may allow you to appoint a designated manager ("Designated Manager"), who has been approved by us, to run the day-to-day operations of the Kona Ice Business. The Designated Manager must successfully complete our Kona Kollege training program (See Item 11). The Designated Manager need not have an ownership interest in the Kona Ice Business. If you replace a Designated Manager for any reason, the new Designated Manager must satisfactorily complete our Kona Kollege training program at your own expense.

Any Designated Manager and, if you are an entity, an officer that does not own equity in the Franchisee entity, must sign the "System Protection Agreement," the form of which is attached to this Franchise Disclosure Document in Exhibit H. All of your employees, independent contractors, agents, or representatives that may have access to our confidential information must sign a "Confidentiality Agreement" (unless they already signed a System Protection Agreement), the current form of which is attached to this Franchise Disclosure Document in Exhibit H. If you are an entity, each owner (i.e., each person holding an ownership interest in you) must sign an "Owners Agreement," the form of which is attached to the Franchise Agreement as Attachment C. We also require that the spouses of the Kona Ice Franchise owners sign the Owners Agreement. The Owners Agreement extends the obligations of the Franchise Agreement to each owner and their spouse with each owner and spouse bound to and liable for the terms of the Franchise Agreement.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You are required to offer for sale only products and services that have been approved and specified by us in the Success Guide and any updates that are incorporated in the Success Guide from time to time. You may not offer for sale any products or services not specifically approved by us in writing. There are no limits on our ability to make changes to the products or services we require you to sell.

You may not sell products or services, or advertise products or services, within another franchisee's Protected Territory. You may not establish an account or participate in any social networking sites (including, without limitation, Facebook, Twitter, or any other social or professional networking site or blog) or mention or discuss the Kona Ice Franchise, us, or our affiliate, without our prior written consent and as subject to our online policy. Our online policy may completely prohibit you from any use of the Marks in social networking sites or other online use. You may not sell products through other channels of distribution such as wholesale, Internet or mail order sales.

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.

Provision	Section in Franchise Agreement	Summary
(a) Length of the Franchise term	Section 1D	Ten (10) years.
(b) Renewal or extension of the term	Section 14A	If you are in good standing and you meet other requirements, you may apply for two (2) successive terms of ten (10) years.
(c) Requirements for Franchisee to renew or extend	Sections 14A & 14B	Your successor franchise rights permit you to remain as a Franchise after the initial term of your Franchise Agreement expires. Written notice must be provided and you must be fully compliant with the Franchise Agreement. Renewal means that you must sign our then-current franchise agreement and any ancillary documents for the successor term, and this new franchise agreement may have different terms and conditions. You will be required to pay the highest tier of royalty payment under the new franchise agreement (meaning that you will not be able to take advantage of any step-up royalty schedules that may be offered to new franchisees).
(d) Termination by Franchisee	Section 15A	You may terminate the Franchise Agreement if you are in compliance with it and we are in material breach, and we fail to cure that breach within 30 days of receiving written notice.
(e) Termination by franchisor without cause	Not Applicable	Not Applicable.
(f) Termination by franchisor with cause	Section 15B	We can terminate upon, among other things, certain violations of the Franchise Agreement by you.
(g) "Cause" defined - curable defaults	Section 15B	You have three (3) days to cure health, safety, or sanitation law violations or failure to operate safely. You have ten (10) days to cure monetary defaults. You have 30 days to cure the operational defaults listed in Section 15B.
(h) "Cause" defined - non-curable defaults	Section 15B	Non-curable defaults: the defaults listed in Section 15 of the Franchise Agreement.

Provision	Section in Franchise Agreement	Summary
(i) Franchisee's obligations on termination/non-renewal	Section 16	Obligations include ceasing operating the franchised business; ceasing use of all confidential information, trade secrets and trademarks; delivering property containing the trademarks; cancelling assumed similar name registrations; payment of outstanding amounts and damages; return of Success Guide; assignment of phone numbers to us; and compliance with all other covenants.
(j) Assignment of contract by franchisor	Section 13A	No restriction on our right to assign.
(k) "Transfer" by Franchisee - definition	Section 13B	Includes any voluntary, involuntary, direct, or indirect assignment, sale, gift, exchange, grant of a security interest, or change of ownership in the Franchise Agreement, the Kona Ice Franchise, the Franchise, or interest in the Kona Ice Franchise.
(l) Franchisor's approval of transfer by Franchisee	Sections 13B & 13C	We have the right to approve all transfers, including the transfer of additional equipment.
(m) Conditions for franchisor's approval of transfer	Section 13C	Our requirements for approving the transfer of this Franchise Agreement include, but are not limited to: full compliance with the Franchise Agreement; all amounts paid in full; completion of training; transfer fee paid; agreement of transferee to all terms of Franchise Agreement; the execution of other possible documents including a general release; the transferee meets certain suitability requirements; the transferee and its owners or affiliates are not involved in a Competitive Business; the transferee agrees to pay for certain remodeling fees; and we will be reimbursed for the fees of our broker or other placement agent.
(n) Franchisor's right of first refusal to acquire Franchisee's business	Section 13F	We have 30 days to match any offer for your Kona Ice Business.
(o) Franchisor's right to purchase Franchisee's business	Section 16E	We may, but are not required to, purchase your Kona Ice Franchise, inventory, or equipment at fair market value if your Kona Ice Franchise is terminated for any reason by giving you written notice of our intent to exercise this option within 30 days after the date of termination or expiration of the Franchise Agreement.

Provision	Section in Franchise Agreement	Summary
(p) Death or disability of Franchisee	Section 13D	Franchisee must be a legal entity. Upon the Managing Owner's death or disability, the Managing Owner's interest must be assigned to a qualified party within 90 days of death or disability of the Managing Owner or the Franchise Agreement may be terminated.
(q) Non-competition covenants during the term of the Franchise	Section 8	Neither you, your principal owners, nor any immediate family members of you or your principal owners may participate in a diverting business, have no owning interest in, loan money to, or perform services for a competitive business anywhere. You may not interfere with us, our affiliates, or any other Kona Ice Franchise.
(r) Non-competition covenants after the Franchise is terminated or expires	Sections 16D & 16G	Owners cannot have an interest in, own, manage, operate, finance, control, or participate in any competitive business within a 20-mile radius from any Kona Ice Business, whether owned by us or a franchisee, that is operating or under development, for two (2) years. Owners may not solicit any customer, employee, or independent contractor of Kona Ice, the Kona Ice Franchise or any Kona Ice Franchise for two (2) years.
(s) Modification of the agreement	Section 18K	No modifications of the Franchise Agreement during the term unless agreed to in writing, but the Success Guide is subject to change at any time in our discretion. Modifications of the Franchise Agreement are permitted on renewal.
(t) Integration/merger clause	Section 18M	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to state, FTC, or federal law). Any representations or promises outside of this Franchise Disclosure Document and Franchise Agreement may not be enforceable.
(u) Dispute resolution by arbitration or mediation	Section 18F	Except for certain claims, all disputes must be mediated and arbitrated in Florence, Kentucky, subject to applicable state law.
(v) Choice of forum	Section 18H	All disputes must be mediated, arbitrated, and if applicable, litigated in Florence, Kentucky, except as provided in the State-Specific Addendum to this Franchise Disclosure Document, subject to applicable state law.

Provision	Section in Franchise Agreement	Summary
(w) Choice of law	Section 18G	Kentucky law, except for The Kentucky Business Opportunity Investment Act applies, subject to any contrary provision contained in the State-Specific Addendum (See Exhibit G), subject to applicable state law.

ITEM 18
PUBLIC FIGURES

We do not use any public figures to promote the 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 which is 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.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such 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 income, you should report it to the franchisor's management by contacting Tony Lamb, 5945 Centennial Circle, Florence, KY 41042 and 1-800-566-2423, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

System-wide Outlet Summary
For Years 2015 - 2017

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2015	554	662	+108
	2016	662	796	+134
	2017	796	927	+131
Company-Owned	2015	19	11	-8
	2016	11	15	+4

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
	2017	15	17	+2
Total Outlets	2015	573	673	+100
	2016	673	811	+138
	2017	811	944	+133

Table No. 2

Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2015 - 2017

State	Year	Number of Transfers
California	2015	3
	2016	2
	2017	6
Florida	2015	0
	2016	3
	2017	5
Mississippi	2015	2
	2016	3
	2017	1
Missouri	2015	2
	2016	0
	2017	0
South Carolina	2015	0
	2016	0
	2017	1
Texas	2015	3
	2016	4
	2017	11
Totals	2015	10
	2016	12
	2017	24

Table No. 3

Status of Franchised Outlets
For Years 2015-2017

State	Year	Outlets at Start of the Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions-Other Reasons	Outlets at End of the Year
Alabama	2015	13	1	0	0	0	0	14
	2016	14	5	0	0	0	0	19
	2017	19	1	0	0	0	0	20
Arizona	2015	17	6	0	0	1	0	22
	2016	22	5	0	0	3	0	24
	2017	24	7	0	0	0	0	31
Arkansas	2015	7	2	0	0	0	0	9
	2016	9	2	0	0	0	0	11
	2017	11	4	0	0	0	0	15
California	2015	63	15	0	0	1	3	74
	2016	74	24	0	0	1	0	97
	2017	97	11	0	0	1	0	107
Colorado	2015	8	2	0	0	0	0	10
	2016	10	5	0	0	0	0	15
	2017	15	9	0	0	0	0	24
Delaware	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	1	0	0	0	0	2
Florida	2015	47	16	0	0	1	0	62
	2016	62	18	0	0	3	0	77
	2017	77	17	0	0	1	0	93
Georgia	2015	27	12	0	0	0	0	39
	2016	39	6	0	0	0	0	45
	2017	45	7	0	0	0	0	52
Hawaii	2015	6	1	0	0	0	0	7
	2016	7	2	0	0	0	0	9
	2017	9	0	0	0	1	0	8
Idaho	2015	2	0	0	0	0	0	2
	2016	2	3	0	0	0	0	5
	2017	5	0	0	0	0	0	5

State	Year	Outlets at Start of the Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions-Other Reasons	Outlets at End of the Year
Illinois	2015	8	1	0	0	0	0	9
	2016	9	1	0	0	0	0	10
	2017	10	2	0	0	0	0	12
Indiana	2015	16	1	0	0	0	0	17
	2016	17	5	0	0	1	0	21
	2017	21	3	0	0	0	0	24
Iowa	2015	5	1	0	0	0	0	6
	2016	6	1	0	0	3	0	4
	2017	4	1	0	0	0	0	5
Kansas	2015	5	0	0	0	0	0	5
	2016	5	1	0	0	0	0	6
	2017	6	1	0	0	0	0	7
Kentucky	2015	8	5	0	0	0	0	13
	2016	13	0	0	0	0	1	12
	2017	12	2	0	0	0	0	14
Louisiana	2015	18	1	0	0	0	1	18
	2016	18	2	0	0	0	0	20
	2017	20	0	0	0	0	0	20
Maryland	2015	23	4	0	0	0	1	26
	2016	26	3	0	0	0	0	29
	2017	29	2	0	0	1	0	30
Massachusetts	2015	1	0	0	0	0	0	1
	2016	1	1	0	0	0	0	2
	2017	2	0	0	0	0	0	2
Michigan	2015	9	0	0	0	0	0	9
	2016	9	1	0	0	0	0	10
	2017	10	1	0	0	0	0	11
Minnesota	2015	5	1	0	0	0	0	6
	2016	6	0	0	0	0	0	6
	2017	6	0	0	0	0	0	6
Mississippi	2015	5	4	0	0	0	2	7
	2016	7	3	0	0	0	0	10
	2017	10	3	0	0	0	0	13
Missouri	2015	11	2	0	0	0	2	11
	2016	11	5	0	0	0	0	16
	2017	16	5	0	0	0	0	21

State	Year	Outlets at Start of the Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions-Other Reasons	Outlets at End of the Year
Nebraska	2015	2	0	0	0	0	0	2
	2016	2	2	0	0	0	0	4
	2017	4	0	0	0	0	0	4
Nevada	2015	5	0	0	0	1	1	3
	2016	3	1	0	0	0	0	4
	2017	4	3	0	0	0	0	7
New Hampshire	2015	6	2	0	0	0	0	8
	2016	8	0	0	0	0	0	8
	2017	8	0	0	0	0	0	8
New Jersey	2015	10	3	0	0	0	0	13
	2016	13	0	0	0	0	0	13
	2017	13	3	0	0	0	0	16
New Mexico	2015	6	0	0	0	0	1	5
	2016	5	2	0	0	0	0	7
	2017	7	0	0	0	0	0	7
New York	2015	9	1	0	0	0	0	10
	2016	10	1	0	0	0	0	11
	2017	11	1	0	0	0	0	12
North Carolina	2015	22	6	0	0	0	0	28
	2016	28	3	0	0	0	0	31
	2017	31	5	0	0	0	0	36
Ohio	2015	16	5	0	0	0	0	21
	2016	21	4	0	0	0	0	25
	2017	25	6	0	0	0	0	31
Oklahoma	2015	7	3	0	0	0	0	10
	2016	10	3	0	0	0	0	13
	2017	13	2	0	0	0	0	15
Oregon	2015	1	0	0	0	0	0	1
	2016	1	1	0	0	0	0	2
	2017	2	3	0	0	0	0	5
Pennsylvania	2015	12	4	0	0	0	0	16
	2016	16	4	0	0	0	0	20
	2017	20	4	0	0	1	0	23
Rhode Island	2015	2	1	0	0	0	0	3
	2016	3	0	0	0	0	0	3
	2017	3	0	0	0	0	0	3

State	Year	Outlets at Start of the Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions-Other Reasons	Outlets at End of the Year
South Carolina	2015	11	3	0	0	1	0	13
	2016	13	2	0	0	0	0	15
	2017	15	4	0	0	0	0	19
Tennessee	2015	14	2	0	0	0	0	16
	2016	16	2	0	0	0	0	18
	2017	18	4	0	0	0	0	22
Texas	2015	95	24	0	0	1	4	114
	2016	114	19	0	0	0	0	133
	2017	133	20	0	0	0	0	153
Utah	2015	4	0	0	0	2	0	2
	2016	2	0	0	0	0	0	2
	2017	2	0	0	0	1	0	1
Virginia	2015	15	4	0	0	0	5	14
	2016	14	7	0	0	0	0	21
	2017	21	2	0	0	0	0	23
Washington	2015	2	0	0	0	0	0	2
	2016	2	1	0	0	0	0	3
	2017	3	1	0	0	0	0	4
West Virginia	2015	3	0	0	0	0	0	3
	2016	3	0	0	0	0	0	3
	2017	3	0	0	0	0	0	3
Wisconsin	2015	7	2	0	0	0	0	9
	2016	9	0	0	0	0	0	9
	2017	9	0	0	0	0	0	9
Wyoming	2015	0	1	0	0	0	0	1
	2016	1	1	0	0	0	0	2
	2017	2	2	0	0	0	0	4
Totals	2015	554	136	0	0	8	20	662
	2016	662	146	0	0	11	1	796
	2017	796	137	0	0	6	0	927

Table 4

Status of Company-Owned Outlets
For Years 2015-2017

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Kentucky	2015	19	0	8	0	16	11
	2016	11	0	11	0	7	15
	2017	15	0	6	0	4	17
Total Outlets	2015	19	0	8	0	16	11
	2016	11	0	11	0	7	15
	2017	15	0	6	0	4	17

Table No. 5

Projected Openings as of
December 31, 2017 for 2018

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Alabama	0	1	0
Arizona	1	4	0
Arkansas	0	3	0
California	4	10	0
Colorado	0	7	0
Connecticut	0	1	0
Florida	1	18	0
Georgia	1	7	0
Illinois	0	1	0
Indiana	0	2	0
Iowa	0	1	0
Kansas	1	1	0
Kentucky	0	2	0
Louisiana	0	1	0
Maryland	0	3	0
Michigan	1	1	0
Mississippi	0	2	0
Missouri	0	2	0

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Nevada	0	4	0
New Jersey	1	2	0
New York	0	1	0
North Carolina	0	4	0
Ohio	1	4	0
Oklahoma	0	2	0
Oregon	0	2	0
Pennsylvania	2	4	0
South Carolina	0	4	0
Tennessee	0	4	0
Texas	1	20	0
Utah	0	1	0
Virginia	0	1	0
Washington	1	2	0
West Virginia	1	0	0
Wisconsin	0	1	0
Wyoming	0	2	0
Totals	16	125	0

The names, addresses, and telephone numbers of our current franchisees are attached to this Franchise Disclosure Document as Exhibit F. The name and last known address and telephone number of every current franchisee and every franchisee who has had a Kona Ice Franchise terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under our franchise agreement during the one (1) year period ending December 31, 2017, or who has not communicated with us within ten (10) weeks of the Issuance Date of this Franchise Disclosure Document, is listed in Exhibit F. In some instances, current and former franchisees may sign provisions restricting their ability to speak openly about their experiences with the Kona Ice System. You may wish to speak with current and former franchisees, but know that not all such franchisees can communicate with you. During the last three (3) fiscal years, we have not had any franchisees sign confidentiality provisions that would restrict their ability to speak openly about their experience with the Kona Ice System. If you buy a Kona Ice Franchise, your contact information may be disclosed to other buyers when you leave the Franchise System.

As of the Issuance Date of this Franchise Disclosure Document, there are no franchise organizations sponsored or endorsed by us and no independent franchisee organizations that have asked to be included in this Franchise Disclosure Document. We do not have any trademark specific Franchise organizations.

ITEM 21
FINANCIAL STATEMENTS

Exhibit B contains the financial statements required to be included with this Franchise Disclosure Document: audited financial statements as of December 31, 2017, 2016, and 2015. Our fiscal year end is December 31st.

ITEM 22
CONTRACTS

Exhibit C	Franchise Agreement
Exhibit D	Franchise Disclosure Questionnaire
Exhibit G	State Addenda and Agreement Riders
Exhibit H	Contracts for use with the Kona Ice Franchise

ITEM 23
RECEIPTS

The last page of this Franchise Disclosure Document, Exhibit I, is a detachable document in duplicate. Please detach, sign, date, and return one (1) copy of the Receipt to us, acknowledging you received this Franchise Disclosure Document. Please keep the second copy for your records.

EXHIBIT A

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

CALIFORNIA

State Administrator and Agents for Service of Process:

Commissioner
Department of Business Oversight
320 W. 4th Street, #750
Los Angeles, CA 90013
(213) 576-7500
(866) 275-2677

HAWAII

Commissioner of Securities of the State of Hawaii
335 Merchant Street, Room 203
Honolulu, HI 96813
(808) 586-2722

Agents for Service of Process:

Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, HI 96813
(808) 586-2722

ILLINOIS

Illinois Attorney General
Chief, Franchise Division
500 S. Second Street
Springfield, IL 62706
(217) 782-4465

INDIANA

Secretary of State
Securities Division
Room E-018
302 W. Washington Street
Indianapolis, IN 46204
(317) 232-6681

MARYLAND

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

Agents for Service of Process:

Maryland Securities Commissioner
200 St. Paul Place
Baltimore, MD 21202-2020

MICHIGAN

Michigan Department of Attorney General
Consumer Protection Division
525 W. Ottawa Street
Lansing, MI 48913
(517) 373-7117

MINNESOTA

Department of Commerce
Commissioner of Commerce
85 Seventh Place East, Suite 280
St. Paul, MN 55101-3165
(651) 539-1600

NEW YORK

Administrator:

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

Agents for Service of Process:

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

NORTH DAKOTA

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

RHODE ISLAND

Department of Franchise Regulation
1511 Pontiac Avenue
John O. Pastore Complex, Bldg. 69-1
Cranston, RI 02920
(401) 462-9527

SOUTH DAKOTA

Division of Insurance
Securities Regulation
124 South Euclid, Suite 104
Pierre, SD 57501
(605) 773-3563

VIRGINIA

State Corporation Commission
Division of Securities and Retail Franchising
1300 E. Main Street, 9th Floor
Richmond, VA 23219

Agent for Service of Process:

Clerk of the State Corporation Commission
1300 E. Main Street, 1st Floor
Richmond, VA 23219

WASHINGTON

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

WISCONSIN

Department of Financial Institutions
Division of Securities
201 W. Washington Avenue
Madison, WI 53703
(608) 266-3364

Rev. 092217

EXHIBIT B

FINANCIAL STATEMENTS

Kona Ice, Inc.

Financial Statements
Years Ended December 31, 2017 and 2016
With Independent Auditors' Report

KONA ICE, INC.

Financial Statements
Years Ended December 31, 2017 and 2016

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BARNES DENNIG
Accounting · Tax · Business Insight

KENTUCKY OFFICE
2617 Legends Way
Crestview Hills, KY 41017
Main: 859.344.6400
Fax: 856.578.7522

Independent Auditors' Report

To the Shareholders of
Kona Ice, Inc.
Florence, Kentucky

We have audited the accompanying financial statements of Kona Ice, Inc., (a Kentucky S Corporation), which comprise the balance sheets as of December 31, 2017 and 2016 and the related statements of income, equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kona Ice, Inc. as of December 31, 2017 and 2016, and the results of their operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Barnes, Dennig & Co., Ltd.

March 23, 2018
Crestview Hills, Kentucky

KONA ICE, INC.

Balance Sheets
December 31, 2017 and 2016

	2017	2016
Assets		
Current:		
Cash	$ 1,797,789	$ 1,152,128
Inventory	1,997,340	1,192,473
Accounts receivable - net	232,525	639,286
Prepaid expenses	59,589	49,395
Note receivable - related party	-	6,000,000
Total current assets	4,087,243	9,033,282
Fixed assets:		
Property and equipment	3,497,010	2,777,924
Less: Accumulated depreciation	(858,665)	(745,711)
Total fixed assets	2,638,345	2,032,213
Other:		
Security deposits	750	750
Other assets	208	254
Accounts receivable - related parties	878,493	-
Note receivable - related party	6,000,000	-
Total other assets	6,879,451	1,004
Total assets	$ 13,605,039	$ 11,066,499

(Continued)

KONA ICE, INC.

Balance Sheets (Continued)
December 31, 2017 and 2016

	2017	2016
Liabilities		
Current:		
Notes payable - current portion	$ 50,815	$ 44,722
Line of credit	2,000,000	1,000,000
Accounts payable	1,182,243	601,325
Accrued expenses	539,826	522,873
Deferred royalty revenue	1,213,245	1,027,098
Deferred franchise revenue	315,000	185,500
Deferred Konvention fees	456,190	135,002
Customer deposits	1,504,850	1,162,350
Total current liabilities	7,262,169	4,678,870
Long-term:		
Notes payable - net of current portion	155,856	117,025
Total long-term liabilities	155,856	117,025
Total liabilities	7,418,025	4,795,895
Equity		
Common stock - 1,000 shares authorized, issued and outstanding	200	200
Retained earnings	6,186,814	6,270,404
Total equity	6,187,014	6,270,604
Total liabilities and equity	$ 13,605,039	$ 11,066,499

The accompanying notes are an integral part of these financial statements

KONA ICE, INC.

Statements of Income
Years Ended December 31, 2017 and 2016

	2017	2016
Revenues	$ 26,267,871	$ 23,025,217
Cost of goods sold	15,938,060	13,681,341
Gross profit	10,329,811	9,343,876
Operating expenses:		
Selling, general and administrative expenses	6,298,008	5,842,270
Operating income	4,031,803	3,501,606
Other income (expense):		
Other income - net	234,629	30,059
Interest income	415,611	666,971
Gain on sale of property and equipment	14,282	96,635
Interest expense	(89,972)	(64,341)
Bad debt expense	(30,428)	(31,226)
Total other income (expense)	544,122	698,098
Net income	$ 4,575,925	$ 4,199,704

The accompanying notes are an integral part of these financial statements

KONA ICE, INC.

Statements of Equity
Years Ended December 31, 2017 and 2016

	Common Stock	Retained Earnings
Balance at December 31, 2015	$ 200	$ 3,495,700
Net income	-	4,199,704
Distributions	-	(1,425,000)
Balance at December 31, 2016	200	6,270,404
Net income	-	4,575,925
Distributions	-	(4,659,515)
Balance at December 31, 2017	$ 200	$ 6,186,814

The accompanying notes are an integral part of these financial statements

KONA ICE, INC.

Statements of Cash Flows
Years Ended December 31, 2017 and 2016

	2017	2016
Cash flows from operating activities:		
Net income	$ 4,575,925	$ 4,199,704
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	180,102	171,633
Gain on disposal of property and equipment	(14,282)	(96,635)
Changes in:		
Inventory	(804,867)	74,969
Accounts receivable - net	406,761	(385,844)
Prepaid expenses	(10,194)	(19,429)
Accounts payable	580,918	137,046
Accrued expenses	16,953	143,812
Deferred revenue	636,835	167,549
Customer deposits	342,500	430,548
Net cash provided by operating activities	5,910,651	4,823,353
Cash flows from investing activities:		
Advances on notes receivable - related party	-	(1,000,000)
Advances on accounts receivable - related party	(878,493)	-
Capital expenditures for property and equipment	(961,334)	(1,128,458)
Proceeds from sale of property and equipment	277,600	758,332
Net cash used in investing activities	(1,562,227)	(1,370,126)
Cash flows from financing activities:		
Advances on line of credit	2,500,000	1,000,000
Payments on line of credit	(1,500,000)	(2,000,000)
Principal payments on long-term debt	(43,248)	(132,840)
Distributions	(4,659,515)	(1,425,000)
Net cash used in financing activities	(3,702,763)	(2,557,840)
Net change in cash and cash equivalents	645,661	895,387
Cash and cash equivalents, beginning of year	1,152,128	256,741
Cash and cash equivalents, end of year	$ 1,797,789	$ 1,152,128
Supplemental disclosure of cash flow information		
Cash paid during the year for interest	$ 89,972	$ 64,341

Supplemental disclosure of non-cash transactions:

During 2017 and 2016, the Company purchased vehicles with proceeds from long-term debt in the amount of $88,172 and $136,596, respectively.

The accompanying notes are an integral part of these financial statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Kona Ice, Inc. (the "Company") is an S corporation providing franchise services and operating trucks, karts, trailers, kiosks and flavorwaves in the shaved ice industry throughout the United States of America. They contract directly with individuals for the purchase of a shaved ice truck and a territory in which to operate. The Company also operates trucks itself. The Company provides marketing services and advertising for the franchisees.

Recently Issued Accounting Standards

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, "Revenue from Contracts with Customers," which provides guidance for revenue recognition. The standard's core principle is that a company will recognize revenue when it transfers the promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. Per ASU 2015-14 "Deferral of Effective Date," this guidance will be effective for the Company for the fiscal year ending December 31, 2019. The Company is currently in the process of evaluating the effect of adoption of this ASU on its financial statements.

In February 2016, the FASB issued ASU 2016-02, "Leases," which provides guidance on the recognition of leases. The standard requires lessees to record right-of-use assets and corresponding lease liabilities on the balance sheet. The new guidance will continue to classify leases as either finance or operating, with classification affecting the pattern of expense recognition in the statements of income. This guidance will be effective for the Company for the fiscal year ending December 31, 2020. The Company is currently in the process of evaluating the effect of adoption of this ASU on its financial statements.

In June 2016, the FASB issued ASU 2016-13, Financial Instruments – Credit Losses: Measurement of Credit Losses on Financial Instruments. The standard modifies the impairment model for most financial assets and certain other instruments to utilize an expected loss methodology in place of the currently used incurred loss methodology. The standard will be effective for the Company for the fiscal year ending December 31, 2021. The Company is currently in the process of evaluating the impact of adoption of this ASU on its financial statements.

Use of Estimates

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable

Accounts receivable are uncollateralized customer obligations due under normal trade terms requiring payment within 30 days from the invoice date except for retainage amounts which are due within 30 days of contract completion. In substantially all instances, the Company has lien rights. Currently, the Company may charge interest on delinquent accounts receivable. Accounts receivable are stated at the amount billed to the customer.

Payments of accounts receivable are allocated to the specific invoices identified on the customer's remittance advice or, if unspecified, are applied to the earliest unpaid invoices. The carrying amount of accounts receivable is reduced by a valuation allowance that reflects management's best estimate of the amounts that will not be collected. Management individually reviews all accounts receivable balances that exceed 90 days from invoice date and based on an assessment of current creditworthiness, estimates the portion, if any, of the balances that will not be collected. Management also uses past experiences and future economic conditions in estimating the total uncollectible amount. Based on these criteria, the allowance for doubtful accounts at December 31, 2017 and 2016 is $25,911.

Property and Equipment

Property and equipment are carried at cost and are depreciated over their useful lives using both the accelerated and straight-line methods. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is included in income for the period. The cost of maintenance and repairs is charged to income as incurred; significant betterments are capitalized.

Warranty Accrual

The Company warrants the parts and equipment on the Kona Entertainment Vehicle for two years, except for the chassis which is warrantied by the manufacturer. The warranty accrual is a reasonable estimate by management based on incurred warranty expense on previous sales.

	2017	2016
Beginning accrual balance	$ 108,000	$ 47,000
Less: Claims	(203,297)	(311,501)
Plus: Additional provisions	203,297	372,501
Ending accrual balance	$ 108,000	$ 108,000

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Revenue

The balance in these accounts consist of a portion of the amounts collected or receivable for unearned royalty fees, franchise fees, and Konvention fees. A portion of the royalties are recognized over a seven year period associated with the performance obligation to improve the vehicle by Kona upon receipt of royalties over the seven year period which qualifies as a separate unit of account. The selling price was estimated for the improvement of the vehicle based on historical costs incurred for improving the vehicle along with an estimated margin. The franchise fees are not recognized until the franchisee takes possession of the Kona Entertainment Vehicle and completes the initial training provided by the Company. The Konvention fees are not recognized until the Konvention takes place.

Advertising Costs

Advertising costs are charged to operations when incurred. Advertising costs charged to operations were $413,597 and $339,610 for the years ended December 31, 2017 and 2016, respectively.

Income Taxes

Effective February 12, 2008, the Company elected, under Section 1362(a) of the Internal Revenue Code, to be taxed as an "S" Corporation. Under provisions of this section, most of the tax benefits and liabilities from the corporation pass directly to its shareholders. Accordingly, no provision for federal income taxes has been made in these statements.

The Company has applied accounting rules that prescribe when to recognize and how to measure the financial statement effects, if any, of income tax positions taken or expected to be taken on its income tax returns, including the position that the Company continues to qualify to be treated as an S Corporation for both federal and state income tax purposes. These new rules require management to evaluate the likelihood that, upon examination by relevant taxing jurisdictions, those income tax positions would be sustained.

Concentration of Credit Risk

The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

Revenue Recognition

The Company earns its revenue in several ways. The Company receives franchise revenues with the purchase of each territory. Another revenue stream is generated from the sale of trucks and various machines used to sell the shaved ice and other food items. The purchase of the truck and initial training is required as part of the initial purchase of the franchise area. Once a certain amount of franchises are sold, other streams of revenues will be generated from recurring franchise fees and advertising revenues.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements

The financial statements have been prepared in accordance with the GAAP provisions for fair value measurements. These provisions define fair value, establish a framework for measuring fair value and expand disclosures about fair value measurements. These provisions emphasize that fair value is market-based measurement and should be determined based on assumptions that a market participant would use when pricing an asset or liability. Additionally, the provisions establish a fair value hierarchy that provides the highest priority to quoted prices in active markets and the lowest priority to unobservable data.

In determining fair value, the Company uses various valuation approaches. GAAP provisions establish a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The hierarchy is broken down into three levels based on the ability to observe inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 – Directly or indirectly observable inputs not included in Level 1. Inputs can be quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, that is, markets in which there are few transactions for the asset or liability, the prices are not current, or price quotations vary substantially either over time or among market makers (for example, some brokered markets), or in which little information is released publicly (for example, a principal-to-principal market), inputs other than quoted prices that are observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks, and default rates), inputs that are derived principally from or corroborated by observable market data by correlation or other means (market-corroborated inputs).

Level 3 – Unobservable inputs that are significant to the overall fair value measurement. Unobservable inputs shall be used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, that is, an exit price from the perspective of a market participant that holds the asset or owes the liability. Therefore, unobservable inputs shall reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

NOTE 2 INVENTORY

Inventory is recorded at specific identification method. It consists primarily of trucks that are in various stages of construction and supplies. Inventory consisted of the following at December 31

	2017	2016
Trucks and truck supplies	$ 1,400,949	$ 522,283
Kiosk	141,135	195,174
Flavorwave	34,438	-
Mini trailer	48,320	-
Shavers	243,317	355,286
Merchandise and parts	129,181	119,730
	$ 1,997,340	$ 1,192,473

NOTE 3 PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31:

	2017	2016
Equipment	$ 394,666	$ 154,795
Computer equipment	47,351	35,951
Leasehold improvements	389,353	369,505
Furniture and fixtures	66,426	49,073
Vehicles	1,398,611	1,550,008
Construction in progress	1,200,603	618,592
	$ 3,497,010	$ 2,777,924

Depreciation was $180,056 and $171,587 for the years ended December 31, 2017 and 2016, respectively

NOTE 4 LINE OF CREDIT

At December 31, 2017 and 2016, the Company has a $2,000,000 line of credit with a local bank. The line of credit expires on May 20, 2018. Interest is charged at the prime rate less one half percent, with a minimum interest rate of 5.00%, and is payable monthly. At December 31, 2017 and 2016, the rate was 5.00%. The line of credit is secured by the assets of the Company and is personally guaranteed by the shareholders. The balance outstanding on the line of credit was $2,000,000 and $1,000,000 as of December 31, 2017 and 2016, respectively.

NOTE 5 NOTES PAYABLE

	2017	2016
Note payable to Ally due in monthly installments of $860.58. This was a non-interest bearing note. The note matured in November 2017. This note was collateralized by a vehicle.	$ -	$ 9,467
Note payable to Kubota Credit USA due in monthly installments of $342.89 including both principal and interest. This is a non-interest bearing note. The note matures August 2018. This note is collateralized by equipment.	2,743	6,858
Note payable to Ally due in monthly installments of $499.89 including both principal and interest. This note is bearing an interest rate of 4.50%. The note matures May 2020. This note is collateralized by a vehicle.	13,705	18,958
Note payable to Ally due in monthly installments of $726.35 including both principal and interest. This note is bearing an interest rate of 4.50%. The note matures in June 2021. This note is collateralized by a vehicle.	28,150	35,422
Note payable to Ally due in monthly installments of $1,199.08 including both principal and interest. This note is bearing an interest rate of 4.50%. The note matures in July 2021. This note is collateralized by a vehicle.	47,530	59,488
Note payable to Ally due in monthly installments of $625.85 including both principal and interest. This note is bearing an interest rate of 4.50%. The note matures in August 2021. This note is collateralized by a vehicle.	25,337	31,554
Note payable to Ally due in monthly installments of $858.95 including both principal and interest. This note is bearing an interest rate of 5.33%. The note matures in December 2022. This note is collateralized by a vehicle.	45,055	-

NOTE 5 NOTES PAYABLE (CONTINUED)

	2017	2016
Note payable to Ally due in monthly installments of $726.85 including both principal and interest. This note is bearing an interest rate of 5.33%. The note matures in December 2022. This note is collateralized by a vehicle.	38,126	-
Capital lease for a copier due in monthly installments of $135 including both principal and interest. This lease is bearing an interest rate of 11.78%. The final payment of this lease is due December 2022. This lease is collateralized by the copier.	6,025	-
	206,671	161,747
Less: current portion	50,815	44,722
Net long-term debt	$ 155,856	$ 117,025

Current maturities for the next five years are as follows at December 31, 2017

2018	$ 50,815
2019	50,431
2020	49,425
2021	36,380
2022	19,620
	$ 206,671

NOTE 6 RELATED PARTY TRANSACTIONS

The Company sells its accounts receivable to a related party, as well as another unrelated entity, which specializes in sales finance contracts. The Company may recover some of the discount based on the performance of the portfolio as a whole. These receipts are recognized when received. Any recourse obligation is insignificant and no liability has been recorded. The Companies are related through common ownership. The sole shareholder of the related party owns 47% of Kona Ice, Inc., as of December 31, 2017 and 2016. The Company sold accounts receivable to the related party of $3,490,214 and $3,501,171 and received $2,968,622 and $2,957,337 for the accounts receivable, including discount recoveries, as of December 31, 2017 and 2016, respectively, which is comparable with other sales finance purchases made by the related party.

The Company sold accounts receivable to the unrelated entity of $6,603,694 and $6,343,984 and received $6,603,694 and $6,298,663 for the accounts receivable as of December 31, 2017 and 2016, respectively. Total discount recoveries received during 2017 and 2016 were $1,000,000 and $1,775,535, respectively, due to performance of the portfolio.

NOTE 6 RELATED PARTY TRANSACTIONS (CONTINUED)

The Company has notes receivable in the total amount of $6,000,000 to a related party at December 31, 2017 and 2016. The notes bear interest at 10%. No principal is due on the note until maturity at March 31, 2020. $5,000,000 of the note is set aside for future investment in the company. The remaining $1,000,000 is for funding of future litigation to support franchisee operations from outside infringements.

The Company leases office, garage and warehouse space from a related party (see Note 7).

The Company has receivables in the amount of $878,493 and $-0- due from a related party at December 31, 2017 and 2016, respectively. Collection is not expected in the next year and is listed as long term.

NOTE 7 LEASES

The Company leases office, garage and warehouse space. The leases are month to month leases. Rent expense for the years ended December 31, 2017 and 2016 was $128,088 and $119,563, respectively. Related party rent expense for the years ended December 31, 2017 and 2016 was $102,000.

NOTE 8 RISKS AND UNCERTAINTIES

The Company is regulated by state laws and regulations in each state in which it operates, including those governing franchise sales and licensing, which are subject to change. These laws and regulations, among other things, establish franchise and licensing requirements which regulate the Company's ability to issue franchise rights. Any adverse change in or interpretation of existing laws or regulations or the failure to comply with any such laws and regulations could result in fines, class action litigation, or interruption or cessation of certain business activities of the Company. Any of these events could have a material effect on the Company's business. In addition, there can be no assurance that amendments to such laws and regulations or new or more restrictive laws or regulations, or interpretations thereof will not be adopted in the future which may make compliance more difficult or expensive, further limit or restrict fees and other charges, curtail the current operations of the Company, restrict the Company's ability to expand its operations or otherwise materially adversely affect the business or prospects of the Company.

NOTE 9 FRANCHISE FEE REVENUE

The initial franchise fee is paid in a lump sum when the franchise agreement is signed and revenue is defererred until the truck and additional equipment is delivered. The initial fee is $15,000. The fee will grant the right to operate one truck and additional equipment in the protected territory assigned as well as initial training from the Company. Each additional truck requires an additional agreement and fees. The fees are not refundable upon payment under any circumstances. Initial franchise income for the years ended December 31, 2017 and 2016 was $2,220,000 and $1,920,000, respectively.

NOTE 9 FRANCHISE FEE REVENUE (CONTINUED)

The following summarizes the franchise ownership changes for the years then ended:

	2017	2016
Franchises sold	141	128
Franchises repurchased by franchisor	8	11
Franchises in operation	934	788
Franchises operated by franchisor	19	19

NOTE 10 DEFINED BENEFIT PENSION PLAN

The Company has a non-contributory cash balance plan (the "Plan") for employees that meet certain eligibility requirements that are not excluded by class. The benefits are based on the employees group classification equal to a percentage of compensation or a fixed dollar amount as follows:

Group 2: $53,000
Group 3: 2.5% of compensation

Maximum benefit is $17,917 per month and maximum percent of salary is 100%. The Company's funding policy is to contribute the maximum amount allowed by ERISA for each plan year. The measurement date for the plan is December 31. The plan effective date was January 1, 2014.

The funded status of the Plan and amounts recognized in the financial statements as of December 31, 2017 and 2016 is as follows:

	2017	2016
Projected benefit obligation	$ 774,949	$ 571,273
Plan assets at fair value	726,464	412,008
Unfunded projected benefit obligation	$ (48,485)	$ (159,265)
Minimum pension liability	$ 774,949	$ 571,273
Accumulated other comprehensive loss	$ -	$ -

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Weighted average assumptions used to determine benefit obligations and net periodic cost for the years ended December 31, 2017 and 2016 consisted of the following:

Discount rate: 3.25%
Projected interest crediting rate: 3.25%

The benefit cost for the years ended December 31, 2017 and 2016 was $48,485 and $159,265, respectively.

The accumulated benefit obligation was $774,949 and $571,273 at December 31, 2017 and 2016, respectively. There were no employee contributions to the Plan for 2017 and 2016. There were no benefits paid in 2017 and 2016. Contributions expected to made during 2018 are $268,760.

The following benefit payments are expected to be paid:

Fiscal Years Ending	Expected Benefit Payments
2018	$ 8,108
2019	-
2020	-
2021	-
2022	7,517
2023-2027	6,278
	$ 21,903

The fair values of the Company's pension assets at December 31, 2017 and 2016, by asset category, are as follows:

Asset Category	12/31/2017	Level 1	Level 2	Level 3
Cash	$ 167,452	$ 167,452	$ -	$ -
Investment alternatives	559,012	-	-	559,012
Total	$ 726,464	$ 167,452	$ -	$ 559,012

Asset Category	12/31/2016	Level 1	Level 2	Level 3
Cash	$ 8,008	$ 8,008	$ -	$ -
Investment alternatives	404,000			404,000
Total	$ 412,008	$ 8,008	$ -	$ 404,000

NOTE 11 401(K) PLAN

The Company has a defined contribution 401(k) plan, which began January 1, 2014, covering employees who meet stated eligibility requirements. Company contributions are made at the discretion of management. The Company contribution expense was $109,245 and $105,290 in 2017 and 2016, respectively.

NOTE 12 SUBSEQUENT EVENTS

Subsequent events were considered through March 23, 2018, which is the date these financial statements were available to be issued.

Kona Ice, Inc.

Financial Statements
With Supplementary Information
Years Ended December 31, 2016 and 2015
With Independent Auditors' Report

KONA ICE, INC.

Financial Statements
With Supplementary Information
Years Ended December 31, 2016 and 2015

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KENTUCKY OFFICE
2617 Legends Way
Crestview Hills, KY 41017
Main: 859.344.6400
Fax: 856.578.7522

Independent Auditors' Report

To the Shareholders of
Kona Ice, Inc.
Florence, Kentucky

We have audited the accompanying financial statements of Kona Ice, Inc., (a Kentucky S Corporation), which comprise the balance sheets as of December 31, 2016 and 2015 and the related statements of income, equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kona Ice, Inc. as of December 31, 2016 and 2015, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Independent Auditors' Report
(Continued)

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The statements of cost of goods sold and the statements of selling, general and administrative expenses are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Barnes, Dennig & Co., Ltd.

March 14, 2017
Crestview Hills, Kentucky

KONA ICE, INC.

Balance Sheets
December 31, 2016 and 2015

	2016	2015
Assets		
Current:		
Cash	$ 1,152,128	$ 256,741
Inventory	1,192,473	1,267,442
Accounts receivable - net	639,286	253,442
Prepaid expenses	49,395	29,966
Note receivable - related party	6,000,000	5,000,000
Total current assets	9,033,282	6,807,591
Fixed assets:		
Property and equipment	2,777,924	2,218,073
Less: Accumulated depreciation	(745,711)	(617,630)
Total fixed assets	2,032,213	1,600,443
Other:		
Security deposits	750	750
Other assets	254	300
Total other assets	1,004	1,050
Total assets	$ 11,066,499	$ 8,409,084

(Continued)

KONA ICE, INC.

Balance Sheets (Continued)
December 31, 2016 and 2015

	2016	2015
Liabilities		
Current:		
Notes payable - current portion	$ 44,722	$ 43,038
Line of credit	1,000,000	2,000,000
Accounts payable	601,325	464,279
Accrued expenses	522,873	379,061
Deferred royalty revenue	1,027,098	882,801
Deferred franchise revenue	185,500	210,000
Deferred Konvention fees	135,002	87,250
Customer deposits	1,162,350	731,802
Total current liabilities	4,678,870	4,798,231
Long-term:		
Notes payable - net of current portion	117,025	114,953
Total long-term liabilities	117,025	114,953
Total liabilities	4,795,895	4,913,184
Equity		
Common stock - 1,000 shares authorized, issued and outstanding	200	200
Retained earnings	6,270,404	3,495,700
Total equity	6,270,604	3,495,900
Total liabilities and equity	$ 11,066,499	$ 8,409,084

The accompanying notes are an integral part of these financial statements

KONA ICE, INC.

Statements of Income
Years Ended December 31, 2016 and 2015

	2016	2015
Revenues	$ 23,025,217	$ 17,931,390
Cost of goods sold	13,681,341	11,452,859
Gross profit	9,343,876	6,478,531
Operating expenses:		
Selling, general and administrative expenses	5,842,270	4,636,949
Operating income	3,501,606	1,841,582
Other income (expense):		
Other income (expense)	30,059	(1,284)
Interest income	666,971	443,683
Interest expense	(64,341)	(92,888)
Bad debt expense	(31,226)	(39,900)
Gain on sale of property and equipment	96,635	77,196
Total other income (expense)	698,098	386,807
Net income	$ 4,199,704	$ 2,228,389

The accompanying notes are an integral part of these financial statements

KONA ICE, INC.

Statements of Equity
Years Ended December 31, 2016 and 2015

	Common Stock	Retained Earnings
Balance at December 31, 2014	$ 200	$ 2,085,327
Net income	-	2,228,389
Distributions	-	(818,016)
Balance at December 31, 2015	200	3,495,700
Net income	-	4,199,704
Distributions	-	(1,425,000)
Balance at December 31, 2016	$ 200	$ 6,270,404

The accompanying notes are an integral part of these financial statements

KONA ICE, INC.

Statements of Cash Flows
Years Ended December 31, 2016 and 2015

	2016	2015
Cash flows from operating activities:		
Net income	$ 4,199,704	$ 2,228,389
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	171,633	205,352
Gain on disposal of property and equipment	(96,635)	(77,196)
Changes in:		
Inventory	74,969	(293,762)
Accounts receivable - net	(385,844)	182,693
Prepaid expenses	(19,429)	(29,966)
Undeposited funds	-	8,436
Accounts payable	137,046	(117,692)
Accrued expenses	143,812	20,038
Deferred revenue	167,549	324,622
Customer deposits	430,548	(316,699)
Net cash provided by operating activities	4,823,353	2,134,215
Cash flows from investing activities:		
Advances on notes receivable - related party	(1,000,000)	(3,000,000)
Payments from notes receivable - related party	-	1,500,000
Capital expenditures for property and equipment	(1,128,458)	(861,080)
Proceeds from sale of property and equipment	758,332	561,120
Net cash used in investing activities	(1,370,126)	(1,799,960)
Cash flows from financing activities:		
Advances on line of credit	1,000,000	1,002,500
Payments on line of credit	(2,000,000)	(502,500)
Principal payments on long-term debt	(132,840)	(43,503)
Distributions	(1,425,000)	(818,016)
Net cash used in financing activities	(2,557,840)	(361,519)
Net change in cash and cash equivalents	895,387	(27,264)
Cash and cash equivalents, beginning of year	256,741	284,005
Cash and cash equivalents, end of year	$ 1,152,128	$ 256,741
Supplemental disclosure of cash flow information		
Cash paid during the year for interest	$ 64,341	$ 92,888

Supplemental disclosure of non-cash transactions:

During 2016 and 2015, the Company purchased vehicles with proceeds from long-term debt in the amount of $136,596 and $57,977, respectively.

The accompanying notes are an integral part of these financial statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Kona Ice, Inc. (the "Company") is an S corporation providing franchise services and operating trucks, karts, kiosks and flavorwaves in the shaved ice industry throughout the United States of America. They contract directly with individuals for the purchase of a shaved ice truck and a territory in which to operate. The Company also operates trucks itself. The Company provides marketing services and advertising for the franchisees.

Recently Issued Accounting Standards

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, "Revenue from Contracts with Customers (Topic 606)". This guidance outlines a single, comprehensive model for accounting for revenue from contracts with customers. The new standard is effective for the fiscal year ending December 31, 2019. Management is currently assessing the impact of the new standard.

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)". The standard requires lessees to recognize lease assets and lease liabilities on the balance sheet and requires expanded disclosures about leasing arrangements. The new standard is effective for the fiscal year ending December 31, 2020. Management is currently assessing the impact of the new standard.

Use of Estimates

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

Accounts Receivable

Accounts receivable are uncollateralized customer obligations due under normal trade terms requiring payment within 30 days from the invoice date except for retainage amounts which are due within 30 days of contract completion. In substantially all instances, the Company has lien rights. Currently, the Company may charge interest on delinquent accounts receivable. Accounts receivable are stated at the amount billed to the customer.

Payments of accounts receivable are allocated to the specific invoices identified on the customer's remittance advice or, if unspecified, are applied to the earliest unpaid invoices. The carrying amount of accounts receivable is reduced by a valuation allowance that reflects management's best estimate of the amounts that will not be collected. Management individually reviews all accounts receivable balances that exceed 90 days from invoice date and based on an assessment of current creditworthiness, estimates the portion, if any, of the balances that will not be collected. Management also uses past experiences and future economic conditions in estimating the total uncollectible amount. Based on these criteria, the allowance for doubtful accounts at December 31, 2016 and 2015 is $25,911 and $13,128, respectively.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Property and equipment are carried at cost and are depreciated over their useful lives using both the accelerated and straight-line methods. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is included in income for the period. The cost of maintenance and repairs is charged to income as incurred; significant betterments are capitalized.

Warranty Accrual

The Company warrants the parts and equipment on the Kona Entertainment Vehicle for two years, except for the chassis which is warrantied by the manufacturer. The warranty accrual is a reasonable estimate by management based on incurred warranty expense on previous sales.

	2016	2015
Beginning accrual balance	$ 47,000	$ 47,000
Less: Claims	(311,501)	(97,170)
Plus: Additional provisions	372,501	97,170
Ending accrual balance	$ 108,000	$ 47,000

Deferred Revenue

The balance in these accounts consist of a portion of the amounts collected or receivable for unearned royalty fees, franchise fees, and Konvention fees. A portion of the royalties are recognized over a seven year period associated with the performance obligation to improve the vehicle by Kona upon receipt of royalties over the seven year period which qualifies as a separate unit of account. The selling price was estimated for the improvement of the vehicle based on historical costs incurred for improving the vehicle along with an estimated margin. The franchise fees are not recognized until the franchisee takes possession of the Kona Entertainment Vehicle and completes the initial training provided by the Company. The Konvention fees are not recognized until the Konvention takes place.

Advertising Costs

Advertising costs are charged to operations when incurred. Advertising costs charged to operations were $339,610 and $253,679 for the years ended December 31, 2016 and 2015, respectively.

Income Taxes

Effective February 12, 2008, the Company elected, under Section 1362(a) of the Internal Revenue Code, to be taxed as an "S" Corporation. Under provisions of this section, most of the tax benefits and liabilities from the corporation pass directly to its shareholders. Accordingly, no provision for federal income taxes has been made in these statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (Continued)

The Company has applied accounting rules that prescribe when to recognize and how to measure the financial statement effects, if any, of income tax positions taken or expected to be taken on its income tax returns, including the position that the Company continues to qualify to be treated as an S Corporation for both federal and state income tax purposes. These new rules require management to evaluate the likelihood that, upon examination by relevant taxing jurisdictions, those income tax positions would be sustained.

Concentration of Credit Risk

The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

Revenue Recognition

The Company earns its revenue in several ways. The Company receives franchise revenues with the purchase of each territory. Another revenue stream is generated from the sale of trucks and various machines used to sell the shaved ice and other food items. The purchase of the truck and initial training is required as part of the initial purchase of the franchise area. Once a certain amount of franchises are sold, other streams of revenues will be generated from recurring franchise fees and advertising revenues.

Fair Value Measurements

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

The hierarchy is broken down into three levels based on the ability to observe inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 – Directly or indirectly observable inputs not included in Level 1. Inputs can be quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, that is, markets in which there are few transactions for the asset or liability, the prices are not current, or price quotations vary substantially either over time or among market makers (for example, some brokered markets), or in which little information is released publicly (for example, a principal-to-principal market), inputs other than quoted prices that are observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks, and default rates), inputs that are derived principally from or corroborated by observable market data by correlation or other means (market-corroborated inputs).

Level 3 – Unobservable inputs that are significant to the overall fair value measurement. Unobservable inputs shall be used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, that is, an exit price from the perspective of a market participant that holds the asset or owes the liability. Therefore, unobservable inputs shall reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

NOTE 2 INVENTORY

Inventory is recorded at specific identification method. It consists primarily of trucks that are in various stages of construction and supplies. Inventory consisted of the following at December 31:

	2016	2015
Trucks and truck supplies	$ 522,283	$ 695,937
Kiosk	195,174	163,987
Mini trailer	-	13,488
Shavers	355,286	304,877
Merchandise and parts	119,730	89,153
	$ 1,192,473	$ 1,267,442

NOTE 3 PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31:

	2016	2015
Equipment	$ 154,795	$ 144,063
Computer equipment	35,951	35,951
Leasehold improvements	369,505	354,060
Furniture and fixtures	49,073	49,073
Vehicles	1,550,008	1,634,926
Construction in progress	618,592	-
	$ 2,777,924	$ 2,218,073

Depreciation was $171,587 and $205,314 for the years ended December 31, 2016 and 2015, respectively.

NOTE 4 LINE OF CREDIT

At December 31, 2016 and 2015, the Company has a $2,000,000 line of credit with a local bank. The line of credit expires on May 20, 2017. Interest is charged at the prime rate less one half percent, with a minimum interest rate of 5.00%, and is payable monthly. At December 31, 2016 and 2015, the rate was 5.00%. The line of credit is secured by the assets of the Company and is personally guaranteed by the shareholders. The balance outstanding on the line of credit was $1,000,000 and $2,000,000 as of December 31, 2016 and 2015, respectively.

NOTE 5 LONG-TERM DEBT

	2016	2015
Note payable to Ally due in monthly installments of $860.58. This is a non-interest bearing note. The note matures November 2017. This note is collateralized by a vehicle.	$ 9,467	$ 18,933
Note payable to Kubota Credit USA due in monthly installments of $342.89 including both principal and interest. This is a non-interest bearing note. The note matures August 2018. This note is collateralized by equipment.	6,858	10,973
Note payable to Ally due in monthly installments of $499.89 including both principal and interest. This note is bearing an interest rate of 4.50%. The note matures May 2020. This note is collateralized by a vehicle.	18,958	23,551

NOTE 5 LONG-TERM DEBT (CONTINUED)

	2016	2015
Note payable to Ally due in monthly installments of $726.35 including both principal and interest. This note is bearing an interest rate of 4.50%. The note matures in June 2021. This note is collateralized by a vehicle.	35,422	-
Note payable to Ally due in monthly installments of $1,199.08 including both principal and interest. This note is bearing an interest rate of 4.50%. The note matures in July 2021. This note is collateralized by a vehicle.	59,488	-
Note payable to Ally due in monthly installments of $625.85 including both principal and interest. This note is bearing an interest rate of 4.50%. The note matures in August 2021. This note is collateralized by a vehicle.	31,554	-
Note payable to Ally due in monthly installments of $799.06 including both principal and interest. This note is bearing an interest rate of 4.89%. This note was collateralized by a vehicle, and was paid off during 2016.	-	34,704
Note payable to Ally due in monthly installments of $967.20 including both principal and interest. This note is bearing an interest rate of 4.46%. This note was collateralized by a vehicle, and was paid off during 2016.	-	39,908
Note payable to Ally due in monthly installments of $582.98 including both principal and interest. This note is bearing an interest rate of 4.50%. This note is collateralized by a vehicle, and was paid off during 2016.	-	29,922
	161,747	157,991
Less: current portion	44,722	43,038
Net long-term debt	$ 117,025	$ 114,953

NOTE 5 LONG-TERM DEBT (CONTINUED)

Current maturities for the next five years are as follows at December 31, 2016:

2017	$ 44,722
2018	34,850
2019	33,582
2020	31,579
2021	17,014
	$ 161,747

NOTE 6 RELATED PARTY TRANSACTIONS

The Company sells its accounts receivable to a related party, as well as another unrelated entity, which specializes in sales finance contracts. The Company may recover some of the discount based on the performance of the portfolio as a whole. These receipts are recognized when received. Any recourse obligation is insignificant and no liability has been recorded. The Companies are related through common ownership. The sole shareholder of the related party owns 47% of Kona Ice, Inc., as of December 31, 2016 and 2015. The Company sold accounts receivable to the related party of $3,501,171 and $3,245,133 and received $2,957,337 and $2,432,025 for the accounts receivable, including discount recoveries, as of December 31, 2016 and 2015, respectively, which is comparable with other sales finance purchases made by the related party.

The Company sold accounts receivable to the unrelated entity of $6,343,984 and $5,982,255 and received $6,298,663 and $4,786,379 for the accounts receivable as of December 31, 2016 and 2015, respectively. Total discount recoveries received during 2016 and 2015 were $1,775,535 and $1,505,176, respectively, due to performance of the portfolio.

The Company has notes receivable in the total amount of $6,000,000 and $5,000,000 to a related party at December 31, 2016 and 2015, respectively. The note bears interest at 12%. No principal is due on the note until maturity at March 31, 2017. The Company leases office, garage and warehouse space from a related party (see Note 7).

NOTE 7 LEASES

The Company leases office, garage and warehouse space. The leases are month to month leases. Rent expense for the years ended December 31, 2016 and 2015 was $17,563 and $18,784, respectively. Related party rent expense for the years ended December 31, 2016 and 2015 was $102,000 and $93,500, respectively.

NOTE 8 RISKS AND UNCERTAINTIES

The Company is regulated by state laws and regulations in each state in which it operates, including those governing franchise sales and licensing, which are subject to change. These laws and regulations, among other things, establish franchise and licensing requirements which regulate the Company's ability to issue franchise rights. Any adverse change in or interpretation of existing laws or regulations or the failure to comply with any such laws and regulations could result in fines, class action litigation, or interruption or cessation of certain business activities of the Company. Any of these events could have a material effect on the Company's business. In addition, there can be no assurance that amendments to such laws and regulations or new or more restrictive laws or regulations, or interpretations thereof will not be adopted in the future which may make compliance more difficult or expensive, further limit or restrict fees and other charges, curtail the current operations of the Company, restrict the Company's ability to expand its operations or otherwise materially adversely affect the business or prospects of the Company.

NOTE 9 FRANCHISE FEE REVENUE

The initial franchise fee is paid in a lump sum when the franchise agreement is signed and revenue is defererred until the truck and additional equipment is delivered. The initial fee is $15,000. The fee will grant the right to operate one truck and additional equipment in the protected territory assigned as well as initial training from the Company. Each additional truck requires an additional agreement and fees. The fees are not refundable upon payment under any circumstances. Initial franchise income for the years ended December 31, 2016 and 2015 was $1,920,000 and $1,845,000, respectively.

The following summarizes the franchise ownership changes for the years then ended:

	2016	2015
Franchises sold	128	117
Franchises repurchased by franchisor	11	8
Franchises in operation	788	679
Franchises operated by franchisor	19	8

NOTE 10 DEFINED BENEFIT PENSION PLAN

The Company has a non-contributory cash balance plan (the "Plan") for employees that meet certain eligibility requirements that are not excluded by class. The benefits are based on the employees group classification equal to a percentage of compensation or a fixed dollar amount as follows:

Group 1: $111,000
Group 2: $53,000
Group 3: 2.5% of compensation

Maximum benefit is $17,500 per month and maximum percent of salary is 100%. The Company's funding policy is to contribute the maximum amount allowed by ERISA for each plan year. The measurement date for the plan is December 31. The plan effective date was January 1, 2014.

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

The funded status of the Plan and amounts recognized in the financial statements as of December 31, 2016 and 2015 is as follows:

	2016	2015
Projected benefit obligation	$ 571,273	$ 367,831
Plan assets at fair value	412,008	180,173
Unfunded projected benefit obligation	$ (159,265)	$ (187,658)
Minimum pension liability	$ 571,273	$ 367,831
Accumulated other comprehensive loss	$ -	$ -

Weighted average assumptions used to determine benefit obligations and net periodic cost for the years ended December 31, 2016 and 2015 consisted of the following

Discount rate: 3.25%
Projected interest crediting rate: 3.25%

The benefit cost for the years ended December 31, 2016 and 2015 is $159,265 and $187,658, respectively.

The accumulated benefit obligation was $571,273 and $367,831 at December 31, 2016 and 2015, respectively. There were no employee contributions to the Plan for 2016 and 2015. Employer contributions for 2016 and 2015 were $404,860 and $180,168, respectively. There were no benefits paid in 2016 and 2015. Contributions expected to made during 2017 are $279,359. No benefits are expected to be paid from 2017 – 2021.

The fair values of the Company's pension assets at December 31, 2016 and 2015, by asset category, are as follows:

Asset Category	12/31/2016	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and cash alternatives	$ 412,008	$ 412,008	$ -	$ -

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Asset Category	12/31/2015	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and cash alternatives	$ 180,173	$ 180,173	$ -	$ -

NOTE 11 401(K) PLAN

The Company has a defined contribution 401(k) plan, which began January 1, 2014, covering employees who meet stated eligibility requirements. Company contributions are made at the discretion of management. The Company contribution expense was $105,290 and $89,221 in 2016 and 2015, respectively.

NOTE 12 SUBSEQUENT EVENTS

Subsequent events were considered through March 14, 2017, which is the date these financial statements were available to be issued.

KONA ICE, INC.

Statements of Cost of Goods Sold
Years Ended December 31, 2016 and 2015

	2016	2015
Cost of trucks sold	$ 10,600,234	$ 8,053,773
Discount (return of discount) on sale of receivables	(1,231,702)	503,808
Cost of mini kart and trailer	734,132	525,191
Truck operating supplies	1,781,083	725,834
Truck marketing supplies	166,700	116,880
Truck fun items	99,014	141,294
Truck food supplies	85,871	346,682
Cost of trailers sold	28,839	159,395
Graphic design expense	405,577	86,763
Truck warranty and repair	372,501	97,170
Kona Apparel	102,176	141,680
Cost of retro-fit kompanion	43,480	7,366
Cost of kiosk or flavorwaves sold	491,333	538,561
Truck delivery	2,103	8,462
Total cost of goods sold	$ 13,681,341	$ 11,452,859

See independent auditors' report

KONA ICE, INC.

Statements of Selling, General and Administrative Expenses
Years Ended December 31, 2016 and 2015

	2016	2015
Wage expense	$ 1,549,296	$ 1,345,000
Officer salary	905,500	510,500
Commissions	214,750	160,000
Pension expense	384,650	313,908
Advertising consulting fees	339,610	253,679
Depreciation expense	171,587	205,314
Travel expense	115,509	85,814
Consulting fees	75,660	79,979
Payroll tax expense	155,289	135,978
Professional fees expense	309,359	239,585
Meals and entertainment expense	79,469	42,835
Business promotion	479,735	377,498
Sponsorship	96,411	102,641
Postage and delivery expense	106,228	99,263
Vehicle expense	66,886	43,032
Office supplies expense	99,926	104,902
Insurance expense	65,797	57,864
Other taxes	170,183	46,465
Utilities expense	36,394	37,927
Repairs and maintenance	63,391	72,743
Bank and credit card fees expense	51,563	60,670
Internet service and design	21,190	49,573
Supplies expense	50,614	48,078
Casual labor	9,478	15,128
Licenses and permits	18,720	23,482
Amortization expense	46	38
Rent expense	119,563	112,284
Miscellaneous expense	2,560	529
Penalties and non deductible expenses	3,009	2,779
Training	536	1,110
Creative and video expense	28,678	-
Annual company retreat	30,320	-
Dues and subscriptions	20,163	7,999
Contributions	200	200
GPS monitoring	-	152
Total selling, general, and administrative expense	$ 5,842,270	$ 4,636,949

See independent auditors' report

EXHIBIT C

FRANCHISE AGREEMENT

KONA ICE, INC.
FRANCHISE AGREEMENT

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ATTACHMENT A FRANCHISE DATA SHEET
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FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this "Franchise Agreement") is made and entered into by and between Kona Ice, Inc., a Kentucky corporation, with its principal business address at 5945 Centennial Circle, Florence, Kentucky, 41042 ("Franchisor," "we," "us," or "our"), and the Franchise Owner identified on the signature block of this Franchise Agreement ("Franchisee," "you" or "your"), made effective as of the date listed in Attachment A (the "Effective Date").

1. PREAMBLES, ACKNOWLEDGMENTS, AND GRANT OF FRANCHISE.

1.A PREAMBLES.

(1) We have developed a unique system of selling flavored shaved ice, ice cream, and related products to the general public within a mobile environment ("**Kona Ice Business(es)**"). Kona Ice Businesses have distinctive business formats, methods, procedures, designs, standards, and specifications, all of which we may improve, further develop, or otherwise modify from time to time.

(2) We and our affiliates use, promote, and license certain trademarks, service marks, and other commercial symbols to be used in connection with the operation of Kona Ice Businesses, and we may create, use, and license other trademarks, service marks, and commercial symbols for the same use (collectively, the "**Marks**").

(3) We and our affiliates use, promote, and license a registered patent to be used in connection with the operation of Kona Ice Businesses, and we may create, use, and license other patents for the same use (the "**Patent**").

(4) We grant franchises ("**Kona Ice Franchise**" or "**Franchise**") to persons who meet our qualifications, and are willing to undertake the investment and effort, to own and operate a Kona Ice Business offering the services and goods we authorize using our business formats, methods, procedures, signs, designs, standards, specifications, Patent and Marks we authorize (the "**Franchise System**").

(5) As a Kona Ice Franchise owner, you must comply with this Franchise Agreement and all System Standards (defined below in Section 5D) to maintain the high and consistent quality, critical to attracting customers of Kona Ice Businesses and preserving the goodwill of the Marks.

1.B ACKNOWLEDGMENTS.

You acknowledge and agree:

(1) That you have independently investigated this franchise opportunity and recognize that, like any other business, the nature of the business that a Kona Ice Franchise conducts may, and probably will, evolve and change over time.

(2) That an investment in a Kona Ice Franchise involves business risks that could result in the loss of all or part of your investment.

(3) That your personal business abilities and efforts are vital to your success.

(4) That attracting customers to your Kona Ice Franchise will require you to make continual marketing efforts.

(5) That retaining customers for your Kona Ice Franchise will require you to have a high level of customer service and adhere strictly to and maintain the Franchise System and our System Standards. We may contact any customer of any Kona Ice Franchise at any time, for any purpose. Also, if we are contacted by a customer or other patron of the Kona Ice Franchise who wishes to lodge a complaint, we reserve the right to address the person's complaints to preserve goodwill and prevent damage to the brand. Our right to address complaints may include refunding money to the complaining person, in which case, you must reimburse us for these amounts.

(6) That you have not received from us, and are not relying upon, any representations or guarantees, express or implied, as to the potential volume, sales, income, or profits of a Kona Ice Franchise.

(7) That in all of their dealings with you, our officers, directors, employees, and agents act only in a representative, and not in an individual, capacity and that business dealings between you and them as a result of this Franchise Agreement are deemed only between you and us.

(8) That you have represented to us, to induce our entry into this Franchise Agreement, that all statements you have made and all materials you have given us are accurate and complete and that you have made no misrepresentations or material omissions in obtaining the franchise.

(9) That you have read this Franchise Agreement and our Franchise Disclosure Document and understand and accept this Franchise Agreement's terms and covenants are reasonably necessary for us to maintain our high standards of quality and service and to protect and preserve the goodwill of the Marks.

(10) That we have made no representation, warranty, or other claim regarding this franchise opportunity, other than those made in this Franchise Agreement and our Franchise Disclosure Document, and that you have independently evaluated this opportunity, including the ability of your own business professionals and advisors, and have relied solely upon those evaluations in deciding to enter into this Franchise Agreement.

(11) That you have been afforded an opportunity to ask any questions you have and to review any materials of interest to you concerning the Kona Ice Franchise except those materials prohibited or restricted under applicable federal and state law and/or regulations.

(12) That you have been afforded an opportunity, and have been encouraged by us, to have this Franchise Agreement and all other agreements and materials we have given or made available to you reviewed by an independent attorney and have either done so or expressly waived your right to do so.

(13) That you alone will exercise day-to-day control over all operations, activities and elements of the Kona Ice Franchise and that under no circumstance shall we do so or be deemed to do so. You further acknowledge and agree, and will never contend otherwise, that the various requirements, restrictions, prohibitions, specifications and procedures of Franchise System which you are required to comply with under this Agreement, whether

set forth in the Success Guide (defined below) or otherwise, do not directly or indirectly constitute, suggest, infer or imply that we control any aspect or element of the day-to-day operations of the Kona Ice Franchise, which you alone control, but only constitute standards you must adhere to when exercising your control of the day-to-day operations of the Kona Ice Franchise.

1.C LEGAL ENTITY.

You are required to be a legal entity ("**Entity**"), you agree and represent that:

(1) You have the authority to execute, deliver, and perform your obligations under this Franchise Agreement and all related agreements and are duly organized or formed and validly existing in good standing under the laws of the state of your incorporation or formation;

(2) Your organizational documents, operating agreement, or partnership agreement, as applicable, restricts the issuance and transfer of any ownership interests in you, and all certificates and other documents representing ownership interests in you will bear a legend referring to this Franchise Agreement's restrictions;

(3) Attachment B to this Franchise Agreement completely and accurately describes all of your owners and their interests in you as of the Effective Date;

(4) Each of your owners and the owners' spouse will execute the Owners Agreement in the form attached hereto as Attachment C undertaking personally to be bound, jointly and severally, by all provisions of this Franchise Agreement and any ancillary agreements between you and us. Subject to our rights and your obligations under Section 13, you and your owners agree to sign and deliver to us revised versions of Attachment B from time to time to reflect any changes in the information that Attachment B now contains;

(5) The Kona Ice Franchise will be the only business you operate during the term of this Franchise Agreement (although your owners may own other, noncompetitive business interests); and

(6) You have identified on Attachment A one of your owners who is a natural person with at least twenty-five percent (25%) ownership interest and voting power in you and has the authority of a chief executive officer (the "**Managing Owner**"). If you are an entity with multiple owners, one of your owners who is a natural person must have at least fifty-one percent (51%) ownership interest and voting power in you (including a spouse's interest). You have delivered to us a completed Attachment A to accurately identify the Managing Owner.

1.D GRANT AND TERM OF FRANCHISE AGREEMENT.

We grant you a Franchise to own and operate a Kona Ice Business. You must operate one proprietary Kona Ice truck, known as the Kona Entertainment Vehicle ("**KEV**") in the specific area described in Section 2 below. The term of the Kona Ice Franchise and this Franchise Agreement begins on the Effective Date and expires ten (10) years after the Effective Date ("**Initial Term**"), unless sooner terminated. You agree at all times faithfully, honestly, and diligently to perform your obligations under this Franchise Agreement and to use your best efforts to promote the Kona Ice Business. If you do not sign a successor franchise agreement prior to the expiration of this Franchise Agreement and continues to

accept the benefits of this Franchise Agreement after its expiration, then, at our option, this Franchise Agreement may be treated either as (i) expired as of the date of expiration with your continued operation being a violation of this Franchise Agreement; or (ii) continued on a month-to-month basis ("**Interim Period**") until one party provides the other with written notice of such party's intent to terminate the Interim Period, in which case the Interim Period will terminate thirty (30) days after receipt of the notice to terminate the Interim Period. In the latter case, all obligations of Franchisee shall remain in full force and effect during the Interim Period as if this Franchise Agreement had not expired, and all obligations and restrictions imposed on Franchisee upon expiration of this Franchise Agreement shall be deemed to take effect upon termination of the Interim Period.

1.E RIGHT TO OPERATE MULTIPLE KEVS.

You must operate one (1) KEV during the Initial Term pursuant to the terms of this Franchise Agreement. If you would like to operate more than one KEV, you will be required to purchase an additional Kona Ice Franchise for each KEV (unless you purchase a KEV Express Truck as Additional Equipment which you may operate in your Protected Territory) and execute an additional franchise agreement.

2. TERRITORY.

2.A TERRITORIAL RIGHTS.

As long as you are not in default under the Franchise Agreement, except as permitted by this Section, we (including our affiliates) will not establish, or franchise any entity to establish, a Kona Ice Business within the geographic area described in Attachment A (the "**Protected Territory**"). "**Territory Infringement**" occurs when a franchisee generates income from a customer by receiving payment for goods and/or services provided and/or rendered within the protected territory of another Kona Ice franchisee without first obtaining that franchisee's and our written permission. A franchisee who infringes upon another franchisee's protective territory is subject to the following fines, payable to us within five (5) days after the infringement(s) is/are proven:

(1) first violation - $1,000 plus the invoice amount for the products or services sold; and

(2) second violation and subsequent violations - $5,000 plus the invoice amount for the products or services performed.

The collected fine amounts shall become our property and any distribution of these funds shall be in our sole discretion. The total violations count is cumulative over the life of this Franchise Agreement regardless of where and when the violations occur.

You may provide services and sell products to customers located outside of the Protected Territory, without being subject to Territory Infringement under the following circumstance: (1) there is no other franchisee in that area; (2) the customer initiates the contact with you; and (3) you receive our express written consent, which may be withheld at our discretion. You are prohibited from directly marketing to or soliciting customers whose principal business office (or principal residence, if the customer is an individual) is outside of your Protected Territory unless we specify otherwise to you in writing. You may not advertise in any media whose primary circulation is outside of the Protected Territory without our permission, unless the advertisement is part of a cooperative advertising program. We do not grant a right of first refusal to franchisees to purchase new or existing locations. This Franchise Agreement does not grant you rights to pursue any of Franchisor's or its affiliates' business concepts other than the Kona Ice Franchise.

2.B TERRITORIAL RIGHTS WE RESERVE.

We and our affiliates retain certain rights with respect to the sale of similar, or dissimilar, services and products, and any other activities. These rights include the right to:

(1) use, and to license others to use, the Marks and Franchise System for the operation of Kona Ice Franchises at any location other than in the Protected Territory, including co-branding activities, regardless of proximity to the Protected Territory;

(2) use, license and franchise the use of trademarks or service marks other than the Marks, whether in alternative channels of distribution or at any location, including the Protected Territory, in association with operations that are similar to or different than the Kona Ice Franchise, including co-branding activities;

(3) use the Marks and the Franchise System in connection with the provision of other services and products, or in alternative channels of distribution at any location outside the Protected Territory;

(4) offer the services or products similar to those offered by Kona Ice Franchises, or grant others the right to offer the services or products, whether using the Marks or other trademarks or service marks, through alternative channels of distribution, including without limitation, by Internet, mail order sales, telemarketing, or other direct marketing sales, wholesalers, retail outlets or other distribution outlets (other than Kona Ice Franchises), whether inside or outside the Protected Territory;

(5) utilize any websites, including social media websites, utilizing a domain name incorporating the word "Kona Ice", or the Marks, or similar derivatives thereof. If you wish to advertise online, you must follow our online policy, which is contained in our Success Guide. Our online policy may change as technology and the Internet changes. Under our online policy, we may retain the sole right to market on the Internet, including all use of websites, domain names, advertising, and co-branding arrangements. We may restrict your use of social media. We may not allow you to independently market on the Internet, or use any domain name, address, locator, link, metatag, or search technique with words or symbols similar to the Marks. We intend that any franchisee website will be accessed only through our home page. Franchisor reserves the right to update these requirements at any time through the Success Guide. Franchisee's failure to comply with this Section is a material breach of this Franchise Agreement. Franchisee will provide Franchisor with content for Franchisor's Internet marketing, and will sign Internet and intranet usage agreements, if any;

(6) acquire businesses that are the same as or similar to the Kona Ice Franchise and operate such businesses regardless of where such businesses are located, including inside the Protected Territory, and to be acquired by, or merge or combine with any third party which operates businesses that are the same as or similar to the Kona Ice Franchise (including a business that competes directly with your Kona Ice Business) regardless of where such businesses are located, including inside the Protected Territory; and

(7) implement multi-area marketing programs which may allow Franchisor or others to solicit or sell customers anywhere or direct such customers to the Kona Ice Franchise that

Franchisor chooses, in its discretion. Franchisor reserves the right to issue mandatory policies to coordinate such multi-area marketing programs.

.If we engage in electronic commerce through the Internet, or sell through any other alternative channel of distribution, and we receive orders for any products or services calling for delivery or performance in your Protected Territory, then we will offer the order to you at the price we establish. If you choose not to fulfill the order or are unable to do so, then we, our affiliate, or a third party we designate (including another Kona Ice Business) may fulfill the order, and you will be entitled to no compensation in connection with the sale.

3. DEVELOPMENT AND OPENING OF THE KONA ICE FRANCHISE.

3.A FRANCHISE PREMISES.

Kona Ice Franchises are typically operated out of the franchisee's home or KEV but may be operated from office buildings, business parks, and other commercial real estate locations. If you decide to operate your Kona Ice Franchises out of an office, you will be solely liable for its compliance with all applicable business ordinances and building codes, and for obtaining all necessary health, building, sign, and other permits, licenses and bonds, as may be required for the operation of the office.

3.B KONA ENTERTAINMENT VEHICLE.

You must purchase the KEV from us or our affiliate. The cost of the KEV is $99,650. You will pay a nonrefundable $5,000 deposit when you sign this Franchise Agreement and the remaining balance of $94,650 when you take delivery of your KEV. You may be able to obtain financing for the KEV upon the terms in the Franchise Disclosure Document. KEV payments are non-refundable. You may not utilize any other truck or vehicle, other than the KEV or any "Additional Equipment" (see Section 3D), in the operation of your Kona Ice Franchise. Although all KEVs will follow a consistent theme, the details of their design may differ often, based upon local requirements. If modifications to the KEV are necessary to comply with applicable local laws and/or ordinances, or if you request any optional customization or additional features, you may be required to pay a fee to us or our affiliate for the costs and expenses in making the necessary modifications to the KEV. You will also be required to purchase an initial inventory of Kona Ice equipment, uniforms and supplies from us or our affiliates when you purchase the KEV. These payments are non-refundable. Because you do not have to locate a site from which to operate your Kona Ice Business, we do not provide you with assistance in doing so. You may open an office, but it is not required and does not need to be approved by us. You must find a location to store the KEV, which may be at your residence if permitted.

3.C COMPUTER SYSTEM.

We do not currently require a particular brand of computer hardware or software to establish or operate the Kona Ice Franchise. However, we reserve the right to periodically designate computer hardware or software, including a point-of-sale system, for you to use. In order to provide for inevitable but unpredictable changes to the technology, you agree that we will have the right to establish, in writing, reasonable new standards for the implementation of technology in the System. You must obtain and use at least one (1) Kona Ice e-mail address from us. You must pay us $60 per year for each e-mail address you obtain, which is currently due on or before October 1st of each year. If your Protected Territory covers multiple states, or if you have more than one Franchise and such Franchise is thirty (30) miles or more away from your other Franchise, you will be required to have an email address for each state in which you have a Franchise as well as for each Franchise that is more than thirty (30) miles from any other Franchise you own. Additionally, if you have more than one "Find a Kona Mini Website", then you must have and

pay for a different email address for each mini website. You must have access to accounting software such as QuickBooks and word processing software such as Microsoft Office. We will not have independent access to your computer system but reserves the right to conduct periodic audits for any accounting records contained in such hardware. You must maintain a high-speed Internet connection at your Kona Ice Franchise.

3.D ADDITIONAL EQUIPMENT.

During the Initial Term, you may, but are not required to, purchase any additional equipment ("**Additional Equipment**") we offer for use in the Protected Territory. You must sign the then current "**Additional Equipment Amendment,**" the current form of which is in Attachment D to this Franchise Agreement, for any Additional Equipment that you purchase. You will be required to pay the then current "Additional Equipment Royalty" as stated below in 4.C. The Additional Equipment offered and the Additional Equipment Royalty for such equipment may change during the Initial Term and any successor terms. You will not be permitted to purchase any Additional Equipment until your KEV is open and operating and you are in compliance with this Franchise Agreement. You may not transfer any Additional Equipment without our prior written consent. We may approve or reject your request to transfer Additional Equipment in our sole discretion. In addition, we reserve the right to condition our approval of a transfer on: (i) you being in good standing under this Agreement at the time of transfer, (ii) you paying off any loans or debts related to the Additional Equipment; (iii) Additional Equipment being modified in such a way to protect the Franchise System and/or any proprietary interests or trade secrets we have in the Additional Equipment; (iv) that the purchaser of the Additional Equipment be an existing Kona Ice franchisee; and/or (v) such additional conditions that we deem reasonable in the circumstances. If we approve of your request for a transfer of Additional Equipment, you agree to pay us a transfer fee of $500 per item.

3.E KONA ENTERTAINMENT VEHICLE and additional equipment standards.

Throughout the term of this Franchise Agreement, you must:

(1) maintain the KEV and any Additional Equipment in accordance with our System Standards, as may be provided in the "Success Guide" (defined in Section 5C) or otherwise in writing and, at our request, periodically update or improve the decoration and/or design of the KEV and any Additional Equipment. You may be required to pay a fee in the event that we or our affiliate needs to modify any part of the KEV from our standard specifications in order to meet with relevant state or local health department requirements in your Protected Territory. Any required update or improvement must be made within thirty (30) days of our delivery of notice to you that such updates or improvements must be made at your sole expense;

(2) maintain the condition of the KEV and any Additional Equipment as clean, orderly, and consistent with the image of a Kona Ice Franchise as we prescribe from time to time, at your sole expense, including allowing us to rewrap the truck, at your expense, after seven (7) years of operation for your KEV (or your KEV Express Truck if you did a KEV Express Conversion) if you meet the "Free Wrap Criteria" which is listed in our Success Guide; you are responsible for all other costs of removal of old vinyl and installation of new free wrap including, but not limited to, shipping. All necessary updates, removal of vinyl, and installation of vinyl must be performed at an authorized upfit facility. The upfit facility is currently located in Florence, KY;

(3) not use the KEV and any Additional Equipment for any purpose other than the operation of the Kona Ice Franchise;

(4) place or display on the KEV and any Additional Equipment only the signs, emblems, branding audio content, video content, lettering and logos we provide or approve from time to time;

(5) send us photographs of the KEV and any Additional Equipment at least once per calendar year, as we request;

(6) allow us to inspect the KEV and any Additional Equipment in the frequencies and manners described in the Success Guide; and

(7) not transfer, sell, pledge, give away, or otherwise encumber the KEV and any Additional Equipment without our prior written approval.

3.F BUSINESS OPENING.

You agree not to open the Kona Ice Business for business until:

(1) we notify you in writing that the Kona Ice Franchise meets our standards and specifications;

(2) you (or your Managing Owner, if you are an entity), and, if applicable, your Designated Manager (as defined in Section 9F), and any other required attendees satisfactorily complete applicable portions of training before opening;

(3) you pay the initial franchise fee and all other amounts then due to us; and

(4) you give us certificates for all required insurance policies (as described in Section 9G).

Subject to your compliance with these conditions, you agree to open the Kona Ice Business to the public no more than twelve (12) weeks after the Effective Date. The date that the Kona Ice Franchise first opens to the public shall be the "Opening Date."

4. FEES.

4.A INITIAL FRANCHISE FEE.

You must pay us an initial franchise fee of $15,000 ("**Initial Franchise Fee**") when you sign this Franchise Agreement. The Initial Franchise Fee is fully earned by us when paid and is not refundable under any circumstances.

4.B TERRITORY RESERVATION FEE.

You may reserve additional territories by paying us a territory reservation fee of $10,000 per territory ("**Territory Reservation Fee**") and entering into our "Agreement of Provisional Territory Hold with Intent to Purchase Additional Franchise" in the form attached to the Franchise Disclosure Document in Exhibit H. The Territory Reservation Fee will be applied to the Initial Franchise Fee of the additional Kona Ice Franchise at the time you sign the corresponding franchise agreement. The Territory

Reservation Fee is nonrefundable under any circumstances, even if you do not open an additional Kona Ice Franchise.

4.C ROYALTY FEE.

Beginning on the Opening Date, and continuing for the term of this Franchise Agreement, including any Interim Period, you agree to pay us the royalty fees listed below (the "**Royalty**"):

Time Period	Total Royally	Payment Terms
Years 1 – 5	$3,000	June 30: $1,000 July 31: $1,000 August 31: $1,000
Years 6 – 7	$3,500	June 30: $1,166 July 31: $1,166 August 31: $1,168
Years 8 – 10 (plus any Interim Period, if applicable)*	$4,000	June 30: $1,333 July 31: $1,333 August 31: $1,334

*If you are an existing franchisee signing a successor franchise agreement or a transferee signing this Franchise Agreement, the date for determining your Royalty will be determined from the date the initial Franchise Agreement was signed.

If you purchase Additional Equipment you will be required to pay additional royalty fees for the Additional Equipment ("**Additional Equipment Royalty**"). The Additional Equipment Royalty will depend on the type of Additional Equipment and will be the then current rate at the time you enter into the Additional Equipment Amendment. The Additional Equipment Royalty will be due for as long as you own the Additional Equipment. For this Franchise Agreement, all references to "Royalty" shall include any Additional Equipment Royalty unless otherwise noted. We reserve the right to adjust your Royalty annually based on the Consumer Product Index.

4.D CHANGE OF TERRITORY FEES.

You may not revise or amend your Protected Territory (a "**Territory Revision**") without our express written consent, which we may approve or reject in our sole discretion. If you request and we approve of a Territory Revision, you agree to pay us a fee equal to the following: (i) $1,000 if the Protected Territory is revised or amended between thirty (30) days and one (1) year after your initial Protected Territory was designated by us; or (ii) $2,500 if the Protected Territory is approved by us more than 1 year after your initial Protected Territory was designated by us (a "**Territory Revision Fee**").

You may not relocate your Protected Territory (a "**Territory Relocation**" and together with a Territory Revision, a "**Territory Change**") without our express written consent, which we may approve or reject in our sole discretion. If you request and we approve of a Territory Relocation, you agree to pay us a fee of $2,500 (a **"Territory Relocation Fee**" and together with a Territory Revision Fee, a "**Territory Change Fee**").

4.E If, after the Effective Date, you would like to request a Territory Change, you must submit to us a written request for approval of the proposed Territory Change. We may, but have no obligation to, grant such a written request. Among the other factors which we may consider are any of our or our

affiliates obligations under any other contract, the effects that the Territory Change might have on the customers services by your Protected Territory, the proximity to and possible effects of the Territory Change on any other franchisee's Protected Territory or Kona Ice Business, any possible effects of the Territory Change on any aspect of the Franchise System, and any franchisee recruitment efforts that have been directed towards the areas that might be covered by or affected by the Territory Change. If we decide to grant your request for a Territory Change, we may include any conditions on that Territory Change that we deem reasonable, including, but not limited to, requiring you to pay a Territory Change Fee, which helps to offset our costs incurred in connection with the Territory Change. APPLICATION OF PAYMENTS.

Despite any designation you make, we may apply any of your payments to any of your past due indebtedness to us. We may set off any amounts you or your owners owe us or our affiliates against any amounts we or our affiliates owe you or your owners. You may not withhold payment of any amounts you owe us due to our alleged nonperformance of any of our obligations under this Franchise Agreement.

4.F METHOD OF PAYMENT.

The Royalty and "Marketing Fund Contributions" (see Section 10A below shall be payable to Franchisor on a yearly basis via check, credit card, electronic funds transfer ("**EFT**") or whatever method we designate from time to time. We have the right to periodically specify (in the Success Guide or otherwise in writing) different payees and/or payment methods, such as, but not limited to, weekly or monthly payment, payment by auto-draft, credit card and payment by check. If you make any payment to us by credit card for any fee or required payment, we may charge a service charge of up to 3% of the total charge. You shall not subordinate to any other obligation its obligation to pay the Royalty or any other fee or charge due to us or our affiliate under this Franchise Agreement.

We may require you to remit fees and other amounts due to us under this Franchise Agreement via EFT or other similar means utilizing an approved computer system or otherwise. You agree to comply with our procedures and/or perform such acts and deliver and execute such documents as may be necessary to assist in or accomplish payment by such method.

4.G LATE PAYMENTS/INSUFFICIENT FUNDS.

Any payment not made by the due date will be deemed overdue. In the event of any overdue amounts, you will pay us, besides the overdue amounts, interest on such amounts from the date such amount were due until paid, at $25 per day plus the lesser of: (i) 12% simple interest per year; or (ii) the highest interest rate allowed by law, whichever is less, calculated daily. Such interest will be in addition to any other remedies we may have under law or equity. We may debit your bank account automatically or deduct from amounts we owe you for service charges and interest. You acknowledge this Section is not our agreement to accept any payments after they are due or our commitment to extend credit to, or otherwise finance your operation of, the Kona Ice Franchise.

If any check or electronic fund transfer payment from you to us does not successfully convey funds due to insufficient funds, stop payment instructions, or any similar event, you shall pay, upon demand, a non-sufficient funds fee of one hundred dollars ($100) per incidence.

5. TRAINING AND ASSISTANCE.

5.A INITIAL TRAINING.

You are required to complete our initial training program at the times and places we designate ("**Initial Training**"). Initial Training shall consist of a minimum of two and a maximum of four (4) calendar days. The Managing Owner and, if applicable, "Designated Manager" (see Section 9F) must attend and complete Initial Training to our satisfaction prior to the Kona Ice Franchise opening for business ("**Initial Training Deadline**"). If you have purchased an existing Kona Ice Franchise pursuant to this Franchise Agreement, the Initial Training Deadline will be the Effective Date.

We will provide Initial Training for up to two attendees so long as they attend the same training session. Additional persons may attend Initial Training at our then-current training fees. You agree to pay for any and all travel and/or living expenses which your attendees incur. Any new Managing Owner or Designated Manger must also complete Initial Training to our satisfaction before assuming responsibility for the management of your Kona Ice Business. If any of your attendees are unable to complete Initial Training to our satisfaction, we may terminate this Franchise Agreement without refunding your Initial Franchise Fee.

5.B ONGOING TRAINING.

Your previously trained and experienced employees and any newly hired employees must satisfactorily complete any required training courses and continuing education courses we periodically provide, or designate a third party to provide, at your cost at the times and locations we designate. We may charge a tuition fee for these courses. You agree to pay all travel and living costs of your attendees. You may attend, at your expense, all annual franchise conventions we may hold or sponsor and all meetings related to new products or services, new operational procedures or programs, training, management, sales or sales promotion, or similar topics. You understand and agree that any specific ongoing training or advice we provide does not create an obligation (whether by course of dealing or otherwise) to continue to provide such specific training or advice, all of which we may discontinue and modify from time to time.

5.C GENERAL GUIDANCE.

Upon reasonable request, we will advise you from time to time regarding the Kona Ice Franchise operation based on your reports or our inspections and will guide you with respect to: (1) standards, specifications, operating procedures and methods that Kona Ice Franchises use; (2) purchasing required and authorized operating assets and other items and arranging for their distribution to you from us or the suppliers; (3) advertising and marketing materials and programs; (4) employee training; and (5) administrative, bookkeeping, accounting, and inventory control procedures. We will guide you in our confidential operations manual, which is referred to as our success guide ("**Success Guide**"); in bulletins or other written materials; by electronic media; by telephone consultation; and/or at our office or the Kona Ice Franchise. We may provide you additional assistance upon your request, in our discretion. If we provide such assistance, you will be required to pay our then current fees.

5.D SUCCESS GUIDE.

We will loan you or provide you with access on our website to one (1) copy of our Success Guide, which may include audio, video, websites, software, other electronic media, and/or written

materials. The Success Guide contains mandatory and suggested specifications, standards, operating procedures, and rules ("**System Standards**") we periodically prescribe for operating a Kona Ice Business and information on your other obligations under this Franchise Agreement. You acknowledge that your compliance with the Success Guide is vitally important to us and other System franchisees and is necessary to protect our reputation and the goodwill of the Marks and to maintain uniform quality of operation. However, while the Success Guide is designed to protect our reputation and the goodwill of the Marks, it is not designed to control the day-to-day operation of the Kona Ice Business. We may modify the Success Guide periodically to reflect changes in System Standards.

You agree to keep your copy of the Success Guide current and in a secure location. If there is a dispute over its contents, our master copy of the Success Guide shall control. You agree the Success Guide's contents are confidential and that you will not disclose the Success Guide to any person other than Kona Ice Franchise employees who must know its contents. You will require anyone who may have access to the Success Guide to sign a confidentiality agreement (the current form of which is attached to the Franchise Disclosure Document in Exhibit H). You may not copy, duplicate, record, or otherwise reproduce any part of the Success Guide. If your copy of the Success Guide is lost, destroyed, or significantly damaged, you agree to obtain a replacement copy at our then applicable charge. In addition, if you lose, give away, make unauthorized copies, fail to return or otherwise misappropriate all or some of the Success Guide, you will be required to pay us liquidated damages to offset the damages we will incur as a result of this misappropriation. These liquidated damages are determined by taking our total revenue from our previous fiscal year, multiplied by the fraction which results from taking 1 divided by the current number of Kona Ice franchisees as of the date of the misappropriation, except that this fee will not, under any circumstances, be less than $30,000.

At our option, we may post some or all of the Success Guide on a restricted website or extranet to which you will have access. If we do so, you agree to monitor and access the website or extranet for any updates to the Success Guide or System Standards. Any passwords or other digital identifications necessary to access the Success Guide on a website or extranet will be deemed part of Confidential Information (defined in Section 7 below).

5.E DELEGATION OF PERFORMANCE.

You agree we have the right to delegate to third-party designees, whether these designees are our agents or independent contractors with whom we have contracted (1) the performance of any portion or all of our obligations under this Franchise Agreement, and (2) any right that we have under this Franchise Agreement. If we do so, such third-party designees will be obligated to perform the delegated functions for you in compliance with this Franchise Agreement.

5.F STAFFING.

You must hire and supervise efficient, competent, and courteous persons as your employees for the operation of your Kona Ice Franchise. You must require all your employees to work in clean uniforms approved by us, but furnished at your cost or the employees' cost as you may determine. You understand and acknowledge it is your responsibility to hire and supervise a satisfactory number of employees in order to efficiently operate the Kona Ice Business and meet your obligations under this Franchise Agreement. You alone are responsible for all employment decisions and functions of your Kona Ice Business, including, without limitation, those related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, recordkeeping, supervision, and discipline of employees, regardless of whether you have received advice from us on these subjects or not. You will have sole authority and control over the day-to-day operations of the Kona Ice Business and its employees. We will have no duty or obligation to direct your employees or oversee

your employment policies or practices, and we will have no liability for any action or settlement related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, recordkeeping, supervision, and discipline of employees and you agree to indemnify us for any such liabilities we incur. You agree that any direction you receive from us regarding employment policies should be considered as examples, and that you are responsible for establishing and implementing your own policies, and that you understand that you should do so in consultation with local legal counsel well-versed in employment law. Your employees hired working for you will be your employees alone and will not, for any purpose, be deemed our employees or subject to our control, including with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state or federal governmental agency. You agree to inform each of your employees that you alone are the employer, and that we are not. You and we will file our own tax, regulatory and payroll reports, and be responsible for all employee benefits and workers compensation payments with respect to our respective employees and operations, and we will save and indemnify one another of and from any liability of any nature whatsoever by virtue thereof.

6. INTELLECTUAL PROPERTY.

6.A OWNERSHIP AND GOODWILL OF MARKS.

Your right to use the Marks is derived only from this Franchise Agreement and limited to your operating the Kona Ice Franchise according to this Franchise Agreement and all System Standards we prescribe during its term. Your unauthorized use of the Marks is a breach of this Franchise Agreement and infringes our rights in the Marks. You acknowledge and agree that any unauthorized use of the Marks will cause us irreparable harm for which there is no adequate remedy at law and will entitle us to injunctive relief. You acknowledge and agree your use of the Marks and any goodwill established by that use are exclusively for our benefit and this Franchise Agreement confers no goodwill or other interests in the Marks upon you (other than the right to operate the Kona Ice Franchise under this Franchise Agreement). All provisions of this Franchise Agreement relating to the Marks apply to any additional proprietary trade and service marks we authorize you to use. You may not at any time during or after this Franchise Agreement's term contest or assist any other person in contesting the validity, or our ownership, of the Marks.

6.B LIMITATIONS ON YOUR USE OF MARKS.

You agree to use the Marks as the Kona Ice Franchise's sole identification, except you agree to identify yourself as its independent owner and operator in the manner we prescribe. You have no right to sublicense or assign your right to use the Marks. You may not use any Mark (1) as part of any corporate or legal business name, (2) with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos we have licensed to you), (3) in selling any unauthorized services or products, or (4) in any other manner we have not expressly authorized in writing.

You may not use any Mark in advertising the transfer, sale, or other disposition of the Kona Ice Franchise or an ownership interest in you without our prior written consent, which we will not unreasonably withhold. You agree to display the Marks prominently as we prescribe on the KEV and any Additional Equipment and on forms, advertising, supplies, and other materials we designate. You agree to give the notices of trade and service mark registrations we specify and to obtain any fictitious or assumed name registrations required under applicable law.

6.C NOTIFICATION OF INFRINGEMENTS AND CLAIMS.

You agree to notify us immediately of any apparent infringement or challenge to your use of any Mark, or of any person's claim of any rights in any Mark, and not to communicate with any person other than us, our attorneys, and your attorneys, regarding any infringement, challenge, or claim. Upon receipt of timely notice of action, claim or demand against you related to any Mark, we shall have the sole right, but not the duty, to defend any such action. We may take the action we deem appropriate (including no action) and exclusively control any litigation, U.S. Patent and Trademark Office proceeding, or other administrative proceeding arising from any infringement, challenge, or claim or otherwise concerning any Mark. If we, in our sole discretion, determine you have used the Marks under this Franchise Agreement, we will pay for such defense, including the cost of any judgment or settlement. In any defense or prosecution of any litigation related to any Mark, you shall cooperate with us. You agree to sign any documents and take any other reasonable action that, in the opinion of our attorneys, are necessary or advisable to protect and maintain our interests in any litigation or Patent and Trademark Office or other proceeding or otherwise to protect and maintain our interests in the Marks. At our option, you will join in any action, and, so long as we determine that your use of the Marks was in compliance with this Franchise Agreement, we shall reimburse you for any costs that you incur in joining the action. Any recovery will first go towards reimbursing us for any expenses that we incurred and the remainder, if any will be split equally between us.

6.D DISCONTINUANCE OF USE OF MARKS.

If it becomes advisable at any time for us and/or you to modify or discontinue using any Mark and/or to use one or more additional or substitute trade or service marks, you agree to comply with our directions within a reasonable time after receiving notice. We will not reimburse you for your direct expenses of changing Kona Ice Franchise signs, for any loss of revenue due to any modified or discontinued Mark, or for your expenses of promoting a modified or substitute trademark or service mark.

Our rights in this Section 6 apply to any and all of the Marks (and any portion of any Mark) we authorize you to use in this Franchise Agreement. We may exercise these rights at any time and for any reason, business or otherwise, in our sole discretion. You acknowledge both our right to take this action and your obligation to comply with our directions.

6.E COPYRIGHTED MATERIALS.

You acknowledge and agree that:

(1) All right, title and interest in and to all materials, including but not limited to, all artwork and designs, created by us, and used with the Marks or in association with the Kona Ice Franchise ("**Copyrighted Materials**") is our property.

(2) You shall not dispute, contest, or challenge, directly or indirectly, the validity or enforceability of the Copyrighted Materials or our ownership of the Copyrighted Materials, nor counsel, procure, or assist anyone else to do the same, nor will you take any action inconsistent with our ownership of the Copyrighted Materials, nor will you represent that you has any right, title, or interest in the Copyrighted Materials other than those expressly granted by this Franchise Agreement.

(3) We may, in our sole and absolute discretion, apply to register or register any copyrights or patents with respect to the services and products associated with the Franchise System and the Copyrighted Materials. Our failure to obtain or maintain in effect any such application or registration is not a breach of this Franchise Agreement. You shall not, before or after termination or expiration of the Franchise Agreement, register or apply to register any Copyrighted Materials, anywhere in the world.

(4) Upon our request, you shall cooperate fully, both before and after termination or expiration of this Franchise Agreement and at our expense, in confirming, perfecting, preserving, and enforcing our rights in the Copyrighted Materials, including but not limited to, executing and delivering us such documents as we reasonably request for any such purpose, including but not limited to, assignments, powers of attorney, and copies of commercial documents showing sale and advertising of the services and products associated with the Franchise System. You hereby irrevocably appoint us as your attorney-in-fact for the purpose of executing such documents.

(5) We make no representation or warranty, express or implied, as to the use, exclusive ownership, validity or enforceability of the copyrighted materials.

(6) You acknowledge and authorize us to use your likeness in a photograph in any and all of our publications, including printed and digital publications and on websites. You agree and understand that any photograph using your likeness will become our property and will not be returned. You agree and irrevocably authorize us to edit, alter, copy, exhibit, publish or distribute any photograph of you for any lawful purpose. You agree and waive any rights to royalties or any other compensation related to our use of any photograph of you. You agree to hold harmless and forever discharge us from all claims, demands, and causes of action which you may have in connection with this authorization.

6.F OWNERSHIP AND GOODWILL OF THE PATENT.

Your right to use the Patent is derived only from this Franchise Agreement and limited to your operating the Kona Ice Franchise according to this Franchise Agreement and all System Standards we prescribe during its term. Your unauthorized use of the Patent is a breach of this Franchise Agreement and infringes our rights in the Patent. You acknowledge and agree that any unauthorized use of the Patent will cause us irreparable harm for which there is no adequate remedy at law and will entitle us to injunctive relief. You acknowledge and agree that your use of the Patent and any goodwill established by that use are exclusively for our benefit and this Franchise Agreement does not confer any goodwill or other interests in the Patent upon you (other than the right to operate the Kona Ice Franchise under this Franchise Agreement). All provisions of this Franchise Agreement relating to the Patent apply to any additional patents we authorize you to use. You may not at any time during or after this Franchise Agreement's term contest or assist any other person in contesting the validity, or our ownership, of the Patent.

6.G NOTIFICATION OF INFRINGEMENTS AND CLAIMS.

You agree to notify us immediately of any apparent infringement or challenge to your use of any Patent, or of any person's claim of any rights in any Patent, and not to communicate with any person other than us, our attorneys, and your attorneys, regarding any infringement, challenge, or claim. We may take the action we deem appropriate (including no action) and control exclusively any litigation, U.S. Patent and Trademark Office proceeding, or other administrative proceeding arising from any infringement, challenge, or claim or otherwise concerning any Patent. You agree to sign any documents

and take any other reasonable action that, in the opinion of our attorneys, are necessary or advisable to protect and maintain our interests in any litigation or Patent and Trademark Office or other proceeding or otherwise to protect and maintain our interests in the Patent. We will reimburse you for your costs of taking any action we have directed you to take.

6.H IMPROVEMENTS.

During the Initial Term, or any Interim Period, any improvements or additions to the Franchise System, patents, Copyrighted Materials, recipes, website or any other documents or information pertaining to or relating to the Franchise System or the Kona Ice Franchise, or any new trade names, trade and service marks, logos, or commercial symbols related to the Kona Ice Franchise or any advertising and promotional ideas or inventions related to the Kona Ice Franchise (collectively, the "**Improvements**") that you conceive or develop shall become our property. You agree to assign and do hereby assign to us, all right, title and interest in and to the Improvements, including the right to grant sublicenses to any such Improvement. You shall fully disclose the Improvements to us, without disclosure of the Improvements to others, and shall obtain our written approval prior to using such Improvements. Any such Improvement may be used by us and all other Kona Ice franchisees without any obligation to you for royalties or other fees. We may, at our discretion, apply for and own copyrights, patents, trade names, trademarks and service marks relating to any such Improvement and you shall cooperate with us in securing such rights. We may also consider such Improvements as our property and Trade Secrets. In return, we shall authorize you to utilize any Improvement that may be developed by other franchisees and is authorized generally for use by other franchisees. All Improvements created by you or any other person or entity retained or employed by you are our property, and we shall be entitled to use and license others to use such Improvements unencumbered by moral rights. If any of the Improvements are copyrightable materials, they shall be works made for hire within the meaning of the United States Copyright Act and, to the extent the Copyrighted Materials are not works made for hire or rights in the Copyrighted Materials do not automatically accrue to us, you irrevocably assign and agree to assign to us, its successors and assigns, the entire right, title, and interest in perpetuity throughout the world in and to any and all rights, including all copyrights and related rights, in such Copyrighted Materials, which you and the author of such Copyrighted Materials warrant and represent as being created by and wholly original with the author. Where applicable, you agree to obtain any other assignments of rights in the Improvements from another person or entity necessary to ensure our right in the Improvements as required in this Section.

7. CONFIDENTIAL INFORMATION.

7.A KONA ICE CONFIDENTIAL INFORMATION.

We possess (and will continue to develop and acquire) certain confidential information, some of which constitutes trade secrets under applicable law (the "**Confidential Information**"), relating to developing and operating Kona Ice Franchise, including (without limitation):

(1) Protected Territory selection criteria;

(2) training and operations materials and manuals;

(3) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge, and experience used in developing and operating Kona Ice Franchise;

(4) marketing and advertising programs for Kona Ice Franchise;

(5) knowledge of, specifications for and suppliers of assets and other products and supplies;

(6) any computer software or similar technology proprietary to us or the Franchise System, including, without limitation, digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology;

(7) knowledge of the operating results and financial performance of Kona Ice Franchises other than the Kona Ice Franchise; and

(8) all customer data, lists and other information generated by Kona Ice Franchises.

Confidential Information does not include information, knowledge, or knowhow which you can demonstrate lawfully came to your attention before we provided it to you directly or indirectly; which, when we disclosed it to you, already had lawfully become generally known in the food and beverage industry through publication or communication by others (without violating an obligation to us); or which, after we disclose it to you, lawfully becomes generally known in the food and beverage industry through publication or communication by others (without violating an obligation to us). However, if we include any matter in Confidential Information, anyone who claims it is not Confidential Information must prove that one of the exclusions in this paragraph is fulfilled.

You, your owners, and, if applicable, your Designated Manager must sign a written agreement, in the form attached to the Franchise Disclosure Document, to maintain confidential our Confidential Information described in Sections 7 and 16, and to abide by the covenants not to compete described in Section 16.

7.B RESTRICTIONS ON CONFIDENTIAL INFORMATION.

You acknowledge and agree that you will not acquire any interest in Confidential Information, other than the right to use it as we specify in operating the Kona Ice Franchise during the term of this Franchise Agreement and that Confidential Information is proprietary, includes our trade secrets, and is disclosed to you only on the condition that you agree, and you in fact do agree, that you:

(1) will not use Confidential Information in any other business or capacity;

(2) will keep each item deemed part of Confidential Information absolutely confidential, both during this Agreement's term and then thereafter for as long as the item is not generally known in the food and beverage industry, except for disclosure of Confidential Information: (i) made in confidence to a government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; (ii) made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; (iii) made in cases of suit for retaliation based on the reporting of a suspected violation of law, disclosure of Confidential Information to an attorney and for use of the Confidential Information in such court proceeding, so long as any document containing the Confidential Information is filed under seal and Confidential Information is not otherwise disclosed except pursuant to court order;

(3) will not make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form; and

(4) will adopt and implement reasonable procedures to prevent unauthorized use or disclosure of Confidential Information, including, without limitation, restricting its disclosure to Kona Ice Franchise personnel and others and using non-disclosure, non-competition, and non-solicitation agreements with those having access to Confidential Information. We have the right to regulate the form of agreements you use and to be a third party beneficiary of those agreements with independent enforcement rights.

8. EXCLUSIVE RELATIONSHIP.

You acknowledge that we have granted you the Kona Ice Franchise in consideration of and reliance upon your agreement to deal exclusively with us. You therefore agree that, during this Franchise Agreement's term, neither you, any of your owners, nor any of your or your owners' spouses or other immediate family members will:

(1) have any direct or indirect controlling or non-controlling interest as an owner – whether of record, beneficially, or otherwise, in a Competitive Business (as defined below), wherever located or operating (except that equity ownership of less than three percent (3%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subparagraph);

(2) perform services as a director, officer, manager, employee, consultant, representative, or agent for a Competitive Business, wherever located or operating;

(3) divert or attempt to divert any actual or potential business or customer of the Kona Ice Franchise to a Competitive Business;

(4) loan money to a Competitive Business;

(5) interfere with us, our affiliates, or any other Kona Ice Franchise; or

(6) engage in any other activity which may injure the goodwill of the Marks, Patent, and/or Franchise System.

The term "**Competitive Business**" means (i) any business providing shaved ice and beverage products and services or (ii) any business granting franchises or licenses to others to operate the type of business specified in subparagraph (i); provided that a Kona Ice Franchise operated under a franchise agreement shall not be deemed a Competitive Business.

You agree to obtain similar covenants from the personnel we specify, including officers, directors, managers and other employees attending our training program or having access to Confidential Information. We have the right to regulate the form of agreement you use and to be a third party beneficiary of that agreement with independent enforcement rights.

9. SYSTEM STANDARDS.

9.A CONDITION AND APPEARANCE OF THE KONA ICE FRANCHISE.

You agree that:

(1) you will, at your own cost and expense, purchase, install, maintain and refurbish the condition and appearance of the Kona Ice Franchise, including the KEV and any Additional Equipment, supplies, and signage, in accordance with System Standards and our specifications and requirements, and consistent with the image of a Kona Ice Franchise as an efficiently operated business offering high quality services and products and observing the highest standards of cleanliness, sanitation, efficient, courteous service and pleasant ambiance, and in that connection will take, without limitation, the following actions during the term of this Franchise Agreement: (a) thorough cleaning, repainting and redecorating of the interior and exterior of the KEV and any Additional Equipment at intervals we prescribe; (b) interior and exterior repair of the KEV and any Additional Equipment; and (c) repair or replacement of damaged, worn out or obsolete assets used in the operation of the Kona Ice Franchise;

(2) you will place or display on the KEV and any Additional Equipment, only those signs, emblems, designs, artwork, lettering, logos, and display and advertising materials we from time to time approve;

(3) if at any time in our reasonable judgment, the general state of repair, appearance or cleanliness of the KEV and any Additional Equipment of the Kona Ice Franchise or its fixtures, furnishings, equipment, assets or signs does not meet our standards, we have the right to notify you, specifying the action you must take to correct the deficiency.

(4) at our request, you will periodically improve and modify the KEV and any Additional Equipment to conform to the then-current System Standards.

9.B STANDARDS ON PRODUCTS AND SERVICES OFFERED.

You agree that: (1) the Kona Ice Franchise will offer the services and products we specify from time to time; (2) the Kona Ice Franchise will offer and sell services and products only by means of, and only at, the KEV and any Additional Equipment and/or in the manner we have prescribed; (3) you will not offer for sale, or sell any products or services we have not approved; and (4) you will discontinue selling and offering for sale any products or services we at any time decide (in our sole discretion) to disapprove in writing.

9.C CUSTOMER INFORMATION.

We may contact any customer of any Kona Ice Franchise at any time for any purpose. Also, if a customer or other patron of the Kona Ice Franchise who wishes to lodge a complaint contacts us, we reserve the right to address the person's complaint to preserve goodwill and prevent damage to the brand. Our right to address complaints may include refunding money to the complaining person, in which case you must reimburse us for these amounts. We, or our authorized representative, shall have the right, during regular business hours, or at such other times as may be mutually agreed upon by you and us, to inspect all customer lists and documents and records related thereto. All data that you collect, create, provide or otherwise develop in your Kona Ice Business, including customer information, is and will be owned by us, and we will have the right to use such data in any manner we deem appropriate without compensation to you. Upon reasonable request, you must furnish to us, in whatever format we require, all customer information and records for the Kona Ice Franchise.

9.D APPROVED PRODUCTS, DISTRIBUTORS AND SUPPLIERS.

We have developed or may develop standards and specifications for types, models and brands of required assets, fixtures, equipment, signs, and other products, materials and supplies. We reserve the right from time to time to approve specifications or suppliers and distributors of the above products that meet our reasonable standards and requirements. If we do so, you agree to purchase only such products meeting those specifications, and if we require it, only from distributors and other suppliers we have approved, including ourselves or our affiliates.

We may designate ourselves as the approved distributor or supplier, or we may designate a single distributor or supplier for any product, service, equipment, supply or material and may approve a supplier or distributor only as to certain products, including your computer system. The designated supplier may be us or an affiliate of ours. You must provide us with any data relating to your Kona Ice Franchise we may request.

We may concentrate purchases with one or more suppliers or distributors to obtain lower prices or the best advertising support or services. Approval of a supplier or distributor may be conditioned on requirements relating to product quality, prices, consistency, reliability, financial capability, labor relations, customer relations, frequency of delivery, concentration of purchases, standards of service, including prompt attention to complaints, or other criteria and may be temporary, pending our continued evaluation of the supplier or distributor from time to time. You acknowledge and agree that we and/or our affiliates may derive revenue based on your purchases and leases (including, without limitation, from charging you for services and products we or our affiliates provide to you and from payments made to us or our affiliates by suppliers we designate or approve for some or all of our franchisees.)

If you would like to purchase any items from any unapproved supplier or distributor, you must submit to us a written request for approval of the proposed supplier or distributor. (Alternatively, the proposed supplier or distributor may submit its own request.) We will use commercially reasonable efforts to notify you within sixty (60) days after receiving all requested information and materials whether you are authorized to purchase or lease the product or service or to purchase or lease the product or service from that supplier or provider. We may charge the cost of evaluating a proposed new vendor/supplier and/or its product to you or the vendor/supplier. We have the right to inspect the proposed supplier's or distributor's facilities, and to require product samples from the proposed supplier or distributor to be delivered at our option either directly to us or to any independent, certified laboratory which we designate for testing. We reserve the right to periodically re-inspect the facilities and products of any approved supplier or distributor and to revoke our approval if the supplier or distributor does not continue to meet any of our criteria.

9.E COMPLIANCE WITH LAWS AND GOOD BUSINESS PRACTICES.

You must secure and maintain in force all required licenses, permits and certificates relating to the operation of the Kona Ice Franchise and must at all times operate the Kona Ice Franchise in full compliance with all applicable laws, ordinances and regulations (including, without limitation, government regulations relating to truth-in-lending, Department of Transportation regulations, safety and sanitation, truth in advertising, occupational hazards, health, laws relating to non-discrimination in hiring and accessibility, worker's compensation and unemployment insurance). You must withhold and pay all applicable federal and state taxes, social security taxes and sales and service taxes. The Kona Ice Franchise must in all dealings with its customers, suppliers, us and the public adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. You agree to refrain from any business or advertising practice, which may be injurious to our business and the goodwill associated with the Marks and other Kona Ice Franchise. You agree to comply with all applicable laws pertaining to the privacy of customer, employee, and transactional information ("**Privacy Laws**"). You also agree to comply with our standards and policies pertaining to Privacy Laws. If there is a conflict between our

standards and policies pertaining to Privacy Laws and actual applicable law, you will: (a) comply with the requirements of applicable law; (b) immediately give us written notice of said conflict; and (c) promptly and fully cooperate with us and our counsel in determining the most effective way, if any, to meet our standards and policies pertaining to Privacy Laws within the bounds of applicable law. You agree not to publish, disseminate, implement, revise, or rescind a data privacy policy without our prior written consent as to said policy. You must notify us in writing within five (5) days of the threat of or commencement of any action, suit or proceeding, and of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality, which may adversely affect your operation or financial condition or that of the Kona Ice Franchise and of any notice of violation of any law, ordinance, or regulation relating to the Kona Ice Franchise.

9.F MANAGEMENT OF THE KONA ICE FRANCHISE.

Subject to this Section, the Kona Ice Franchise shall be managed by the Managing Owner for at least the first sixty (60) days of operation. At your request, we may, but are not obligated to, agree for you to employ a Designated Manager after the first sixty (60) days of operation (other than the Franchisee/ Managing Owner) to operate the Kona Ice Franchise. The term "**Designated Manager**" means an individual with primary day-to-day responsibility for the Kona Ice Franchise's operations, and may be you (if you are an individual) or an owner, officer, director, or employee of yours (if you are other than an individual). The Designated Manager shall have similar responsibilities as a Managing Owner. You must deliver to us an amended Attachment A accurately identifying the Designated Manager. The Designated Manager will be obligated to devote his or her full time, best efforts, and constant personal attention to the Kona Ice Franchise's operations, and must have full authority from you comply with this Franchise Agreement. You must not hire any Designated Manager or successor Designated Manager without first receiving our written approval of such Designated Manager's qualifications. Each Designated Manager must attend and complete our initial training (as detailed in Section 5 of this Franchise Agreement) and sign a noncompetition and confidentiality written agreement, in the form attached to the Franchise Disclosure Document as Exhibit H. You must forward to us a copy of each such signed agreement. If we determine, in our sole discretion, during or following completion of the Initial Training program, that your Designated Manager (if any) is not qualified to act as designated manager of the Kona Ice Franchise, then we have the right to require you to choose (and obtain our approval of) a new individual for that position. If you are required to appoint a new Designated Manager, you must do so within thirty (30) days of the termination of the previous Designated Manager.

9.G INSURANCE.

Franchisee shall procure, maintain and provide evidence of insurance as follows: (a) workers' compensation insurance in amounts prescribed by law in your Protected Territory (if required by law); (b) fire and lightening, extended coverage, theft, vandalism and malicious mischief, flood (if the Franchise is in a designated flood hazard area), and sprinkler leakage insurance on the KEV and all fixtures, equipment, supplies and other property used in the operation of the Kona Ice Business, for not less than 100% of the replacement value, except that an appropriate deductible clause will be permitted; (c) comprehensive general liability insurance and product liability insurance coverage in such amounts and upon such terms as may from time to time be customary for a mobile food business in your Protected Territory, but not less than $1,000,000, insuring both you and us against all claims, suits, obligations, liabilities and damage, including attorney fees, based upon or arising out of actual or alleged personal injuries or property damage relating to the use or condition of the KEV or Additional Equipment; (d) automobile (truck) vehicle liability insurance covering the driving of the KEV and any Additional Equipment in an amount of not less than $1,000,000; and (e) such additional insurance as we may periodically require. All of these policies must contain the minimum coverage we periodically prescribe in our Success Guide or other written communications to you, and must have deductibles not to exceed

the amounts we specify. If your state requires higher coverages than we prescribe, you will be required to obtain insurance that satisfies your state law requirements. We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverage (including reasonable excess liability insurance) at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards or other relevant changes in circumstances as provided in our Success Guide, as amended from time to time. These insurance policies must be purchased from an insurance company satisfactory to us and must, except for employment liability insurance policies, name us and any affiliates we designate as additional named insureds and provide for thirty (30) days prior written notice to us of a policy's material modification, cancellation or expiration. Each insurance policy must contain a waiver of all subrogation rights against us, our affiliates and their successors and assigns. You routinely must furnish us copies of your certificates of insurance or other evidence of your maintaining this insurance coverage and paying premiums.

9.H PRICING.

We may, from time to time, make suggestions to you regarding your pricing policies in compliance with applicable laws. We retain the right to establish minimum and maximum prices to be charged by you, subject to applicable laws, but any exercise of that right will be specifically set forth in writing. It is furthermore understood and agreed that any list or schedule of prices furnished to you by us may unless otherwise specifically stated as to the minimum or maximum price be treated as a recommendation only and failure to accept or implement any such suggestion may not in any way affect the relationship between you and us.

9.I COMPLIANCE WITH SYSTEM STANDARDS.

You acknowledge and agree that operating and maintaining the Kona Ice Franchise according to System Standards is essential to preserve the goodwill of the Marks and all Kona Ice Franchises. You agree at all times to operate and maintain the Kona Ice Franchise according to all of our System Standards, as we periodically modify and supplement them, even if you believe that a System Standard, as originally issued or subsequently modified, is not in the Franchise System's or your best interests, and those modifications may require you to invest additional capital in the Kona Ice Business and/or incur higher operating expenses. Although we retain the right to establish and periodically modify System Standards you have agreed to maintain, you retain the right to and responsibility for the day-to-day management and operation of the Kona Ice Franchise and implementing and maintaining System Standards at the Kona Ice Franchise.

As examples, and without limitation, System Standards may regulate any one or more of the following, in addition to the items described in Sections 9A through 9I above:

(1) amounts and types of equipment and inventory requirements for products and supplies so the Kona Ice Franchise may operate at full capacity;

(2) terms and conditions of the sale and delivery of, and terms and methods of payment for services and products you obtain from us and affiliated and unaffiliated suppliers; and our affiliates' right not to sell you any products or to provide services, or to do so only on a "cash on delivery" or other basis, if you are in default under any agreement with us;

(3) sales, marketing, advertising, and promotional programs and materials and media used in these programs;

(4) use and display of the Marks for the Kona Ice Business and on labels, forms, paper, products, and other supplies;

(5) identifying the Kona Ice Franchise personnel; and employee qualifications, training, dress, and appearance (although you have sole responsibility and authority concerning employee selection and promotion, hours worked, rates of pay and other benefits, work assigned, and working conditions);

(6) days and hours of operation;

(7) participation in market research and testing and product and service development programs and participation in, and dues assessed for, advisory councils;

(8) accepting credit and debit cards, using credit card vendors, other payment systems, and check verification services and compliance programs and systems relating to the same, and compliance with then-current Payment Card Industry Data Security Standards or other standards we may reasonably specify. The term "credit card vendors" includes, among other things, companies that provide services for electronic payment, such as near field communication vendors (for example, "Apple Pay" and "Google Wallet");

(9) bookkeeping, accounting, data processing, and recordkeeping systems and forms; formats, content, and frequency of reports to us of sales, revenue, financial performance, and condition; and giving us copies of tax returns and other operating and financial information concerning the Kona Ice Franchise; and

(10) any other aspects of operating and maintaining the Kona Ice Franchise we determine to be useful to preserve or enhance the efficient operation, image, or goodwill of the Marks and Patent and Kona Ice Franchise.

You agree that System Standards we prescribe in the Success Guide, or otherwise communicate to you in writing or another tangible form (for example, via a Franchise System extranet or website), are part of this Franchise Agreement as if fully set forth within its text. All references to this Franchise Agreement include all System Standards as periodically modified.

9.J MODIFICATION OF SYSTEM STANDARDS.

We periodically may modify System Standards, and these modifications may obligate you to invest additional capital in the Kona Ice Franchise and/or incur higher operating costs. You agree to implement any changes in System Standards within the time we request, whether they involve refurbishing or remodeling the KEV and any Additional Equipment or any other aspect of the Kona Ice Franchise, buying new equipment and/or assets, adding new services and products, adding personnel or otherwise modifying your operations, as if they were part of this Franchise Agreement as of the Effective Date.

Because complete and detailed uniformity under many varying conditions may not be possible or practical, you acknowledge that we specifically reserve the right and privilege, as we consider best, in our sole discretion, to modify System Standards for any franchise owner based upon circumstances we consider important to promote that franchise owner's, or the Franchise System's, successful operation. We may choose not to authorize similar variations or accommodations to you or other franchisees and are not required to do so.

If you fail to follow any of the System Standards we may send you a notice of violation and charge you a fee of $250 per violation. If you fail to comply with the System Standard violation in the notice of violation within thirty (30) days of the date of our notice, you will be required to pay us an additional $500. If you fail to comply with the System Standard violation within sixty (60) days of the date of our notice, you will be required to pay us an additional $100 per day until you comply with the System Standards. These fees are in addition to any and all remedies that we have available under this Franchise Agreement.

9.K MYSTERY SHOPPER PROGRAM.

To ensure uniformity and compliance with the System Standards, we may send a mystery shopper or similar third party to your Kona Ice Franchise. We may, but are not obligated to, share the results of the mystery shopper with you. If the results of the third party mystery shop are unsatisfactory, we will send another mystery shopper or similar third party to conduct a second mystery shop. If the results of the second mystery shop are unsatisfactory, we will conduct a mystery shop of your Kona Ice Franchise and you must pay us a fee of $1,000 to cover our travel and expenses.

10. MARKETING.

10.A MARKETING FUND CONTRIBUTIONS

Recognizing the value of advertising and marketing to the goodwill and public image of the Kona Ice Franchise, we have established a national advertising and marketing fund (the "**Marketing Fund**") for the advertising, marketing, and public relations programs and materials we deem appropriate. You agree to pay $500 per year to the Marketing Fund ("**Marketing Fund Contribution**"). Marketing Fund Contributions are due on June 30th of each year or at such other date we choose, as may be more fully set forth in the Success Guide. We have the right to periodically specify (in the Success Guide or otherwise in writing) different payment methods, such as, but not limited to, weekly or monthly payment, payment by auto-draft, credit card and payment by check for the Marketing Fund Contributions. We reserve the right to adjust your Marketing Fund payments annually by up to ten percent (10%). The Advertising Advisory Board (see Section 10.C, below) may increase or decrease your Marketing Fund Contributions upon its unanimous approval at any time.

10.B USE OF ADVERTISING AND MARKETING FUNDS.

(1) The following provisions apply to the Marketing Fund:

(a) We will direct all programs that the Marketing Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation.

(b) We will account for the Marketing Fund separately from our other funds and not use the Marketing Fund for our general operating expenses.

(c) We do not have any fiduciary obligation for administering the Marketing Fund. The Marketing Fund may spend in any fiscal year more or less than the total Marketing Fund payments in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We will use all interest earned on Marketing Fund payments to pay costs before using the Marketing Fund's other assets.

(d) We will prepare an annual, unaudited statement of Marketing Fund collections and expenses and give you the statement within forty-five (45) days upon the receipt of a written request. We may incorporate the Marketing Fund or operate each through a separate entity whenever we deem appropriate. The successor entity will have all of the rights and duties specified in this Section 10.

(e) We have the right, but no obligation, to use collection agents and institute legal proceedings to collect Marketing Fund payments at the Marketing Fund's expense. We also may forgive, waive, settle, and compromise all claims by or against the Marketing Fund. Except as expressly provided in this Section 10, we assume no direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the Marketing Fund.

(f) We may defer or reduce any Kona Ice franchisee's required payments to the Marketing Fund and, upon thirty (30) days' prior written notice to you, reduce or suspend Marketing Fund payments and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Marketing Fund. If we terminate the Marketing Fund, we will distribute all unspent monies to our franchise owners, and to us and our affiliates, in proportion to their, and our, respective Marketing Fund payments during the preceding twelve (12) month period.

(g) The Marketing Fund may pay for preparing and producing video, audio, and written materials and electronic media; developing, implementing, and maintaining websites that promotes Kona Ice Franchises and/or related strategies; administering regional and multiregional marketing and advertising programs, including, without limitation, purchasing trade journal, direct mail, and other media advertising and using advertising, promotion, and marketing agencies and other advisors to provide assistance; and supporting public relations, market research, and other advertising, promotion, and marketing activities.

(h) The Marketing Fund periodically will give you samples of advertising, marketing, and promotional formats and materials at no cost.

(i) We may use the Marketing Fund to pay the reasonable salaries and benefits of personnel who manage and administer the Marketing Fund, the Marketing Fund's other administrative costs, travel expenses of personnel while they are on Marketing Fund business, meeting costs, overhead relating to Marketing Fund business, and other expenses we incur in activities reasonably related to administering or directing the Marketing Fund and its programs, including, without limitation, conducting market research, public relations, preparing advertising, promotion, and marketing materials, and collecting and accounting for Marketing Fund payments.

(j) We intend the Marketing Fund to maximize recognition of the Marks and patronage of Kona Ice Franchises. Although we will try to use the Marketing Fund to develop advertising and marketing materials and programs, and to place advertising and marketing, that will benefit all Kona Ice Franchise, we cannot ensure that Marketing Fund expenditures in or affecting any geographic area are proportionate or equivalent to Marketing Fund payments by contributors operating in that geographic area or that any contributor benefits directly or in

proportion to its Marketing Fund payment from the development of advertising and marketing materials or the placement of advertising and marketing.

(k) You understand and acknowledge that your Kona Ice Franchise may not benefit directly or in proportion to its payment to the Marketing Fund from the development and placement of advertising and development of marketing materials.

10.C ADVERTISING ADVISORY BOARD**.**

We have formed an advisory board ("**Advertising Advisory Board**") for the purpose of jointly advertising and promoting Kona Ice Franchises. The Advertising Advisory Board will determine the type of advertising we will use. Members of the Advertising Advisory Board will prepare governing documents subject to the terms of this Franchise Agreement, the Success Guide and our consent. We will choose the members of the Advertising Advisory Board in our sole discretion from our franchisees in the Franchise System. In order to be eligible for selection into the Advertising Advisory Board, you must be in good standing, must operate multiple Kona Ice franchises and must be actively involved in the betterment of the Franchise System. If we appoint you to the Advertising Advisory Board you agree to join, participate in, and actively support the Advertising Advisory Board. Your Marketing Fund Contributions may be increased or decreased at any time upon unanimous approval of the Advertising Advisory Board, upon thirty (30) days' notice to you. We have the sole right, in our discretion, to form, change or dissolve the Advertising Advisory Board. We will determine the number of members of the Advertising Advisory Board in our sole discretion and provide you with a copy of the Advertising Advisory Board's governing documents upon your written request.

10.D LOCAL ADVERTISING.

You are not required to market on a local basis as an individual Kona Ice Business, and are not required to spend a minimum amount on local marketing and promotion in your Protected Territory. You are not required to participate in a local or regional advertising cooperative. You agree, at your sole cost and expense, to issue and offer such rebates, giveaways, and other promotions in accordance with advertising programs established by us, and further agree to honor the rebates, giveaways, and other promotions issued by other Kona Ice franchisees under any such program, so long as such compliance does not contravene any applicable law, rule, or regulation. You will not create or issue any gift cards/certificates and will only sell gift cards/certificates that have been issued or sponsored by us and which are accepted at all Kona Ice Businesses, and you will not issue coupons or discounts of any type except as approved by us. We may conduct market research and testing to determine consumer trends and the marketability of new food products and services. You agree to cooperate by participating in our market research programs, test marketing new food products and services in the Kona Ice Business and providing us with timely reports and other relevant information regarding such market research. You must conduct and participate in promotional campaigns (the "**Promotions**") which may from time to time be required in the Success Guide, and you must conduct and participate in those Promotions in accordance with the policies and provisions set forth in the Success Guide. This may include requiring you to offer free products to customers on certain days; however, we do not anticipate this will occur more than three times per year. If we require you to conduct and participate in any Promotion, we reserve the right (but we are not required) to use a portion of the Marketing Fund to help Kona Ice Franchises defray a portion of any costs attributable to the Promotions. If you desire to use your own advertising materials all advertising, promotional, and marketing content must be clear, factual, not misleading, and must conform to both the highest standards of ethical advertising and marketing and the advertising and marketing policies we may require from time to time. Before you conduct any advertising or marketing you must send us or our designated agency samples of your proposed materials for review. You may not use any

advertising, promotional, or marketing materials we have not approved or have disapproved. You may not advertise via the internet or a worldwide web page unless we have authorized you to do so in writing.

In an effort to promote your KEV and Additional Equipment, we reserve the right to develop and implement the use of marketing materials and advertisements which may include audio and/or video content in your KEV and Additional Equipment. This implementation may require you to install additional equipment, including video and audio equipment in your KEV, which you agree to do at your sole cost and expense. We shall have exclusive control over the content of any such marketing materials and advertisements.

10.E FRANCHISE SYSTEM WEBSITE.

We have established one or more websites to advertise, market, and promote Kona Ice Franchises and the services and products that Kona Ice franchisees offer and sell (the "**System Website**"). We will reference the Kona Ice Franchise in the manner we determine from time to time. You must give us the information we request from time to time concerning the Kona Ice Franchise to include on the System Website. By providing the information to us, you will be representing to us it is accurate and not misleading and does not infringe any third party's rights. We will own all intellectual property and other rights in the System Website, all information on it and all information generated from it (including the domain name or URL, the log of "hits" by visitors, and any personal or business data that visitors supply). We are only required to reference your Kona Ice Business on the System Website while you are in full compliance with your Franchise Agreement and all System standards. If you are in default of any obligation under the Franchise Agreement or System standards, then we may temporarily remove references to your Kona Ice Business from the Website until you fully cure the subject default(s)

For as long as we maintain the System Website, we shall have the right to use the Marketing Fund's assets to develop, maintain and update the System Website. We periodically may update and modify the System Website. You must promptly notify us whenever any information on your listing changes or is not accurate. You acknowledge that we have final approval rights over all information on the System Website. We may implement and periodically modify System Standards relating to the System Website. You may not, without our prior written approval, develop, maintain or authorize any other website that mentions or describes you or the Kona Ice Franchise or displays any of the Marks. Nothing in this Section shall limit our right to maintain websites other than the System Website. If you default on any of your obligations under this Franchise Agreement, we may temporarily remove all references to your Kona Ice Franchise from the System Website until you fully cure all such defaults.

11. REPORTS.

Upon our request you must provide to us, at your expense and in a form acceptable to us, timely financial statements we specify. You agree to comply with all reporting requirements we prescribe. In order for us to provide the most timely and useful information to the Kona Ice Franchise, it is essential that you collect certain information as soon as possible after the applicable accounting period closes. You agree to submit, based on the frequency we designate, completed relevant worksheets; payroll changes and current hours worked; bank statements; manual check stubs with invoice copies; and any other documents required to properly record all transactions affecting the Kona Ice Franchise financial activity. If you fail to submit Kona Ice Franchise-related items when required under this Section, we shall have the right to terminate the Franchise Agreement as provided in Section 15B.

You agree to give us in the manner and format we prescribe from time to time:

(1) Within five (5) days of our request, all profit and loss and source and use of funds statements and a balance sheet for the Kona Ice Franchise as of the end of the prior calendar month;

(2) by April 15th of each year a copy of the tax return for the Kona Ice Franchise for the previous calendar year; and

(3) any other data, information, and supporting records reasonably requested by us from time to time (including, without limitation, daily and weekly reports of product sales by category).

You or your Managing Owner must certify and sign each report and financial statement in the manner we prescribe. If we so request, the profit and loss statement and balance sheet shall be certified by certified public accountant at your expense. We may disclose or use the data derived from these reports, your year-end reports, and any other financial statements from the operation of your Kona Ice Franchise, for any purpose we deem appropriate, in our sole discretion. If we utilize your Kona Ice Franchise's financial statements for disclosure in our Franchise Disclosure Document, we may be required to disclose identifying information about your Kona Ice Franchise in such disclosure.

Subject to applicable law, you agree to preserve and maintain all records in a secure location at the Kona Ice Franchise for at least three (3) years (including, but not limited to, sales checks, purchase orders, invoices, payroll records, customer lists, check stubs, sales tax records and returns, cash Revenue and disbursement journals, and general ledgers).

12. INSPECTIONS AND AUDITS.

12.A OUR RIGHT TO INSPECT THE KONA ICE FRANCHISE.

To determine whether your Kona Ice Franchise is in compliance with this Franchise Agreement and all System Standards, we and our designated agents or representatives may at all times and without prior notice to you: (1) inspect the Kona Ice Franchise and KEV and any Additional Equipment; (2) photograph the Kona Ice Franchise and observe and videotape the Kona Ice Franchise operation for consecutive or intermittent periods we deem necessary; (3) remove samples of any products and supplies; (4) interview the Kona Ice Franchise personnel and customers; and (5) inspect and copy any books, records, and documents relating to the Kona Ice Franchise operation. You agree to cooperate with us fully under this Section. If we exercise any of these rights, we will not interfere unreasonably with the Kona Ice Franchise operation.

12.B OUR RIGHT TO AUDIT.

We may at any time during your business hours, and without prior notice to you, examine your and the Kona Ice Franchise business, bookkeeping, and accounting records, sales and income tax records and returns, and other records. We may also conduct an audit through independent auditors, which may involve auditors conducting an examination at the location of your Kona Ice Franchise or, alternatively, you submitting materials to auditors. You agree to cooperate fully with our representatives and independent accountants in any examination.

13. TRANSFERS.

13.A TRANSFER BY US.

You acknowledge that we maintain a staff to manage and operate the Franchise System and that staff members can change as employees come and go. You acknowledge that you did not sign this Franchise Agreement in reliance on the continued participation by or employment of any of our shareholders, directors, officers, or employees. We may change our ownership or form and/or assign this Franchise Agreement and any other agreement to a third party without restriction. After our assignment of this Franchise Agreement to a third party who expressly assumes the obligations under this Franchise Agreement, we no longer will have any performance or other obligations under this Franchise Agreement.

13.B TRANSFER BY YOU.

You understand and acknowledge that the rights and duties this Franchise Agreement creates are personal to you and your owners and that we have granted you the Kona Ice Franchise in reliance upon our perceptions of your and your owners' individual or collective character, skill, aptitude, attitude, business ability, and financial capacity. None of the following may be transferred without our prior written approval: (i) this Franchise Agreement (or any interest in this Franchise Agreement); (ii) the Kona Ice Franchise (or any right to receive all or a portion of the Kona Ice Franchise's profits, losses, purchase price, or capital appreciation related to the Kona Ice Franchise); (iii) substantially all of the assets of the Kona Ice Franchise including, without limitation, the KEV; (iv) any ownership interest in you (regardless of its size); or (v) any ownership interest in any of your owners (if such owners are legal entities). A transfer of the Kona Ice Franchise ownership, possession, or control, or substantially all of its assets, may be made only with a transfer of this Franchise Agreement. All proposed transfers of Additional Equipment require our approval. Any transfer without our approval is a breach of this Franchise Agreement and has no effect.

In this Franchise Agreement, the term "transfer" includes a voluntary, involuntary, direct, or indirect assignment, sale, gift, exchange, grant of a security interest, change of ownership in this Franchise Agreement, the Kona Ice Franchise, the Franchise or interest in the Kona Ice Franchise, or other disposition. An assignment, sale, gift, or other disposition includes the following events:

(1) transfer of ownership of capital stock, a partnership or membership interest, or another form of ownership interest;

(2) merger or consolidation or issuance of additional securities or other forms of ownership interest;

(3) any sale of a security convertible to an ownership interest;

(4) transfer of an interest in you, this Franchise Agreement, the Kona Ice Franchise or substantially all of its assets, or in your owners in a divorce, insolvency, or entity dissolution proceeding or otherwise by operation of law;

(5) if one of your owners or an owner of one of your owners dies, a transfer of an interest in you or your owner by will, declaration of or transfer in trust, or under the laws of intestate succession; or

(6) foreclosure upon the Kona Ice Franchise, or your transfer, surrender, or loss of the Kona Ice Franchise possession, control, or management.

You may not pledge this Franchise Agreement (to someone other than us), or an ownership interest in you or your owners as security for any loan or other financing, unless (1) we grant our prior written consent and, (2) unless we agree otherwise in writing, the lender agrees its claims will be subordinate to all amounts you owe at any time to us or our affiliates.

13.C CONDITIONS FOR APPROVAL OF TRANSFER.

If you are in full compliance with this Franchise Agreement, subject to the other provisions of this Section 13, we will approve a transfer that meets all of the requirements in this Section. A non-controlling ownership interest in you or your owners (determined as of the date on which the proposed transfer will occur) may be transferred if the proposed transferee and its direct and indirect owners (if the transferee is an Entity) are of good character and meet our then applicable standards for Kona Ice Franchise owners (including no ownership interest in or performance of services for a Competitive Business). If the proposed transfer is of this Franchise Agreement or a controlling ownership interest in you or one of your owners, or is one of a series of transfers (regardless of the time period over which these transfers take place) which in the aggregate transfer this Franchise Agreement or a controlling ownership interest in you or one of your owners, then all of the following conditions must be met before or concurrently with the effective date of the transfer:

(1) the transferee has sufficient business experience, aptitude, and financial resources to operate the Kona Ice Franchise;

(2) you have paid all Royalty and Marketing Fund Contributions, and other amounts owed to us, our affiliates, and third party vendors, including any outstanding financing for the KEV; have submitted all required reports and statements;

(3) you have not violated any provision of this Franchise Agreement or any other agreement with us during both the sixty (60) day period before you requested our consent to the transfer and the period between your request and the effective date of the transfer;

(4) neither the transferee nor its owners (if the transferee is an Entity) or affiliates have an ownership interest (direct or indirect) in or perform services for a Competitive Business;

(5) the transferee (or its Managing Owner, or, if applicable, Designated Manager) satisfactorily complete our training program;

(6) the transferee agrees (if the transfer is of this Franchise Agreement) to pay us or our affiliates a remodel fee to upgrade, remodel, and refurbish the Kona Ice Franchise, including the KEV and any Additional Equipment, in accordance with our current requirements and specifications for the Kona Ice Franchise within forty-five (45) days after the effective date of the transfer (we will advise the transferee before the effective date of the transfer of the specific actions it must take within this time period) and to deposit with us the estimated cost to complete the upgrade or remodel;

(7) the transferee shall (if the transfer is of this Franchise Agreement), or you shall (if the transfer is of a controlling ownership interest in you or one of your owners), sign our then-current form of franchise agreement and related documents, including but not limited to our then current form of Owners Agreement or other guaranty, any and all of

the provisions of which may differ materially from any and all of those contained in this Franchise Agreement;

(8) you or the transferee pays us a transfer fee in the amount of $5,000 per Franchise, including a $1,000 non-refundable deposit upon the request for our approval of the transfer; provided, however, that we do not charge a transfer fee if the transfer is to your child, parent, sibling, or spouse;

(9) unless prohibited by state law, you and your transferring owners sign a general release, in a form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, employees, and agents;

(10) if you or your owners finance any part of the purchase price, you and/or your owners agree that all of the transferee's obligations under promissory notes, agreements, or security interests reserved in the Kona Ice Franchise are subordinate to the transferee's obligation to pay Royalty and Marketing Fund Contributions and other amounts due to us, our affiliates, and third party vendors and otherwise to comply with this Franchise Agreement;

(11) you and your transferring owners (and your and their spouses and other immediate family members) will not, for two (2) years beginning on the transfer's effective date, engage in any of the activities proscribed in Section 16D below;

(12) you and your transferring owners will not directly or indirectly at any time or in any manner (except with respect to other Kona Ice Franchises you own and operate) identify yourself or themselves or any business as a current or former Kona Ice Franchise or as one of our franchise owners; use any Mark, any colorable imitation of a Mark, or other indicia of a Kona Ice Franchise in any manner or for any purpose; or utilize for any purpose any trade name, trade or service mark, or other commercial symbol that suggests or indicates a connection or association with us; and

(13) you will reimburse us upon receipt of our invoice for any broker or other placement fees we incur as a result of the transfer.

We may review all information regarding the Kona Ice Franchise you give the transferee, correct any information we believe is inaccurate, and give the transferee copies of any reports you have given us or we have made regarding the Kona Ice Franchise.

13.D DEATH OR DISABILITY.

(1) Transfer Upon Death or Disability. Upon the Managing Owner's death or disability, the Managing Owner's executor, administrator, conservator, guardian, or other personal representative must transfer the Managing Owner's ownership interest in you, to a third party (which may be your or the Managing Owner's heirs, beneficiaries, or devisees or other owners of the Entity). That transfer must be completed within a reasonable time, not to exceed ninety (90) days from the date of death or disability, and is subject to all of the terms and conditions in this Section 13. A failure to transfer the Managing Owner's ownership interest in you within this time period is a breach of this Franchise Agreement, and this Franchise Agreement may be terminated. The term "disability" means a mental or physical disability, impairment, or condition reasonably expected to prevent or

actually does prevent the Managing Owner from supervising the management and operation of the Kona Ice Franchise.

(2) Operation Upon Death or Disability or Default. If, upon the Managing Owner's death or disability, a manager approved by us is not managing the Kona Ice Franchise, your or the Managing Owner's executor, administrator, conservator, guardian, or other personal representative must within fifteen (15) days from the date of death or disability, appoint a replacement manager. The manager must complete our standard Initial Training at your expense. If applicable, a new Managing Owner acceptable to us also must be appointed for the Kona Ice Franchise within thirty (30) days of the date of the death or disability. If, in our judgment, the Kona Ice Franchise is not being managed properly any time after the Managing Owner's death or disability, or at any time that you are in default of the Franchise Agreement, we may, but need not, assume the management of the Kona Ice Franchise (or appoint a third party to assume its management). All funds from the operation of the Kona Ice Franchise while it is under our (or the third party's) management will be kept in a separate account, and all expenses will be charged to this account. We may charge you (in addition to the Royalty and Marketing Fund Contributions and other amounts due under this Franchise Agreement) an amount equal to $250 per day that the Kona Ice Franchise is managed by us or a third party, plus our (or the third party's) direct out of pocket costs and expenses, if we (or a third party) assume the management of the Kona Ice Franchise under this subparagraph. We (or a third party) have a duty to utilize only reasonable efforts and will not be liable to you or your owners for any debts, losses, or obligations the Kona Ice Franchise incurs, or to any of your creditors for any products, other assets, or services the Kona Ice Franchise purchases, while we (or a third party) manage it.

13.E EFFECT OF CONSENT TO TRANSFER.

Our consent to a transfer of this Franchise Agreement and the Kona Ice Franchise, or any interest in you or your owners, is not a representation of the fairness of the terms of any contract between you and the transferee, a guarantee of the Kona Ice Franchise's or transferee's prospects of success, or a waiver of any claims we have against you (or your owners) or of our right to demand the transferee's full compliance with this Franchise Agreement.

13.F OUR RIGHT OF FIRST REFUSAL.

If you or any of your owners at any time determine to sell or transfer an interest in this Franchise Agreement, the Kona Ice Franchise, or an ownership interest in you (except to or among your current owners, which is not subject to this Section), in a transaction that otherwise would be allowed under Sections 13B and 13C above, you or your owners agree to obtain from a responsible and fully disclosed buyer, and send to us a true and complete copy of, a bona fide executed written offer (which may include a letter of intent) relating exclusively to an interest in you or in this Franchise Agreement and the Kona Ice Franchise. The offer must include details of the payment terms of the proposed sale and the sources and terms of any financing for the proposed purchase price. To be a valid, bona fide offer, the proposed purchase price must be in a dollar amount, and the proposed buyer must submit with its offer an earnest money deposit equal to five percent (5%) or more of the offering price.

The right of first refusal process will not be triggered by a proposed transfer that would not be allowed under Sections 13B and 13C above. We may require you or your owners to send us copies of any materials or information sent to the proposed buyer or transferee regarding the possible transaction.

We may, by written notice delivered to you or your selling owner(s) within thirty (30) days after we receive both an exact copy of the offer and we have received to our satisfaction all other information we request concerning the offer and the proposed purchaser, elect to purchase the interest offered for the price and on the terms and conditions contained in the offer, provided that:

(1) we may substitute cash for any form of payment proposed in the offer (such as ownership interests in a privately-held entity);

(2) our credit will be deemed equal to the credit of any proposed buyer (meaning that, if the proposed consideration includes promissory notes, we or our designee may provide promissory notes with the same terms as those offered by the proposed buyer);

(3) we will have an additional thirty (30) days to prepare for closing after notifying you of our election to purchase; and

(4) we must receive, and you and your owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the ownership interests in a legal entity, as applicable, including, without limitation, representations and warranties regarding: (a) ownership and condition of and title to ownership interests and/or assets; (b) liens and encumbrances relating to ownership interests and/or assets; and (c) validity of contracts and the liabilities, contingent or otherwise, of the entity whose assets or ownership interests are being purchased.

We have the unrestricted right to assign this right of first refusal to a third party, who then will have the rights described in this Section.

If we do not exercise our right of first refusal, you or your owners may complete the sale to the proposed buyer on the original offer's terms, but only if we otherwise approve the transfer in accordance with Sections 13B and 13C, above, and you and your owners and if the transferee comply with the conditions in Sections 13B and 13C above.

If you do not complete the sale to the proposed buyer within sixty (60) days after we notify you that we do not intend to exercise our right of first refusal, or if there is a material change in the terms of the sale (which you agree to tell us promptly), we or our designee will have an additional right of first refusal during the thirty (30) day period following either the expiration of the sixty (60) day period or our receipt of notice of the material change(s) in the sale's terms, either on the terms originally offered or the modified terms, at our or our designee's option.

14. EXPIRATION OF THIS FRANCHISE AGREEMENT.

14.A YOUR RIGHT TO ACQUIRE A SUCCESSOR FRANCHISE.

Upon expiration of this Franchise Agreement, you will have the option to acquire two (2) additional successive ten (10) year terms ("**Successor Franchise**") subject to the following conditions:

(1) you and each of your owners have fully complied with this Franchise Agreement during its term, which includes satisfying all monetary obligations owed by you to us, our affiliates or your suppliers or creditors, whether under this Franchise Agreement or otherwise; and

(2) you and each of your owners (if you are an Entity) are, both on the date you give us written notice of your election to acquire a Successor Franchise (as provided in Section 14B below) and on the date on which the term of the Successor Franchise would commence, in full compliance with this Franchise Agreement; and

(3) provided that (a) you maintain possession of the KEV and, if your KEV has not completed the required remodels or is not in compliance with current standards, pay to us or our affiliate the cost of remodeling and upgrading the KEV and any Additional Equipment, add or replace improvements, assets, signage and otherwise modify the Kona Ice Franchise as we require to comply with System Standards then applicable for new Kona Ice Franchises, or (b) at your option, you secure a substitute KEV and any Additional Equipment we approve and you develop that KEV and any Additional Equipment according to System Standards then applicable or Kona Ice franchises;

(4) Subject to state law, you will execute a general release, in a form prescribed by us, of any and all claims which you may have against us and our affiliates and our respective shareholders, directors, employees, and agents in their corporate and individual capacities. Unless otherwise prevented by state law, we will consider your failure to sign the release and to deliver it to us for acceptance and execution within thirty (30) days after it is delivered to you to be an election not to acquire a Successor Franchise;

(5) you execute the then-current form of franchise agreement (the "**Successor Franchise Agreement**") and all other agreements, legal instruments and documents then customarily used by us in the renewal of our franchises. The Successor Franchise Agreement and these other agreements, legal instruments and documents may vary materially from those agreements, legal instruments and documents currently in use by us, including the payment of higher fees. We have the right to refuse to renew the license granted under this Franchise Agreement if we have given you written notice three or more times for failure to comply with this Franchise Agreement, whether or not such failure is subsequently cured. When you sign the Successor Franchise Agreement, you are not obligated to pay our then-current initial franchise fee but you will owe a renewal fee of $5,000; and

(6) you will pay the highest tier of royalty payment under the new franchise agreement (meaning that you will not be able to take advantage of any step-up royalty schedules that may be offered to new franchisees).

If you and each of your owners (if an Entity) are not, both on the date you give us written notice of your election to acquire a Successor Franchise and on the date on which the term of The Successor Franchise commences, in full compliance with this Franchise Agreement, you acknowledge that we need not grant you a Successor Franchise, whether or not we had, or chose to exercise, the right to terminate this Franchise Agreement during its term under Section 15B.

14.B GRANT OF A SUCCESSOR FRANCHISE.

You agree to give us written notice ("**Your Notice**") of your election to acquire a Successor Franchise no more than twelve (12) months and no less than six (6) months before this Franchise Agreement expires. We agree to give you written notice ("**Our Notice**"), not more than six months (6) after we receive Your Notice, of our decision:

(1) to grant you a Successor Franchise;

(2) to grant you a Successor Franchise on the condition you correct existing deficiencies of the Kona Ice Franchise or in your operation of the Kona Ice Franchise;

(3) not to grant you a Successor Franchise based on our determination you and your owners have not fully complied with this Franchise Agreement during its term or were not in full compliance with this Franchise Agreement and all System Standards on the date you gave us written notice of your election to acquire a Successor Franchise; or

(4) not grant you a successor because we no longer maintain a franchise program for Kona Ice franchises.

If applicable, Our Notice will:

(5) describe the remodeling, expansion, improvements, and/or modifications required to bring the KEV and any Additional Equipment into compliance with then applicable System Standards for new Kona Ice Franchises; and

(6) state the actions you must take to correct operating deficiencies and the time in which you must correct these deficiencies.

If we elect not to grant you a Successor Franchise, Our Notice will describe the reasons for our decision. If we elect to grant you a Successor Franchise, your right to acquire a Successor Franchise is subject to your full compliance with all of the terms and conditions of this Franchise Agreement through the date of its expiration, in addition to your compliance with the obligations described in Our Notice.

If Our Notice states that you must remodel the Kona Ice Franchise and/or must cure certain deficiencies of the Kona Ice Franchise or its operation as a condition to our granting you a Successor Franchise, we will give you written notice of our decision not to grant a Successor Franchise, based upon your failure to complete the remodeling and/or to cure those deficiencies, not less than ninety (90) days before this Franchise Agreement expires, provided, however, that we need not give you this ninety (90) days' notice if we decide not to grant you a Successor Franchise due to your breach of this Franchise Agreement during the ninety (90) day period before it expires. We may extend this Franchise Agreement's term for the time period necessary to give you either reasonable time to correct deficiencies or the ninety (90) days' notice of our refusal to grant a Successor Franchise. If you fail to notify us of your election to acquire a Successor Franchise within the prescribed time period, we need not grant you a Successor Franchise.

15. TERMINATION OF FRANCHISE AGREEMENT.

15.A TERMINATION BY YOU.

If you and your owners are in full compliance with this Franchise Agreement, and we materially fail to comply with this Franchise Agreement and we do not correct the failure within thirty (30) days after you deliver written notice of the material failure to us or, if we cannot correct the failure within thirty (30) days, give you, within thirty (30) days after your notice, reasonable evidence of our effort to correct the failure within a reasonable time, you may terminate this Franchise Agreement effective an additional thirty (30) days after you deliver to us written notice of termination.

Your termination of this Franchise Agreement other than according to this Section 15A will be deemed a termination without cause and a breach of this Franchise Agreement.

15.B TERMINATION BY US.

We may terminate this Franchise Agreement, effective upon delivery of written notice of termination to you, if:

(1) you or any of your owners have made or make any material misrepresentation or omission in acquiring the Kona Ice Franchise or operating the Kona Ice Franchise;

(2) you do not open the Kona Ice Franchise for business within three (3) months after the Effective Date;

(3) your Managing Owner, or, if applicable, Designated Manager and/or other required attendees do not satisfactorily complete the initial training program and you fail to appoint a Managing Owner or Designated Manager within thirty (30) days capable of satisfactorily completing the initial training program;

(4) you cease to operate the Kona Ice Business or otherwise abandon the Kona Ice Franchise for a period of twelve (12) consecutive months, or any shorter period that indicates an intent by the Franchisee to discontinue operation of the Kona Ice Franchise, unless and only to the extent that full operation of the Kona Ice Franchise is suspended or terminated due to fire, flood, earthquake, terrorism, act of God, death or disability of principal owner, or other similar causes beyond the Franchisee's control and not related to the availability of funds to Franchisee;

(5) you or your owners make or attempt to make any transfer in violation of Section 13;

(6) you or any of your owners are or have been convicted by a trial court of, or plead or have pleaded no contest to, a felony;

(7) you fail to maintain the insurance we require and do not correct the failure within ten (10) days after we deliver written notice of that failure to you;

(8) you or any of your owners engage in any dishonest or unethical conduct which, in our opinion, adversely affects the Kona Ice Franchise reputation or the goodwill associated with the Marks;

(9) you or any of your owners knowingly make any unauthorized use or disclosure of any part of the Success Guide or any other Confidential Information;

(10) you violate any health, safety, or sanitation law, ordinance, or regulation, or operate the Kona Ice Franchise in an unsafe manner, and do not begin to cure the violation immediately, and correct the violation within three (3) days after you receive notice from us or any other party;

(11) you violate any other applicable law, regulation, ordinance or consent decree, or fail to maintain any bond, license or permit, and do not cure such violation or failure within 48 hours after we or any applicable government agency deliver notice to you of that violation or failure;

(12) you fail to pay us or our affiliates any amounts due and do not correct the failure within ten (10) days after we deliver written notice of that failure to you;

(13) you fail to pay when due any federal or state income, service, sales, or other taxes due on the Kona Ice Franchise operation, unless you are in good faith contesting your liability for these taxes;

(14) you or any of your owners (a) fail on three (3) or more separate occasions within any twelve (12) consecutive month period to comply with this Franchise Agreement, whether or not we notify you of the failures, and, if we notify you of the failures, whether or not you correct the failures after our delivery of notice to you; or (b) fail on two (2) or more separate occasions within any twelve (12) consecutive month period to comply with the same obligation under this Franchise Agreement, whether or not we notify you of the failures, and, if we notify you of the failures, whether or not you correct the failures after our delivery of notice to you;

(15) you make an assignment for the benefit of creditors or admit in writing your insolvency or inability to pay your debts generally as they become due; you consent to the appointment of a receiver, trustee, or liquidator of all or the substantial part of your property; the Kona Ice Franchise is attached, seized, subjected to a writ or distress warrant, or levied upon, unless the attachment, seizure, writ, warrant, or levy is vacated within thirty (30) days; or any order appointing a receiver, trustee, or liquidator of you or the Kona Ice Franchise is not vacated within thirty (30) days following the order's entry;

(16) you or any of your owners' assets, property, or interests are blocked under any law, ordinance, or regulation relating to terrorist activities, or you or any of your owners otherwise violate any such law, ordinance, or regulation;

(17) you or any of your owners fail to comply with any other provision of this Franchise Agreement or any System Standard and do not correct the failure within thirty (30) days after we deliver written notice of the failure to you;

(18) there is a termination of any other franchise agreement or other agreement between you or your affiliates and us or any of our affiliates;

(19) you have three (3) or more insufficient funds or returned checks in any one calendar year;

(20) you indicate in writing your intention to consummate any of the preceding actions; or

(21) your Kona Ice Business is cited by an authority for improper operation(s) three (3) or more times within any calendar year.

15.C ASSUMPTION OF MANAGEMENT.

In addition to the rights described in Section 9F (regarding replacing the Designated Manager), we have the right (but not the obligation), under the circumstances described below, to take possession of the KEV and any Additional Equipment and assume the Kona Ice Franchise management (or to appoint a third party to assume its management) for any period of time we deem appropriate. If we (or a third party) assume the Kona Ice Franchise management, you agree to pay us (in addition to the Royalty and Marketing Fund payments and other amounts due to us or our affiliates) an amount equal to $250 per day we or a third party manages the Kona Ice Franchise, plus our (or the third party's) direct out-of-pocket costs and expenses, for up to sixty (60) days after we assume management.

If we (or a third party) assume the Kona Ice Franchise management, you acknowledge that we (or the third party) will have a duty to utilize only reasonable efforts and will not be liable to you or your owners for any debts, losses, or obligations the Kona Ice Franchise incurs, or to any of your creditors for any supplies, products, or other assets or services the Kona Ice Franchise purchases, while we (or the third party) manage it.

We (or a third party) may assume the Kona Ice Franchise management under the following circumstances: (1) if you abandon or fail actively to operate the Kona Ice Franchise; (2) if you fail to comply with any provision of this Franchise Agreement or any System Standard and do not cure the failure within the time we specify in our notice to you; or (3) if this Franchise Agreement is terminated and we are deciding whether to exercise our option to purchase the Kona Ice Franchise under Section 16E below.

If we exercise our rights under this Section, that will not affect our right to terminate this Franchise Agreement under Section 15B above.

16. OUR AND YOUR RIGHTS AND OBLIGATIONS UPON TERMINATION OR EXPIRATION OF THIS FRANCHISE AGREEMENT.

16.A PAYMENT OF AMOUNTS OWED TO US.

You agree to pay us and our affiliate(s) within fifteen (15) days after this Franchise Agreement expires or is terminated, or on any later date we determine the amounts due to us (or our affiliates), the Royalties, Marketing Fund Contributions, any outstanding financing for the KEV, interest, and all other amounts owed to us (and our affiliates) which then are unpaid.

16.B DE-IDENTIFICATION.

When this Franchise Agreement expires or is terminated:

(1) you may not directly or indirectly at any time or in any manner (except with other Kona Ice franchises you own and operate) identify yourself or any business as a current or former Kona Ice franchisee or as one of our current or former franchise owners; use any Mark, any colorable imitation of a Mark, or other indicia of a Kona Ice Franchise in any manner or for any purpose; or use for any purpose any trade name, trade or service mark, or other commercial symbol that indicates or suggests a connection or association with us;

(2) you agree to take the action required to cancel or assign all fictitious or assumed name or equivalent registrations relating to your use of any Mark;

(3) you agree to deliver to us, at your expense, within thirty (30) days all signs, sign faces, sign-cabinets, marketing materials, forms, and other materials containing any Mark or otherwise identifying or relating to a Kona Ice Franchise, and if you fail to do so in the required time period, you agree to allow us, without liability to you or third parties for trespass or any other claim, to take possession of the KEV and any Additional Equipment to remove any signs or other materials containing any Marks from the Kona Ice Franchise and to otherwise modify the KEV and any Additional Equipment so as to no longer be identifiable as related to the Kona Ice Franchise;

(4) you acknowledge that all telephone numbers, facsimile numbers, social media websites, Internet addresses and e-mail addresses (collectively "**Identifiers**") used in the operation of your Kona Ice Business constitute our assets, and upon termination or expiration of this Franchise Agreement, you will take such action within five (5) days to cancel or assign to us or our designee as determined by us, all of your right, title and interest in and to such Identifiers and will notify the telephone company and all listing agencies of the termination or expiration of your right to use any Identifiers, and any regular, classified or other telephone directory listing associated with the Identifiers and to authorize a transfer of the same to, or at our direction. You agree to take all action required cancel all assumed name or equivalent registrations related to your use of the Marks. You acknowledge that, we have the sole rights to, and interest in, all Identifiers used by you to promote your Kona Ice Business and/or associated with the Marks. You hereby irrevocably appoint us, with full power of substitution, as your true and lawful attorney-in-fact, which appointment is coupled with an interest, to execute such directions and authorizations as may be necessary or prudent to accomplish the foregoing. You further appoint us to direct the telephone company, postal service, registrar, Internet Service Provider, listing agency, website operator, or any other third party to transfer such Identifiers to us or our designee. The telephone company, postal service, registrar, Internet Service Provider, listing agency, website operator, or any other third party may accept such direction by us pursuant to this Franchise Agreement as conclusive evidence of our rights to the Identifiers and our authority to direct their transfer; and

(5) you agree to give us, within thirty (30) days after the expiration or termination of this Franchise Agreement, evidence satisfactory to us of your compliance with the obligations of this Section 16B.

(6) you must follow any reasonable procedures established by us to ensure the expiration or termination of this Franchise Agreement creates the least disruption possible to the System, including those procedures set forth in the Success Guide.

16.C CONFIDENTIAL INFORMATION.

You agree that when this Franchise Agreement expires or is terminated, you will immediately cease using any of our Confidential Information (including computer software or similar technology and digital passwords and identifications we have licensed to you or that otherwise are proprietary to us or the Franchise System) in any business or otherwise and return to us all copies of the Success Guide and any other confidential materials we have loaned you, and any customer data you may have.

16.D COVENANT NOT TO COMPETE.

Upon termination, transfer or expiration of this Franchise Agreement, you and your owners agree that, for two (2) years beginning on the effective date of termination, transfer or expiration or the date on which all persons restricted by this Section begin to comply with this Section, whichever is later, neither you nor any of your owners (or your or their spouses) will have any direct or indirect interest as an owner (whether of record, beneficially, or otherwise), investor, partner, director, officer, employee, consultant, representative, or agent in any Competitive Business (as defined in Section 8 above) located at or within (i) a 20-mile radius from your Kona Ice Business; and (ii) a 20-mile radius from all other Kona Ice Businesses that are operating or under development as of the beginning of the Restricted Period.

These restrictions also apply after transfers, as provided in Section 13C (12) above. If any person restricted by this Section refuses voluntarily to comply with these obligations, the two year period for that

person will commence with the entry of a court order enforcing this provision. You and your owners expressly acknowledge that you possess skills and general abilities and have other opportunities for exploiting these skills. Consequently, our enforcing the covenants made in this Section will not deprive you of your personal goodwill or ability to earn a living.

In the event a court of competent jurisdiction determines that the two year post-term restricted period contained herein is too long to be enforceable, then the post-term restricted period shall be for a period of one year beginning on the effective date of termination, transfer or expiration of this Franchise Agreement.

16.E OUR RIGHT TO PURCHASE THE FRANCHISE.

(1) Exercise of Option. Upon one or both of the following:

(a) our termination of this Franchise Agreement according to its terms and conditions;

(b) the expiration of this Franchise Agreement; or

(c) your termination of this Franchise Agreement without cause;

We have the option, exercisable by giving you written notice within thirty (30) days after the date of termination, to purchase the assets of the Kona Ice Franchise including, without limitation, the KEV and any Additional Equipment. We have the unrestricted right to assign this option to purchase. If we purchase the Kona Ice Franchise, we are entitled to all customary warranties and representations in our asset purchase, including, without limitation, representations and warranties as to ownership and condition of and title to assets; liens and encumbrances on assets; validity of contracts and agreements; and liabilities affecting the assets, contingent or otherwise.

(2) Purchase Price. The purchase price for the Kona Ice Franchise will be its fair market value, provided these items will not include any value for:

(a) the Kona Ice Franchise or any rights granted by this Franchise Agreement;

(b) goodwill attributable to our Marks, brand image, and other intellectual property; or

(c) participation in the network of Kona Ice Franchises.

We may exclude from the assets purchased any assets and supplies that are not reasonably necessary (in function or quality) to the Kona Ice Franchise operation or that we have not approved as meeting standards for Kona Ice Franchises, and the purchase price will reflect these exclusions.

(3) Appraisal. If we and you cannot agree on fair market value, fair market value will be determined by an independent appraiser selected by us. We will select the appraiser within fifteen (15) days after we notify you that we wish to exercise our purchase option (if you and we have not agreed on fair market value before then). You and we will bear the costs of the appraiser. The appraiser must complete the appraisal within thirty (30) days after. The purchase price will be the independent appraisal amount.

(4) Closing. We or our assignee will pay the purchase price at the closing, which will take place not later than sixty (60) days after the purchase price is determined, although we or our assignee may decide after the purchase price is determined not to purchase the Kona Ice Franchise. We may set off against the purchase price, and reduce the purchase price by, any and all amounts you or your owners owe us or our affiliates. At the closing, you agree to deliver instruments transferring to us or our assignee:

(a) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to us), with all sales and other transfer taxes paid by you;

(b) all of the Kona Ice Franchise licenses and permits which may be assigned or transferred;

(c) the title, or lease, (as applicable) to the KEV and any Additional Equipment; and

If you cannot deliver clear title to all of the purchased assets, or if there are other unresolved issues, we and you will close the sale through an escrow. You and your owners further agree to execute general releases, in a form satisfactory to us, of any and all claims against us and our owners, officers, managers, employees, agents, successors and assigns.

16.F CONTINUING OBLIGATIONS.

All of our and your and your owners' obligations which expressly or by their nature survive this Franchise Agreement's expiration or termination will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or expire by their nature.

16.G NON- SOLICITATION.

For a period of two (2) years after the termination or expiration of this Franchise Agreement, any successor term, or your transfer, sale or assignment of the Kona Ice Business, you and your owners shall not attempt to attain an unfair advantage over other franchisees, us or any affiliates thereof by soliciting for employment any person who is, at the time of such solicitation, employed by such franchisees, us or any such affiliates, nor shall you directly or indirectly induce or attempt to induce any such person to leave his or her employment as aforesaid.

If you violate this provision, in addition to any other right or remedy we may have, you agree to pay us twice the employee's annual salary, plus all costs and attorney fees incurred as a result of the violation. This amount is set at twice the employee's annual salary and it is not a penalty for violating this provisions but a reasonable estimation of the damages that would occur from such a breach, and it will almost certainly be impossible to calculate precisely the actual damages from such a breach.

17. RELATIONSHIP OF THE PARTIES/INDEMNIFICATION.

17.A INDEPENDENT CONTRACTORS.

You and we understand and agree that this Franchise Agreement does not create a fiduciary relationship between you and us, that you and we are and will be independent contractors, and that nothing in this Franchise Agreement is intended to make either you or us a general or special agent, joint venture, partner, or employee of the other for any purpose. You agree to identify yourself conspicuously in all public records, letterhead and business forms, and in all dealings with customers, suppliers, public

officials, Kona Ice Franchise personnel, and others as the Kona Ice Franchise owner under a franchise we have granted and to place notices of independent ownership on the KEV and any Additional Equipment and on the forms, business cards, stationery, advertising, and other materials we require from time to time. You will use your legal name on all documents for use with employees and contractors, including but not limited to, employment applications, time cards, pay checks, and employment and independent contractor agreements and will not use the Marks on these documents. Upon our request, you and each employee will sign an employment relationship acknowledgement form within seven (7) days stating that you alone are the employer and operate the Kona Ice Business.

17.B NO LIABILITY FOR ACTS OF OTHER PARTY.

We and you may not make any express or implied agreements, warranties, guarantees, or representations, or incur any debt, in the name or on behalf of the other or represent our respective relationship is other than franchisor and franchise owner. You acknowledge that we have no responsibility to ensure that the Kona Ice Business is developed and operated in compliance with all applicable laws and regulations, and we will not be obligated for any damages to any person or property directly or indirectly arising out of the Kona Ice Franchise operation or the business you conduct under this Franchise Agreement.

17.C TAXES.

We will have no liability for any sales, use, service, occupation, excise, gross revenue, income, property, or other taxes, whether levied upon you or the Kona Ice Franchise, due to the business you conduct (except for our income taxes). You are responsible for paying these taxes and must reimburse us for any taxes we must pay to any state taxing authority on account of either your operation or payments you make to us.

17.D INDEMNIFICATION.

You agree to indemnify, defend, and hold harmless us, our affiliates, and our and their respective shareholders, directors, officers, employees, agents, successors, and assignees (the "**Indemnified Parties**") against, and to reimburse any one or more Indemnified Parties for, all claims, obligations, and damages directly or indirectly arising out of the Kona Ice Franchise operation, the business you conduct under this Franchise Agreement, your employment or contractual relationship with your employees or independent contractors, any loss of data (including customer information) resulting from a breach of such data caused in any part by you or your negligence, or your breach of this Franchise Agreement, including, without limitation, those alleged to be or found to have been caused by the Indemnified Party's negligence, as well as any fees, costs, or liabilities incurred by us on your behalf, including fees and costs incurred by us to recover amounts due to you on your behalf, unless (and then only to the extent that) the claims, obligations, or damages are determined to be caused solely by our gross negligence or willful misconduct in a final, un-appealable ruling issued by a court or arbitrator with competent jurisdiction.

For purposes of this indemnification, "claims" include all obligations, damages (actual, consequential, or otherwise), and costs that any Indemnified Party reasonably incurs in defending any claim against it, including, without limitation, reasonable accountants', arbitrators', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced. Each Indemnified Party may defend any claim against it and agree to settlements or take any other remedial, corrective, or other actions and such actions will affect your obligation to indemnify under this Section.

This indemnity will continue in full force and effect subsequent to and notwithstanding this Franchise Agreement's expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its losses and expenses, to maintain and recover fully a claim for indemnity under this Section. You agree that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover under this Section.

We will indemnify you against, and reimburse you for (1) all damages for which you are held liable in any judicial or administrative proceeding arising out your use of any Mark or Patent in compliance this Franchise Agreement; and (2) the costs in defending any claim brought against Franchisee or in any proceeding in which Franchisee is named as a party arising out of Franchisee's use of any Mark or Patent in compliance with this Franchise Agreement, provided you have timely notified us of the claim or proceeding, and have complied with this Franchise Agreement.

18. ENFORCEMENT.

18.A SECURITY INTEREST.

As security for the performance of your obligations under this Franchise Agreement you grant us a security interest in all of the assets of the Kona Ice Franchise, including but not limited to the KEV and any Additional Equipment, inventory, fixtures, furniture, equipment, accounts, supplies, contracts, and proceeds and products of all those assets. You agree to execute such other documents as we may reasonably request to further document, perfect and record our security interest. If you default on any of your obligations under this Franchise Agreement, we may exercise all rights of a secured creditor granted to us by law, in addition to our other rights under this Franchise Agreement and at law. If you are required to finance the initial purchase of any asset of your Kona Ice Business by a third party lender (the "**Initial Lender**"), you must give us notice of the same. If the Initial Lender requires we subordinate our security interest in the assets of the Kona Ice Franchise as a condition to lending you working capital for the operation of the Kona Ice Franchise, we will agree to subordinate under terms and conditions determined by us. You are not permitted to obtain any additional loans (other than the initial loan with the Initial Lender) unless you obtain our prior written approval.

18.B SEVERABILITY AND SUBSTITUTION OF VALID PROVISIONS.

Except as expressly provided to the contrary in this Franchise Agreement, each section, paragraph, term, and provision of this Franchise Agreement is severable, and if, for any reason, any part is held to be invalid or contrary to or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency, or tribunal with competent jurisdiction, that ruling will not impair the operation of, or otherwise affect, any other portions of this Franchise Agreement, which will continue to have full force and effect and bind the parties.

If any covenant which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited, and/or length of time, but would be enforceable if modified, you and we agree that the covenant will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction whose law determines the covenant's validity.

If any applicable and binding law or rule of any jurisdiction requires more notice than this Franchise Agreement requires of this Franchise Agreement's termination or of our refusal to enter into a Successor Franchise Agreement, or some other action this Franchise Agreement does not require, or if, under any applicable and binding law or rule of any jurisdiction, any provision of this Franchise Agreement or any System Standard is invalid, unenforceable, or unlawful, the notice and/or other action required by the law or rule will be substituted for the comparable provisions of this Franchise Agreement,

and we may modify the invalid or unenforceable provision or System Standard to the extent required to be valid and enforceable or delete the unlawful provision in its entirety. You agree to be bound by any promise or covenant imposing the maximum duty the law permits which is subsumed within any provision of this Franchise Agreement, as though it were separately articulated in and made a part of this Franchise Agreement.

18.C WAIVER OF OBLIGATIONS.

We and you may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Franchise Agreement, effective upon delivery of written notice to the other or another effective date stated in the notice of waiver. Any waiver granted will be without prejudice to any other rights we or you have, will be subject to continuing review, and may be revoked at any time and for any reason effective upon delivery of ten (10) days' prior written notice.

We and you will not waive or impair any right, power, or option this Franchise Agreement reserves (including, without limitation, our right to demand exact compliance with every term, condition, and covenant or to declare any breach to be a default and to terminate this Franchise Agreement before its term expires) because of any custom or practice at variance with this Franchise Agreement's terms; our or your failure, refusal, or neglect to exercise any right under this Franchise Agreement or to insist upon the other's compliance with this Franchise Agreement, including, without limitation, any System Standard; our waiver of or failure to exercise any right, power, or option, whether of the same, similar, or different nature, with other Kona Ice franchises; the existence of franchise agreements for other Kona Ice franchises which contain provisions different from those contained in this Franchise Agreement; or our acceptance of any payments due from you after any breach of this Franchise Agreement. No special or restrictive legend or endorsement on any check or similar item given to us will be a waiver, compromise, settlement, or accord and satisfaction. We may remove any legend or endorsement, which then will have no effect.

Neither we nor you will be liable for loss or damage or be in breach of this Franchise Agreement if our or your failure to perform our or your obligations results from: (1) compliance with the orders, requests, regulations, or recommendations of any federal, state, or municipal government; (2) acts of God; (3) fires, strikes, embargoes, war, acts of terrorism or similar events, or riot; or (4) any other similar event or cause. Any delay resulting from any of these causes will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except these causes will not excuse payments of amounts owed at the time of the occurrence or payment of Royalties or Marketing Fund payments due afterward.

18.D COSTS AND ATTORNEY FEES.

You shall pay all costs and expenses (including reasonable fees of attorneys and other engaged professionals) incurred by us in successfully enforcing, issuing notices of default, or obtaining any remedy arising from the breach of, this Franchise Agreement, including for both arbitration and state and federal court actions. The existence of any claims, demands or actions which you may have against us, whether arising from this Franchise Agreement or otherwise, shall not constitute a defense to our enforcement of your or any equitable owners if you are a legal entity, representations, warranties, covenants, agreements or obligations herein. The prevailing party in any arbitration or litigation arising out of or relating to this Franchise Agreement shall be entitled to recover from the other party all damages, costs and expenses, including court costs and reasonable attorney fees, incurred by the prevailing party in successfully enforcing any provision of this Franchise Agreement.

18.E RIGHTS OF PARTIES ARE CUMULATIVE.

Our and your rights under this Franchise Agreement are cumulative, and our or your exercise or enforcement of any right or remedy under this Franchise Agreement will not preclude our or your exercise or enforcement of any other right or remedy which we or you are entitled by law to enforce.

18.F MEDIATION/ARBITRATION.

(1) Except as otherwise provided in this Franchise Agreement, any claim or controversy arising out of or related to this Franchise Agreement, or the making, performance, breach, interpretation, or termination thereof, except for any actions brought with respect to: (i) the Marks; (ii) issues concerning the alleged violations of federal or state antitrust laws; (iii) securing injunctive relief or specific performance; or (iv) the right to indemnification or the manner in which it is exercised, shall first be subject to non-binding mediation in the city and state of our principal business address, which is currently in Boone County, Kentucky. Mediation shall not defer or suspend our exercise of any termination right under Section 15.

(2) Non-binding mediation hereunder shall be concluded within sixty (60) days of the issuance of the request, or such longer period as may be agreed upon by the parties in writing ("**Mediation Termination Date**"). All aspects of the mediation process shall be treated as confidential, shall not be disclosed to others, and shall not be offered or admissible in any other proceeding or legal action whatsoever. The parties shall bear their own costs of mediation, and shall share equally in the cost of the mediator or mediation service.

(3) No arbitration may be commenced on any claim subject to mediation under this Section prior to the Mediation Termination Date, as defined hereafter, whether or not the mediation has been commenced. Mediation under this Section is not intended to alter or suspend the rights or obligations of the parties under this Franchise Agreement or to determine the validity or effect of any provision of this Franchise Agreement, but is intended to furnish the parties an opportunity to resolve disputes amicably, expeditiously and in a cost-effective manner on mutually acceptable terms.

(4) The non-binding mediation provided for hereunder shall be commenced by the party requesting mediation giving written notice of the request for mediation to the party with whom mediation is sought. The request shall specify with reasonable particularity the matters for which non-binding mediation is sought.

(5) Non-binding mediation hereunder shall be conducted by a mediator or mediation program designated by us in writing. We shall make the designation within a reasonable time after issuance of the request.

(6) Except for any actions brought with respect to: (i) the Marks or Patent; (ii) issues concerning the alleged violations of federal or state antitrust laws; (iii) securing injunctive relief or specific performance; or (iv) the right to indemnification or the manner in which it is exercised, any claim or controversy arising out of or related to this Franchise Agreement, or the making, performance, breach, interpretation, or termination thereof, shall be finally settled by arbitration under the then-prevailing Commercial Arbitration Rules of the American Arbitration Association or any successor thereto, by one arbitrator appointed under such rules. We and you waive, to the fullest extent permitted by law, any right or claim to any punitive or exemplary damages against the other, and agree that any award shall be limited to the recovery of any actual damages

sustained by them. The prevailing party also shall be entitled to recover its expenses, including reasonable attorney fees and accounting fees, in addition to any other relief to which it is found entitled. All arbitration proceedings shall take place in the city and state of our principal business address, which is currently in Boone County, Kentucky. The arbitration award shall be binding upon the parties and may be entered and enforced in any court of competent jurisdiction. Any arbitration or mediation proceeding shall be limited to controversies between us and you and shall not be expanded to include any other Kona Ice franchisee as a party, or include the adjudication of class action claims. If the American Arbitration Association or any successor is no longer in existence at the time arbitration is commenced, you and we will agree on another arbitration organization to conduct the arbitration proceeding.

(7) No right or remedy conferred upon or reserved to either party 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.

(8) Nothing in this Franchise Agreement shall bar either party's right to seek injunctive relief without the posting of any bond or security to obtain the entry of temporary and permanent injunctions and orders of specific performance enforcing this Franchise Agreement. Either party also shall be able to seek injunctive relief to prohibit any act or omission by the other party or its employees that constitutes a violation of any applicable law, is dishonest or misleading to your customers or to the public, or which may impair the goodwill associated with the Marks. The prevailing party shall be entitled to recover its costs and reasonable attorney fees incurred by it in obtaining such relief.

(9) We and you (and your owners) agree that the mediation and arbitration provisions of this Section 18.F. shall apply during the term of this Agreement and following the termination, expiration, or non-renewal of this Agreement.

18.G GOVERNING LAW.

All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.), or other federal law, this Franchise Agreement, the Kona Ice Franchise, and all claims arising from the relationship between us and you will be governed by the laws of the State of Kentucky, without regard to its conflict of laws rules except that the Kentucky Business Opportunity Investment Act shall not apply if your Kona Ice Franchise is located outside the State of Kentucky.

18.H CONSENT TO JURISDICTION.

Subject to Sections 18F and 18G above and the provisions below, we, you, and your owners agree that all actions arising under this Franchise Agreement or otherwise as a result of the relationship between you and us must be commenced in the state or federal court of general jurisdiction which is closest to where our principal office then is located (currently Florence, Kentucky), and we and you (and each owner) irrevocably consent to the jurisdiction of those courts and waive any objection to either the jurisdiction of or venue in those courts. Nonetheless, we and you and your owners agree that any of us may enforce any arbitration orders and awards in the courts of the state or states in which you are domiciled or the Kona Ice Franchise is located.

18.I WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.

Except for your obligation to indemnify us for third party claims under Section 17D, and except for punitive damages available to either party under federal law, we, you, and your owners waive to the fullest extent permitted by law any right to or claim for any punitive or exemplary damages against the other and agree that, in the event of a dispute between us and you, the party making a claim will be limited to equitable relief and to recovery of any actual damages it sustains.

We and you irrevocably waive trial by jury in any action, proceeding, or counterclaim, whether at law or in equity, brought by either of us.

18.J INJUNCTIVE RELIEF.

Nothing in this Franchise Agreement bars our right to obtain specific performance of this Franchise Agreement and injunctive relief against threatened conduct that will cause us, the Marks, the Patent, and/or the Franchise System loss or damage, under customary equity rules, including applicable rules for obtaining restraining orders and preliminary injunctions (subject to our obligation to mediate and arbitrate the underlying claim if required by Section 18F of this Franchise Agreement). You agree we may obtain such injunctive relief in addition to such further or other relief as may be available at law or in equity. You agree that we will not be required to post a bond to obtain injunctive relief and that your only remedy if an injunction is entered against you will be the dissolution of that injunction, if warranted, upon due hearing (all claims for damages by injunction being expressly waived hereby).

18.K BINDING EFFECT.

This Franchise Agreement is binding upon us and you and our and your respective executors, administrators, beneficiaries, permitted assigns, and successors in interest. Subject to our right to modify the Success Guide and System Standards, this Franchise Agreement may not be modified except by a written agreement signed by both our and your duly-authorized officers; provided, however, this Franchise Agreement may be modified on renewal without your prior approval.

18.L LIMITATIONS OF CLAIMS.

Except for claims arising from your nonpayment or underpayment of amounts you owe us, any and all claims arising out of or relating to this agreement or our relationship with you will be barred unless a judicial or arbitration proceeding is commenced within one (1) year from the date on which the party asserting the claim knew or should have known of the facts giving rise to the claims. However, the parties agree that, in order to comply with this provision, either party may commence a judicial or arbitration proceeding before a related mediation proceeding is declared completed.

18.M CONSTRUCTION.

The preambles and attachments are a part of this Franchise Agreement which, together with the System Standards contained in the Success Guide (which may be periodically modified, as provided in this Franchise Agreement), and the Franchise Disclosure Document, constitute our and your entire agreement, and there are no other oral or written understandings or agreements between us and you, or oral or written representations by us, relating to the subject matter of this Franchise Agreement, the franchise relationship, or the Kona Ice Franchise. Any understandings or agreements reached, or any representations made, before this Franchise Agreement are superseded by this Franchise Agreement.

Any policies we adopt and implement from time to time to guide us in our decision-making are subject to change, are not a part of this Franchise Agreement, and are not binding on us. Except as expressly provided in this Franchise Agreement, nothing in this Franchise Agreement is intended or

deemed to confer any rights or remedies upon any person or legal entity not a party to this Franchise Agreement. Except where this Franchise Agreement expressly obligates us reasonably to approve or not unreasonably to withhold our approval of any of your actions or requests, we have the absolute right to refuse any request you make or to withhold our approval of any of your proposed, initiated, or completed actions that require our approval.

The headings of the sections and paragraphs in this Franchise Agreement are for convenience only and do not define, limit, or construe the contents of these sections or paragraphs.

References in this Franchise Agreement to "we," "us," and "our," with respect to all of our rights and all of your obligations to us under this Franchise Agreement, include any of our affiliates with whom you deal. The term "**affiliate**" means any person or entity directly or indirectly owned or controlled by, under common control with, or owning or controlling you or us. The term "**control**" means the power to direct or cause the direction of management and policies.

If two or more persons are at any time the owners of the Kona Ice Franchise, whether as partners or joint venture, their obligations and liabilities to us will be joint and several. References to "owner" mean any person holding a direct or indirect ownership interest (whether of record, beneficially, or otherwise) or voting rights in you (or a transferee of this Franchise Agreement and the Kona Ice Franchise or an ownership interest in you), including, without limitation, any person who has a direct or indirect interest in you (or a transferee), this Franchise Agreement, the Kona Ice Franchise, or the Kona Ice Franchise and any person who has any other legal or equitable interest, or the power to vest in himself or herself any legal or equitable interest, in their revenue, profits, rights, or assets.

References to a "**controlling ownership interest**" in you or one of your owners (if an Entity) means a 51% or greater of the ownership interest in the entity. In the case of a proposed transfer of an ownership interest in you or one of your owners, the determination of whether a "controlling ownership interest" is involved must be made as of both immediately before and immediately after the proposed transfer to see if a "controlling ownership interest" will be transferred (because of the number of owners before the proposed transfer) or will be deemed to have been transferred (because of the number of owners after the proposed transfer).

"**Person**" means any natural person, corporation, limited liability company, general or limited partnership, unincorporated association, cooperative, or other legal or functional entity.

Unless otherwise specified, all references to a number of days shall mean calendar days and not business days.

The term "**Kona Ice Franchise**" includes, without limitation, all of the assets of the Kona Ice Franchise you operate under this Franchise Agreement, including its revenue.

This Franchise Agreement may be executed in multiple copies, each of which will be deemed an original.

Nothing in this agreement or in any related agreement is intended to disclaim the representation made in the Franchise Disclosure Document.

18.N COVENANT OF GOOD FAITH

If applicable law implies a covenant of good faith and fair dealing in this Franchise Agreement, the parties agree that the covenant shall not imply any rights or obligations that are inconsistent with a fair

construction of the terms of this Franchise Agreement. Additionally, if applicable law shall imply the covenant, you agree that: (i) this Agreement (and the relationship of the parties that is inherent in this Franchise Agreement) grants us the discretion to make decisions, take actions and/or refrain from taking actions not inconsistent with our explicit rights and obligations under this Franchise Agreement that may affect favorably or adversely your interests; (ii) we will use our judgment in exercising the discretion based on our assessment of our own interests and balancing those interests against the interests of our franchisees generally (including ourselves and our affiliates if applicable), and specifically without considering your individual interests or the individual interests of any other particular franchisee; (iii) we will have no liability to you for the exercise of our discretion in this manner, so long as the discretion is not exercised in bad faith; and (iv) in the absence of bad faith, no trier of fact in any arbitration or litigation shall substitute its judgment for our judgment so exercised.

19. NOTICES AND PAYMENTS.

All written notices, reports, and payments permitted or required to be delivered by this Franchise Agreement or the Success Guide will be deemed to be delivered:

(1) at the time delivered by hand;

(2) one (1) business day after transmission by facsimile or other electronic system if the sender has confirmation of successful transmission;

(3) one (1) business day after being placed in the hands of a nationally recognized commercial courier service for next business day delivery; or

(4) three (3) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid.

Any notice to us must be sent to the address specified on the signature page of this Franchise Agreement, although we may change this address for notice by giving you notice of the new address. Any written notice we send to you may be sent only to the Managing Owner, or, if applicable, the Designated Manager at the address specified on the signature page of this Franchise Agreement. You may change the person and/or address for notice only by giving us thirty (30) days' prior written notice by any of the means specified in subparagraphs (1) through (5) above of this Section.

Any required payment or report which we do not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two (2) days before then) will be deemed delinquent.

20. COMPLIANCE WITH ANTI-TERRORISM LAWS.

You and your owners agree to comply, and to assist us to the fullest extent possible in our efforts to comply, with Anti-Terrorism Laws (defined below). In connection with that compliance, you and your owners certify, represent, and warrant that none of your property or interests is subject to being blocked under, and that you and your owners otherwise are not in violation of, any of the Anti-Terrorism Laws. "**Anti-Terrorism Laws**" mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by you or your owners, or any blocking of your or your owners' assets under the Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Franchise Agreement, as provided in Section 15B above.

21. ELECTRONIC MAIL.

You acknowledge and agree that exchanging information with us by e-mail is efficient and desirable for day-to-day communications and that we and you may utilize e-mail for such communications. You authorize the transmission of e-mail by us and our employees, vendors, and affiliates ("**Official Senders**") to you, your owners (if you are an Entity), the Managing Owner, and, if applicable, any Designated Manager during the term of this Franchise Agreement.

You further agree that: (a) Official Senders are authorized to send e-mails to those of your employees as you may occasionally authorize for the purpose of communicating with us; (b) you will cause your officers, directors, and employees to give their consent to Official Senders' transmission of e-mails to them; (c) you will require such persons not to opt out or otherwise ask to no longer receive e-mails from Official Senders during the time that such person works for or is affiliated with you; and (d) you will not opt out or otherwise ask to no longer receive e-mails from Official Senders during the term of this Franchise Agreement.

The consent given in this Section 21 shall not apply to the provision of notices by either party under this Franchise Agreement under Section 19 using e-mail unless the parties otherwise agree in a written document manually signed by both parties.

(Signatures on following page)

IN WITNESS WHEREOF, the parties have executed and delivered this Franchise Agreement on the dates noted below.

Address For Notices Pursuant to Section 19 of this Franchise Agreement	Signatures
Our Address	Kona Ice, Inc., a Kentucky Corporation
5945 Centennial Circle Florence, Kentucky 41042 Attn: President Date: _____	By: _____ Title: _____
Your Address _____ _____ _____ _____ Date: _____ Date: _____	**FRANCHISEE:** _____ Company Name By: _____ Title: _____ By: _____ Title: _____ By: _____ Title: _____

FRANCHISE AGREEMENT-ATTACHMENT A

FRANCHISE DATA SHEET

1. **Effective Date**. The Effective Date set forth in the introductory Paragraph of the Franchise Agreement is: _____ ____, 201_.

2. **Protected Territory**.

   The Protected Territory set forth in Section 2A of the Franchise Agreement will be the area as shown on the map or described below;

   _____
   _____
   _____

3. Identification of Managing Owner. Your Managing Owner as of the Effective Date is _____ _____. You may not change the Managing Owner without prior written approval.

4. Identification of Designated Manager. Your Designated Manager, if applicable, as of the Effective Date is _____ _____. You may not change the Designated Manager without prior written approval.

FRANCHISE AGREEMENT-ATTACHMENT B

OWNERSHIP INTERESTS

This Attachment B is current and complete as of the Effective Date
shown in Attachment A of the Franchise Agreement

Franchisee: _____

Form of Ownership
(Check One)

____ Partnership ____ Corporation ____ Limited Liability Company

If a Partnership, provide name and address of each partner showing percentage owned, whether active in management, and indicate the state in which the partnership was formed.

If a Corporation, give the state and date of incorporation, the names and addresses of each officer and director, and list the names and addresses of every shareholder showing what percentage of stock is owned by each.

If a Limited Liability Company, give the state and date of formation, the name and address of the manager(s), and list the names and addresses of every member and the percentage of membership interest held by each member.

If you are an entity with multiple owners, one of your owners who is a natural person must have at least fifty-one percent (51%) ownership interest and voting power in you (including a spouse's interest).

Management (managers, officers, board of directors, etc.):

Name	Title

Members, Stockholders, Partners

Name	Address	Percentage Owned

KONA ICE, INC., a Kentucky Corporation

By:_____
Name:_____
Title:_____
Date:_____

FRANCHISEE

_____
Print Name of Legal Entity

By:_____
Signature

Print Name:_____

Title:_____

Date:_____

FRANCHISEE

_____
Print Name of Legal Entity

By:_____
Signature

Print Name:_____

Title:_____

Date:_____

FRANCHISEE

_____
Print Name of Legal Entity

By:_____
Signature

Print Name:_____

Title:_____

Date:_____

FRANCHISE AGREEMENT-ATTACHMENT C

OWNERS AGREEMENT

As a condition to the execution by Kona Ice, Inc. ("we" or "us"), of a Franchise Agreement with _____ ("Franchisee"), each of the undersigned individuals ("Owners"), who constitute all of the owners of a direct or indirect beneficial interest in Franchisee, as well as their respective spouses , covenant and agree to be bound by this Owners Agreement ("Owners Agreement").

1. Acknowledgments.

1.1 Franchise Agreement. Franchisee entered into a franchise agreement with us effective as of _____, 20___ ("Franchise Agreement"). Capitalized words not defined in this Owners Agreement will have the same meanings ascribed to them in the Franchise Agreement.

1.2 Role of Owners. Owners are the beneficial owners or spouses of the beneficial owners of all of the equity interest, membership interest, or other equity controlling interest in Franchisee and acknowledge there are benefits received and to be received by each Owner, jointly and severally, and for themselves, their heirs, legal representatives and assigns. Franchisee's obligations under the Franchise Agreement, including the confidentiality and non-compete obligations, would be of little value to us if Franchisee's owners were not bound by the same requirements. Under the provisions of the Franchise Agreement, Owners are required to enter into this Owners Agreement as a condition to our entering into the Franchise Agreement with Franchisee. Owners will be jointly and severally liable for any breach of this Owners Agreement.

2. Non-Disclosure and Protection of Confidential Information.

Under the Franchise Agreement, we will provide Franchisee with specialized training, proprietary trade secrets, and other Confidential Information relating to the establishment and operation of a franchised business. The provisions of the Franchise Agreement governing Franchisee's non-disclosure obligations relating to our Confidential Information are hereby incorporated into this Owners Agreement by reference, and Owners agree to comply with each obligation as though fully set forth in this Owners Agreement as a direct and primary obligation of Owners. Further, we may seek the same remedies against Owners under this Owners Agreement as we may seek against Franchisee under the Franchise Agreement. Any and all information, knowledge, know-how, techniques, and other data, which we designate as confidential, will also be deemed Confidential Information for purposes of this Owners Agreement.

3. Covenant Not To Compete and To Not Solicit.

3.1 Non-Competition and Non-Solicitation During and After the Term of the Franchise Agreement. Owners acknowledge that as a participant in our system, they will receive proprietary and confidential information and materials, trade secrets, and the unique methods, procedures and techniques which we have developed. The provisions of the Franchise Agreement governing Franchisee's restrictions on competition and solicitation both during the term of the Franchise Agreement and following the expiration or termination of the Franchise Agreement are hereby incorporated into this Owners Agreement by reference, and Owners agree to comply with and perform each such covenant as though fully set forth in this Owners Agreement as a direct and primary obligation of Owners. Further,

we may seek the same remedies against Owners under this Owners Agreement as we may seek against Franchisee under the Franchise Agreement.

3.2 Construction of Covenants. The parties agree that each such covenant related to non-competition and non-solicitation will be construed as independent of any other covenant or provision of this Owners Agreement. If all or any portion of a covenant referenced in this Section 3 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in a final decision to which we are a party, Owners agree to be bound by any lesser covenant subsumed within 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 3.

3.3 Our Right to Reduce Scope of Covenants. Additionally, we have the right, in our sole discretion, to unilaterally reduce the scope of all or part of any covenant referenced in this Section 3 of this Owners Agreement, without Owners' consent (before or after any dispute arises), effective when we give Owners written notice of this reduction. Owners agree to comply with any covenant as so modified.

4. Guarantee.

4.1 Payment. Owners will pay us (or cause us to be paid) all monies payable by Franchisee under the Franchise Agreement on the dates and in the manner required for payment in the relevant agreement.

4.2 Performance. Owners unconditionally guarantee full performance and discharge by Franchisee of all of Franchisee's obligations under the Franchise Agreement on the date and times and in the manner required in the relevant agreement.

4.3 Indemnification. Owners will indemnify, defend and hold harmless us, all of our affiliates, and the respective shareholders, directors, partners, employees, and agents of such entities, against and from all losses, damages, costs, and expenses which we or they may sustain, incur, or become liable for by reason of: (a) Franchisee's failure to pay the monies payable (to us or any of our affiliates) pursuant to the Franchise Agreement, or to do and perform any other act, matter, or thing required by the Franchise Agreement; or (b) any action by us to obtain performance by Franchisee of any act, matter, or thing required by the Franchise Agreement.

4.4 No Exhaustion of Remedies. Owners acknowledge and agree that we will not be obligated to proceed against Franchisee or exhaust any security from Franchisee or pursue or exhaust any remedy, including any legal or equitable relief against Franchisee, before proceeding to enforce the obligations of the Owners as guarantors under this Owners Agreement, and the enforcement of such obligations can take place before, after, or contemporaneously with, enforcement of any of Franchisee's debts or obligations under the Franchise Agreement.

4.5 Waiver of Notice. Without affecting Owners' obligations under this Section 4, we can extend, modify, or release any of Franchisee's indebtedness or obligation, or settle, adjust, or compromise any claims against Franchisee, all without notice to the Owners. Owners waive notice of amendment of the Franchise Agreement and notice of demand for payment or performance by Franchisee.

4.6 Effect of Owner's Death. Upon the death of an Owner, the estate of such Owner will be bound by the obligations in this Section 4, but only for defaults and obligations hereunder existing at the time of death; and the obligations of any other Owners will continue in full force and effect.

5. Transfers.

Owners acknowledge and agree that we have granted the Franchise Agreement to Franchisee in reliance on Owners' business experience, skill, financial resources and personal character. Accordingly, Owners agree not to sell, encumber, assign, transfer, convey, pledge, merge or give away any direct or indirect interest in this Franchisee, unless Owners first comply with the sections in the Franchise Agreement regarding Transfers. Owners acknowledge and agree that any attempted Transfer of an interest in Franchisee requiring our consent under the Franchise Agreement for which our express written consent is not first obtained will be a material breach of this Owners Agreement and the Franchise Agreement.

6. Notices.

6.1 Method of Notice. Any notices given under this Owners Agreement shall be in writing and delivered in accordance with the provisions of the Franchise Agreement.

6.2 Notice Addresses. Our current address for all communications under this Owners Agreement is:

Kona Ice, Inc.
5945 Centennial Circle
Florence, Kentucky 41042

The current address of each Owner for all communications under this Owners Agreement is designated on the signature page of this Owners Agreement. Any party may designate a new address for notices by giving written notice to the other parties of the new address according to the method set forth in the Franchise Agreement.

7. Enforcement of This Owners Agreement.

7.1 Dispute Resolution. Any claim or dispute arising out of or relating to this Owners Agreement shall be subject to the dispute resolution provisions of the Franchise Agreement. This agreement to engage in such dispute resolution process shall survive the termination or expiration of this Owners Agreement.

7.2 Choice of Law; Jurisdiction and Venue. This Owners Agreement and any claim or controversy arising out of, or relating to, any of the rights or obligations under this Owners Agreement, and any other claim or controversy between the parties, will be governed by the choice of law and jurisdiction and venue provisions of the Franchise Agreement.

7.3 Provisional Remedies. We have the right to seek from an appropriate court any provisional remedies, including temporary restraining orders or preliminary injunctions to enforce Owners' obligations under this Owners Agreement. Owners acknowledge and agree that there is no adequate remedy at law for Owners' failure to fully comply with the requirements of this Owners Agreement. Owners further acknowledge and agree that, in the event of any noncompliance, we will be entitled to temporary, preliminary, and permanent injunctions and all other equitable relief that any court with jurisdiction may deem just and proper. If injunctive relief is granted, Owners' only remedy will be the court's dissolution of the injunctive relief. If the injunctive relief was wrongfully issued, Owners expressly waive all claims for damages they incurred as a result of the wrongful issuance.

8. Miscellaneous.

8.1 No Other Agreements. This Owners Agreement constitutes the entire, full and complete agreement between the parties, and supersedes any earlier or contemporaneous negotiations, discussions, understandings or agreements. There are no representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, between the parties relating to the matters covered by this Owners Agreement, other than those in this Owners Agreement. No other obligations, restrictions or duties that contradict or are inconsistent with the express terms of this Owners Agreement may be implied into this Owners Agreement. Except for unilateral reduction of the scope of the covenants permitted in Section 3.3 (or as otherwise expressly provided in this Owners Agreement), no amendment, change or variance from this Owners Agreement will be binding on either party unless it is mutually agreed to by the parties and executed in writing. Time is of the essence.

8.2 Severability. Each provision of this Owners Agreement, and any portions thereof, will be considered severable. If any provision of this Owners Agreement or the application of any provision to any person, property or circumstances is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Owners Agreement will be unaffected and will still remain in full force and effect. The parties agree that the provision found to be invalid or unenforceable will be modified to the extent necessary to make it valid and enforceable, consistent as much as possible with the original intent of the parties (i.e. to provide maximum protection for us and to effectuate the Owners' obligations under the Franchise Agreement), and the parties agree to be bound by the modified provisions.

8.3 No Third-Party Beneficiaries. Nothing in this Owners Agreement is intended to confer upon any person or entity (other than the parties and their heirs, successors and assigns) any rights or remedies under or by reason of this Owners Agreement.

8.4 Construction. Any term defined in the Franchise Agreement which is not defined in this Owners Agreement will be ascribed the meaning given to it in the Franchise Agreement. The language of this Owners Agreement will be construed according to its fair meaning, and not strictly for or against either party. All words in this Owners Agreement refer to whatever number or gender the context requires. If more than one party or person is referred to as you, their obligations and liabilities must be joint and several. Headings are for reference purposes and do not control interpretation

8.5 Binding Effect. This Owners Agreement may be executed in counterparts, and each copy so executed and delivered will be deemed an original. This Owners Agreement is binding on the parties and their respective heirs, executors, administrators, personal representatives, successors and (permitted) assigns.

8.6 Successors. References to "Franchisor" or "the undersigned," or "you" include the respective parties' heirs, successors, assigns or transferees.

8.7 Nonwaiver. Our failure to insist upon strict compliance with any provision of this Owners Agreement shall not be a waiver of our right to do so. Delay or omission by us respecting any breach or default shall not affect our rights respecting any subsequent breaches or defaults. All rights and remedies granted in this Owners Agreement shall be cumulative.

8.8 No Personal Liability. You agree that fulfillment of any and all of our obligations written in the Franchise Agreement or this Owners Agreement, or based on any oral communications which may be ruled to be binding in a court of law, shall be our sole responsibility and none of our owners, officers, agents, representatives, nor any individuals associated with us shall be personally liable to you for any reason.

8.9 Owners Agreement Controls. In the event of any discrepancy between this Owners Agreement and the Franchise Agreement, this Owners Agreement shall control.

(Signatures on following page)

IN WITNESS WHEREOF, the parties have entered into this Owners Agreement as of the effective date of the Franchise Agreement.

OWNERS:

_____	_____
[Insert Name of Owner]	[Insert Name of Spouse]
_____	_____
[Insert Name of Owner]	[Insert Name of Spouse]
_____	_____
[Insert Name of Owner]	[Insert Name of Spouse]
_____	_____
[Insert Name of Owner]	[Insert Name of Spouse]

Kona Ice, Inc. hereby accepts the agreements of the Owner(s) hereunder.

KONA ICE, INC.

By: _____

Title: _____

FRANCHISE AGREEMENT-ATTACHMENT D

ADDITIONAL EQUIPMENT AMENDMENT TO FRANCHISE AGREEMENT

This Amendment is made and entered into as of the effective date listed in the signature block ("**Effective Date**") by and between Kona Ice, Inc., a Kentucky corporation ("**Franchisor**") and the Franchisee identified on the signature block below ("**Franchisee**"), with reference to the following facts:

A. The parties have entered into a Kona Ice franchise agreement pursuant to which Franchisee will operate a Kona Ice Franchise (the "**Franchise Agreement**").

B. Subject to the conditions of the Franchise Agreement, Franchisee has the option to purchase additional Kona Ice equipment ("**Additional Equipment**") for use in the Franchisee's Protected Territory.

C. The parties hereto desire to amend the Franchise Agreement as set forth herein. Unless defined herein all capitalized terms used herein shall have the meaning in the Franchise Agreement.

NOW, THEREFORE, for and in consideration of the covenants, warranties and mutual agreements contained herein, the parties hereto agree as follows:

1. **ADDITIONAL EQUIPMENT.** Franchisee desires to purchase the following Additional Equipment for use in the Protected Territory and shall pay the Additional Equipment Royalty in listed for such equipment under the Franchise Agreement and this Amendment for so long as Franchisee owns the Additional Equipment.

Equipment	Purchase Amount	Additional Equipment Royalty	Additional Equipment Royalty Payment Terms
Entertainment Trailer	$38,450 plus shipping	$1,000 annually	
Entertainment Kiosk	$29,650 plus shipping	$750 annually	
KEV Express Truck*	$84,375 plus shipping	$2,000 annually	
Kona Mini	$24,650 - $26,860 plus shipping	$600 annually**	

*If you are doing a KEV Express Conversion, you will be required to trade in your KEV to us and pay shipping for the KEV Express Truck.

**If you are doing a KEV Express Conversion, you will be required to pay the Royalty and not the AE Royalty listed in the chart above.

Franchisee must present evidence to Franchisor, as required by Franchisor in its sole discretion, that Franchisee no longer owns the Additional Equipment prior to Franchisee being excused from paying any further Additional Equipment Royalties. Franchisee shall not be entitled to receive a refund on any Additional Equipment Royalty paid.

2. **AMENDMENT BINDING**. This Amendment will be binding upon and inure to the benefit of each party and to each party's respective successors and assigns.

3. **NO FURTHER CHANGES**. Except as specifically provided in this Amendment, all of the terms, conditions and provisions of the Franchisee Agreement will remain in full force and effect as originally written and signed. In the event of any inconsistency between the Franchise Agreement and this Amendment, this Amendment shall control.

IN WITNESS WHEREOF, the parties duly executed this Amendment as of the dates listed below.

KONA ICE, INC., a Kentucky Corporation

By:_____
Name:_____
Title:_____
*Date:_____

***Effective Date**

FRANCHISEE:

_____
Print Name of Legal Entity

By:_____
Signature

Print Name:_____
Title:_____

Date:_____

FRANCHISEE:

_____
Print Name of Legal Entity

By:_____
Signature

Print Name:_____
Title:_____

Date:_____

FRANCHISEE:

_____
Print Name of Legal Entity

By:_____
Signature

Print Name:_____
Title:_____

Date:_____

EXHIBIT D

FRANCHISE DISCLOSURE QUESTIONNAIRE

FRANCHISE DISCLOSURE QUESTIONNAIRE

As you know, Kona Ice, Inc. ("we" or "us"), and you are preparing to enter into a Franchise Agreement for the operation of a Kona Ice franchise. The purpose of this questionnaire is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate, or misleading, to be certain that you have been properly represented in this transaction, and to be certain that you understand the limitations on claims you may make by reason of the purchase and operation of your franchise. **You cannot sign or date this questionnaire the same day as the Receipt for the Franchise Disclosure Document, but you must sign and date it the same day you sign the Franchise Agreement.** Please review each of the following questions carefully and provide honest responses to each question. If you answer "No" to any of the questions below, please explain your answer in the table provided below.

1.	Yes__	No__	Have you received and personally reviewed the Franchise Agreement and each attachment or exhibit attached to it that we provided?
2.	Yes__	No__	Have you received and personally reviewed the Franchise Disclosure Document and each attachment or exhibit attached to it that we provided?
3.	Yes__	No__	Did you sign a receipt for the Franchise Disclosure Document indicating the date you received it?
4.	Yes__	No__	Do you understand all the information contained in the Franchise Disclosure Document and Franchise Agreement?
5.	Yes__	No__	Have you reviewed the Franchise Disclosure Document and Franchise Agreement with a lawyer, accountant, or other professional advisor, or have you had the opportunity for such review and chosen not to engage such professionals?
6.	Yes__	No__	Have you had the opportunity to discuss the benefits and risks of developing and operating a Kona Ice Franchise with an existing Kona Ice franchisee?
7.	Yes__	No__	Do you understand the risks of developing and operating a Kona Ice Franchise?
8.	Yes__	No__	Do you understand the success or failure of your Kona Ice Franchise will depend in large part upon your skills, abilities, and efforts, and those of the persons you employ, as well as many factors beyond your control such as competition, interest rates, the economy, inflation, labor and supply costs, and other relevant factors?
9.	Yes__	No__	Do you understand all disputes or claims you may have arising out of or relating to the Franchise Agreement must be arbitrated in Kentucky, if not resolved informally or by mediation?
10.	Yes__	No__	Do you understand that you must satisfactorily complete the initial training program before we will allow your Kona Ice Franchise to open or consent to a transfer of the Kona Ice Franchise to you?

11. Yes__ No__ Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the costs involved in operating a Kona Ice Franchise that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

12. Yes__ No__ Do you agree that no employee or other person speaking on our behalf made any statement or promise or agreement, other than those matters addressed in your Franchise Agreement and any addendum, concerning advertising, marketing, media support, marketing penetration, training, support service, or assistance that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

13. Yes__ No__ Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a Kona Ice Franchise will generate that is not contained in the Franchise Disclosure Document or that is contrary to, or different from, the information contained in the Franchise Disclosure Document?

14. Yes__ No__ Do you understand that the Franchise Agreement, including each attachment or exhibit to the Franchise Agreement, contains the entire agreement between us and you concerning the Kona Ice Franchise, meaning any prior oral or written statements not set out in the Franchise Agreement or the attachments or exhibits to the Franchise Agreement will not be binding?

15. Yes__ No__ Do you understand that we are relying on your answers to this questionnaire to ensure that the franchise sale was made in compliance of state and federal laws?

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 CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

_____	_____
Signature of Franchise Applicant	Signature of Franchise Applicant
_____	_____
Name (please print)	Name (please print)
Date _____	Date _____

Signature of Franchise Applicant	Signature of Franchise Applicant
Name (please print)	Name (please print)
Date _____	Date _____
Signature of Franchise Applicant	Signature of Franchise Applicant
Name (please print)	Name (please print)
Date _____	Date _____

EXPLANATION OF ANY NEGATIVE RESPONSES (REFER TO QUESTION NUMBER):

Question Number	Explanation of Negative Response

EXHIBIT E

SUCCESS GUIDE
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Success Guide

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EXHIBIT F

LIST OF CURRENT AND FORMER FRANCHISEES

KONA ICE, INC.
LIST OF FRANCHISEES

Current Franchisees as of December 31, 2017:

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Sato, Amanda	Kona Ice of Anchorage, LLC	3831 Midvale Circle	Anchorage	AK	99507	(907) 202-5633	asato@kona-ice.com
Butler, Kevin	Kona Ice of Birmingham, LLC	1520 Simmsville Rd Suite 1200	Alabaster	AL	35007		kbutler@kona-ice.com
Butler, Kevin	Kona Ice of Birmingham, LLC	1520 Simmsville Rd Suite 1200	Alabaster	AL	35007		kbutler@kona-ice.com
Butler, Kevin	Kona Ice of Birmingham, LLC	1520 Simmsville Rd Suite 1200	Alabaster	AL	35007		kbutler@kona-ice.com
Butler, Kevin	Kona Ice of Birmingham, LLC	1520 Simmsville Rd Suite 1200	Alabaster	AL	35007		kbutler@kona-ice.com
Butler, Kevin	Kona Ice of Birmingham, LLC	1520 Simmsville Rd Suite 1200	Alabaster	AL	35007		kbutler@kona-ice.com
Yates, Daniel	Playhouse Cinemas, LLC	1236 Cherokee Rd	Alexander City	AL	35010	(256) 794-8197	dyates@kona-ice.com
Sularin, Patrick & Summer	Kona Ice of South Huntsville	1162 Bailey Road NW	Arab	AL	35016	(256) 738-8905	psularin@kona-ice.com
Sularin, Patrick & Summer	Kona Ice of South Huntsville	1162 Bailey Road NW	Arab	AL	35016	(256) 738-8905	psularin@kona-ice.com
Stefaniak, David & Holly	Kona Ice of Decatur/Athens, LLC	1716 High Pointe	Athens	AL	35613	(256) 566-5298	dstefaniak@kona-ice.com
Register, Beth	RegFam5, LLC	2606 Weston St	Auburn	AL	36832	(334) 707-3650	register@kona-ice.com
Register, Beth	RegFam5, LLC	2606 Weston St	Auburn	AL	36832	(334) 707-3650	register@kona-ice.com
Surgenor, Angela/Pacatte, Cherri	R & R Coastal Ice, LLC	5900 Grelot Road Unit 605	Mobile	AL	36609	(251) 583-0889	konalife@kona-ice.com
Surgenor, Angela/Pacatte, Cherri	R & R Coastal Ice, LLC	5900 Grelot Road Unit 605	Mobile	AL	36609	(251) 583-0889	konalife@kona-ice.com
Surgenor, Angela/Pacatte, Cherri	R & R Coastal Ice, LLC	5900 Grelot Road Unit 605	Mobile	AL	36609	(251) 583-0889	konalife@kona-ice.com
Kilpatrick, Brian	Kona Ice of the Shoals	1915 Crescent Dr.	Muscle Shoals	AL	35661	(256) 577-1777	bkilpatrick@kona-ice.com
McPhillips, Glenn	McPhillips Family, LLC	610 Selma Ave	Selma	AL	36701	(334) 518-0313	gmcphillips@kona-ice.com
Newell, Shane	Newell & Sons, LLC	1006 NE Tiger Blvd.	Bentonville	AR	72712	(479) 601-4297	shnewell@kona-ice.com
Newell, Shane	Newell & Sons, LLC	1006 NE Tiger Blvd.	Bentonville	AR	72712	(479) 601-4297	shnewell@kona-ice.com
Womack, Mike	Kona Ice of Springdale-Greenwood	564 W. Main Street	Booneville	AR	72927	(479) 206-3232	mwomack@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Elms, David/Green, Tom	Kona Ice of Arkansas River Valley	3290 Stermer Road	Conway	AR	72032	(501) 940-5662	greenelms@kona-ice.com
Elms, David/Green, Tom	Kona Ice of Arkansas River Valley	3290 Stermer Road	Conway	AR	72032	(501) 940-5662	greenelms@kona-ice.com
Vickers, Mike & Dalette	MDV Enterprises, LLC	5525 Whistling Straits	Conway	AR	72034	(501) 733-6840	dvickers@kona-ice.com
Vickers, Mike & Dalette	MDV Enterprises, LLC	5525 Whistling Straits	Conway	AR	72034	(501) 733-6840	dvickers@kona-ice.com
Weaver, Richard	Kona Ice of Conway, LLC	23 Linda Circle	Greenbrier	AR	72058	(501) 679-1582	rweaver@kona-ice.com
Weaver, Richard	Kona Ice of Conway, LLC	23 Linda Circle	Greenbrier	AR	72058	(501) 679-1582	rweaver@kona-ice.com
Ruth, Steve & Kathleen	Kona Ice Jonesboro	804 Sherwood Oaks Cove	Jonesboro	AR	72404	(870) 926-5090	sruth@kona-ice.com
Dixon, Jim	Skyline Investors of Arkansas LLC	1 Erin Drive	Searcy	AR	72143	(479) 561-9966	jdixon@kona-ice.com
Dixon, Jim	Skyline Investors of Arkansas LLC	1 Erin Drive	Searcy	AR	72143	(479) 561-9966	jdixon@kona-ice.com
Weaver, Phil	Kona Ice of Searcy & Cabot	127 E Eden Park Rd	Searcy	AR	72143	(501) 281-3999	pweaver@kona-ice.com
Weaver, Phil	Kona Ice of Searcy & Cabot	127 E Eden Park Rd	Searcy	AR	72143	(501) 281-3999	pweaver@kona-ice.com
Vickers, Joslyn	Kona Ice of Texarkana, LLC	523 Miller County 57	Texarkana	AR	71854	(903) 293-0123	jvickers@kona-ice.com
Pollock, Brooke	Kona Ice of Bullhead City, LLC	2092 Joann Ave	Bullhead City	AZ	86442	(928) 201-5093	bpollock@kona-ice.com
Rutledge, Shawn	Kona Ice Of Casa Grande, LLC	621 E. Melrose Dr.	Casa Grande	AZ	85122	(520) 350-8001	srutledge@kona-ice.com
Davis, Michele & Kirk	Kona Ice of South Phoenix, LLC	968 West Ebony Drive	Chandler	AZ	85248	(602) 802-2879	rdavis@kona-ice.com
Murphy, Joe	Kona Ice Chandler	6121 South Topaz Place	Chandler	AZ	85249	(480) 717-7149	jmurphy@kona-ice.com
Powell, Angela & Beltran, Adam	Kona Ice Southeast Valley, LLC	3579 E. Redfield Rd	Gilbert	AZ	85234	(480) 335-3193	apowell@kona-ice.com
Powell, Angela & Beltran, Adam	Kona Ice Southeast Valley, LLC	3579 E. Redfield Rd	Gilbert	AZ	85234	(480) 335-3193	apowell@kona-ice.com
Crowell, William & Christine	CK&WR Enterprises, LLC	6872 N. 78th Ave.	Glendale	AZ	85303	(623) 247-5662	bcrowell@kona-ice.com
Wallace, John	Kona Ice of N Sunrise Manor	24835 N 36th Ave	Glendale	AZ	85310	(702) 803-4883	jwallace@kona-ice.com
Roehrick, Geoff & Mary	Kona Ice Phoenix West Valley	18121 W. Minnezona Ave	Goodyear	AZ	85395	(816) 588-3238	gmroehrick@kona-ice.com
Roehrick, Geoff & Mary	Kona Ice Phoenix West Valley	18121 W. Minnezona Ave	Goodyear	AZ	85395	(816) 588-3238	gmroehrick@kona-ice.com
Lord, Steven & Tricia	Kona Ice of East Valley LLC	19897 E. Russet Rd	Queen Creek	AZ	85142	(480) 399-7652	lord@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Lord, Steven & Tricia	Kona Ice of East Valley LLC	19897 E. Russet Rd	Queen Creek	AZ	85142	(480) 399-7652	lord@kona-ice.com
Rendelman, Michael	Chipinaw Ventures, LLC	15418 N. 60th Street	Scottsdale	AZ	85254	(602) 419-1919	mrendelman@kona-ice.com
Rendelman, Michael	Chipinaw Ventures, LLC	15418 N. 60th Street	Scottsdale	AZ	85254	(602) 419-1919	mrendelman@kona-ice.com
Rendelman, Michael	Chipinaw Ventures, LLC	15418 N. 60th Street	Scottsdale	AZ	85254	(602) 419-1919	mrendelman@kona-ice.com
Rendelman, Michael	Chipinaw Ventures, LLC	15418 N. 60th Street	Scottsdale	AZ	85254	(602) 419-1919	mrendelman@kona-ice.com
Marcin, Mark & Lynette	Mahalo Entertainment, LLC	3600 E. Foothills Dr	Sierra Vista	AZ	85635-4237	(520) 561-0223	marcin@kona-ice.com
Marcin, Mark & Lynette	Mahalo Entertainment, LLC	3600 E. Foothills Dr	Sierra Vista	AZ	85635-4237	(520) 561-0223	marcin@kona-ice.com
Crowell, Matthew	C&B Enterprise, LLC	17649 W Mandalay Lane	Surprise	AZ	85388	(623) 738-9436	mcrowell@kona-ice.com
Crowell, Matthew	C&B Enterprise, LLC	17649 W Mandalay Lane	Surprise	AZ	85388	(623) 738-9436	mcrowell@kona-ice.com
Crowell, Matthew	C&B Enterprise, LLC	17649 W Mandalay Lane	Surprise	AZ	85388	(623) 738-9436	mcrowell@kona-ice.com
Crowell, Matthew	C&B Enterprise, LLC	17649 W Mandalay Lane	Surprise	AZ	85388	(623) 738-9436	mcrowell@kona-ice.com
Milow, Mark	Kona Ice S Glendale	15510 N 169th Ave	Surprise	AZ	85388	(480) 254-2942	milow@kona-ice.com
Milow, Mark	Kona Ice S Glendale	15510 N 169th Ave	Surprise	AZ	85388	(480) 254-2942	milow@kona-ice.com
Lohner, Richard	Filam Enterprises, LLC	1155 W Grove Pkwy Apt 130	Tempe	AZ	85283	(602) 321-7545	filamkona@gmail.com
Lohner, Richard	Filam Enterprises, LLC	1155 W Grove Pkwy Apt 130	Tempe	AZ	85283	(602) 321-7545	filamkona@gmail.com
Johnson, Jerry and Jan	Johnson & Johnson Kona Ice Anthem/New River LLC	9414 W Fillmore	Tolleson	AZ	85353	(623) 755-1201	jerryj@kona-ice.com
Reaney, Chris	Kona Ice of Tucson	2601 N Jeanette Avenue	Tucson	AZ	85749	(520) 591-5478	tucson@kona-ice.com
Reaney, Chris	Kona Ice of Tucson	2601 N Jeanette Avenue	Tucson	AZ	85749	(520) 591-5478	tucson@kona-ice.com
Colver, Tony & Kim	Kona Ice of the Victor Valley, LLC	11291 Camden Street	Apple Valley	CA	92308	(760) 949-5662	tonyandkim@kona-ice.com
Colver, Tony & Kim	Kona Ice of the Victor Valley, LLC	11291 Camden Street	Apple Valley	CA	92308	(760) 949-5662	tonyandkim@kona-ice.com
Alcoser, Yvette	Kona Ice SLO/Five Cities	1019 Sunset Drive	Arroyo Grande	CA	93420	(805) 234-6114	centralcoast@kona-ice.com
Saez, Johnny	Kona Ice of Central Bakersfield, LLC	2930 Barrowby St	Bakersfield	CA	93311		jsaez@kona-ice.com
Drake, Chris	Kona Ice of SE Fresno/Sanger	801 Burl Ave	Clovis	CA	93611	5596960199	cdrake@kona-ice.com
Nava, Jesse	Super Birthday, Inc.	7221 Whiskey Creek Circle	Corona	CA	92881	(951) 268-4210	jnava@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Nava, Jesse	Super Birthday, Inc.	7221 Whiskey Creek Circle	Corona	CA	92881	(951) 268-4210	jnava@kona-ice.com
Nava, Jesse	Super Birthday, Inc.	7221 Whiskey Creek Circle	Corona	CA	92881	(951) 268-4210	jnava@kona-ice.com
Nava, Jesse	Super Birthday, Inc.	7221 Whiskey Creek Circle	Corona	CA	92881	(951) 268-4210	jnava@kona-ice.com
Nava, Jesse	Super Birthday, Inc.	7221 Whiskey Creek Circle	Corona	CA	92881	(951) 268-4210	jnava@kona-ice.com
Nava, Jesse	Super Birthday, Inc.	7221 Whiskey Creek Circle	Corona	CA	92881	(951) 268-4210	jnava@kona-ice.com
Nava, Jesse	Super Birthday, Inc.	7221 Whiskey Creek Circle	Corona	CA	92881	(951) 268-4210	jnava@kona-ice.com
Benjamin, Simona	Delupan, LLC.	10991 Northsky Sq.	Cupertino	CA	95014	(650) 772-2400	sbenjamin@kona-ice.com
Sha, Julie & Hardman, Matt	HardSha, LLC	7824 Gate Way	Dublin	CA	94568	(510) 999-8068	jsha@kona-ice.com
Purper, Bill	WP Ice, Inc	2107 Jeremy Place	Escondido	CA	92027	(760) 855-2988	bpurper@kona-ice.com
Purper, Bill	WP Ice, Inc	2107 Jeremy Place	Escondido	CA	92027	(760) 855-2988	bpurper@kona-ice.com
Purper, Bill	WP Ice, Inc	2107 Jeremy Place	Escondido	CA	92027	(760) 855-2988	bpurper@kona-ice.com
Purper, Bill	WP Ice, Inc	2107 Jeremy Place	Escondido	CA	92027	(760) 855-2988	bpurper@kona-ice.com
Wakefield, Bill & Brandi	Kona Ice of Folsom	133 Rugosa Dr	Folsom	CA	95630	(916) 934-2020	bwakefield@kona-ice.com
Melzer, Ronda	Kona Ice N San Bernardino, LLC	15264 Grumman Ave	Fontana	CA	92336	(909) 714-8019	rmelzer@kona-ice.com
Melzer, Ronda	Kona Ice N San Bernardino, LLC	15264 Grumman Ave	Fontana	CA	92336	(909) 714-8019	rmelzer@kona-ice.com
Melzer, Ronda	Kona Ice N San Bernardino, LLC	15264 Grumman Ave	Fontana	CA	92336	(909) 714-8019	rmelzer@kona-ice.com
Foo, Rebeka	Triumph Turtle LLC	111 E Court Lane	Foster City	CA	94404		rfoo@kona-ice.com
Asklof, Ray	Kona Ice Madera	5755 W. Everett Ave	Fresno	CA	93722	(559) 360-9672	asklof@kona-ice.com
Hensley, Robert & Barker-Hensley, Mary	Kona Ice of SW Clovis	6558 E. Pontiac Way	Fresno	CA	93727	(559) 259-6002	rhensley@kona-ice.com
Hensley, Robert & Barker-Hensley, Mary	Kona Ice of SW Clovis	6558 E. Pontiac Way	Fresno	CA	93727	(559) 259-6002	rhensley@kona-ice.com
Quiroz, Lisa	Rolling Ice, LLC	1616 West Morris Avenue	Fresno	CA	93711	(559) 779-2969	lquiroz@kona-ice.com
Quiroz, Lisa	Rolling Ice, LLC	1616 West Morris Avenue	Fresno	CA	93711	(559) 779-2969	lquiroz@kona-ice.com
Quiroz, Lisa	Rolling Ice, LLC	1616 West Morris Avenue	Fresno	CA	93711	(559) 779-2969	lquiroz@kona-ice.com
York, Jason	Kona Ice of South Long Beach	10902 Acacia Pk wy	Garden Grove	CA	92840	(714) 867-6637	jyork@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
O'Kieffe, Max	Xamboni Inc	152 Aero Camino, Unit G	Goleta	CA	93117	(805) 452-6560	sbkonaice@gmail.com
Ford, Dale & Beth	Kona Ice South Bay Beach Cities, LLC	8565 Willow Gate Court	Granite Bay	CA	95746	(916) 834-5662	bford@kona-ice.com
Ford, Dale & Beth	Kona Ice South Bay Beach Cities, LLC	8565 Willow Gate Court	Granite Bay	CA	95746	(916) 834-5662	bford@kona-ice.com
Landis, Justin & Mindy	Kona Ice of Kings County	1630 W. Castoro Way	Hanford	CA	93230	(559) 707-0008	jmlandis@kona-ice.com
Willison, Christy	Kona Ice Laguna Hills and Rancho Santa Margarita	31584 West Nine Dr.	Laguna Niguel	CA	92677	(949) 289-1829	cwillison@kona-ice.com
Miller, Gary	Kona Ice of SLO North County	1586 13th Street	Los Osos	CA	93402	(805) 858-8019	gmiller@kona-ice.com
Nava, Victor	Chip Enterprise LLC	6830 Delaware River Dr	Mira Loma	CA	91752	(951) 892-0606	vnava@kona-ice.com
Nava, Victor	Chip Enterprise LLC	6830 Delaware River Dr	Mira Loma	CA	91752	(951) 892-0606	vnava@kona-ice.com
Nava, Victor	Chip Enterprise LLC	6830 Delaware River Dr	Mira Loma	CA	91752	(951) 892-0606	vnava@kona-ice.com
Gneckow, Steve & Cheryl	Kona Ice of Moreno Valley	23834 Hutton Ct.	Moreno Valley	CA	92553	(951) 525-5662	sc.gneckow@kona-ice.com
Gneckow, Steve & Cheryl	Kona Ice of Moreno Valley	23834 Hutton Ct.	Moreno Valley	CA	92553	(951) 525-5662	sc.gneckow@kona-ice.com
Rennick, Tim & LaCheri	TLK Ice, Inc	38462 Encanto	Murrieta	CA	92563-3212	(951) 852-5668	tlrennick@kona-ice.com
Rennick, Tim & LaCheri	TLK Ice, Inc	38462 Encanto	Murrieta	CA	92563-3212	(951) 852-5668	tlrennick@kona-ice.com
Rennick, Tim & LaCheri	TLK Ice, Inc	38462 Encanto	Murrieta	CA	92563-3212	(951) 852-5668	tlrennick@kona-ice.com
Rennick, Tim & LaCheri	TLK Ice, Inc	38462 Encanto	Murrieta	CA	92563-3212	(951) 852-5668	tlrennick@kona-ice.com
Rennick, Tim & LaCheri	TLK Ice, Inc	38462 Encanto	Murrieta	CA	92563-3212	(951) 852-5668	tlrennick@kona-ice.com
Bagheri, Pedram	Kona Ice Thousand Oaks	662 Clearwater Creek Drive	Newbury Park	CA	91320	(805) 822-4517	tokona@kona-ice.com
Bagheri, Pedram	Kona Ice Thousand Oaks	662 Clearwater Creek Drive	Newbury Park	CA	91320	(805) 822-4517	tokona@kona-ice.com
Yardley, Jayson	Yardley Enterprise Solutions Corp.	6 Canal Circle	Newport Beach	CA	92663	(949) 627-5662	hyardley@kona-ice.com
Jacobson, Corey & Adela	Jacobson Worldwide, LLC	2011 Hatch Road	Novato	CA	94947	(415) 226-7576	ajacobson@kona-ice.com
Ferbert, Wes	Ferbert Enterprises, LLC	1442 E Lincoln Ave #314	Orange	CA	92865	(714) 321-7310	orange@kona-ice.com
Ferbert, Wes	Ferbert Enterprises, LLC	1442 E Lincoln Ave #314	Orange	CA	92865	(714) 321-7310	orange@kona-ice.com
Akkaraporn, Burt	Kona Ice Palm Springs	3095 N. Cypress Rd.	Palm Springs	CA	92262	(760) 272-3341	palmsprings@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Hill, Tamar	Foothill Ice, LLC	434 N Oakland Ave #3	Pasadena	CA	91101	(818) 445-8263	thill@kona-ice.com
Hill, Tamar	Foothill Ice, LLC	434 N Oakland Ave #3	Pasadena	CA	91101	(818) 445-8263	thill@kona-ice.com
Hill, Tamar	Foothill Ice, LLC	434 N Oakland Ave #3	Pasadena	CA	91101	(818) 445-8263	thill@kona-ice.com
Gonzales, Vickie	Vickie and Sue Kona-Ice LLC	16311 Gustafson Ave.	Patterson	CA	95363	(209) 486-6926	vgonzales@kona-ice.com
Gonzales, Vickie	Vickie and Sue Kona-Ice LLC	16311 Gustafson Ave.	Patterson	CA	95363	(209) 486-6926	vgonzales@kona-ice.com
Duarte, Raul	RaDCo ICE, LLC	8329 True Ave	Pico Rivera	CA	90660	(562) 991-3807	rduarte@kona-ice.com
Martin, Peggy & Chuck	Kona Ice of Redland, LLC	3340 Baffin Drive	Riverside	CA	92503	(909) 809-9294	pmartin@kona-ice.com
Wood, Tom & Gail	Kona Ice of Riverside	17087 Hazelwood Drive	Riverside	CA	92503	(951) 290-7428	konaiceriverside@gmail.com
Wood, Tom & Gail	Kona Ice of Riverside	17087 Hazelwood Drive	Riverside	CA	92503	(951) 290-7428	konaiceriverside@gmail.com
Wood, Tom & Gail	Kona Ice of Hemet	17087 Hazelwood Drive	Riverside	CA	92503	(951) 290-7428	konaiceriverside@gmail.com
Wood, Tom & Gail	Kona Ice of Hemet	17087 Hazelwood Drive	Riverside	CA	92503	(951) 290-7428	konaiceriverside@gmail.com
Wood, Tom & Gail	Kona Ice of Brea	17087 Hazelwood Drive	Riverside	CA	92503	(951) 290-7428	konaiceriverside@gmail.com
La, Jerry/Chu, Deanna	JDQH LA FAMILY LLC	7736 Tigerwoods Dr.	Sacramento	CA	95829	(916) 508-9905	dchu@kona-ice.com
Grey, Miguel	Grey Ice, LLC	1117 Baldwin St #55A	Salinas	CA	93906	(408) 234-4595	mgrey@kona-ice.com
Huffman, Damon & Heidi	The Huffman Group, LLC	523 Via El Risco	San Clemente	CA	92673	(949) 444-3809	sckona@kona-ice.com
Wilford, Eric	Kona Ice Lake Forest, Inc.	810 Calle Dulcinea	San Clemente	CA	92672	(949) 939-5318	ewilford@kona-ice.com
Wilford, Eric	Kona Ice Lake Forest, Inc.	810 Calle Dulcinea	San Clemente	CA	92672	(949) 939-5318	ewilford@kona-ice.com
Wilford, Eric	Kona Ice Lake Forest, Inc.	810 Calle Dulcinea	San Clemente	CA	92672	(949) 939-5318	ewilford@kona-ice.com
Graves, Shelley & Jason	Kona Ice Central North County SD, Inc.	11004 Madrigal St.	San Diego	CA	92129	(858) 231-5100	sgraves@kona-ice.com
Graves, Shelley & Jason	Kona Ice Central North County SD, Inc.	11004 Madrigal St.	San Diego	CA	92129	(858) 231-5100	sgraves@kona-ice.com
Kelley, Darren	DKPB Investments, LLC	3126 East Fox Run Way	San Diego	CA	92111	(858) 220-4761	dkelley@kona-ice.com
Kelley, Darren	DKPB Investments, LLC	3126 East Fox Run Way	San Diego	CA	92111	(858) 220-4761	dkelley@kona-ice.com
Kelley, Darren	DKPB Investments, LLC	3126 East Fox Run Way	San Diego	CA	92111	(858) 220-4761	dkelley@kona-ice.com
Ornelas, Shaun	SoCal Investment Group, LLC	3960 W Point Loma Blvd Ste H115	San Diego	CA	92110	(619) 326-4444	sornelas@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Pearson, Katelyn/Garnero, Kurt/Gerrity, Whitney	Kona Ice of E.Chula Vista, LLC	1423 Essex St	San Diego	CA	92103	(619) 876-0824	kpearson@kona-ice.com
Pearson, Katelyn/Garnero, Kurt/Gerrity, Whitney	Kona Ice of E.Chula Vista, LLC	1423 Essex St	San Diego	CA	92103	(619) 876-0824	kpearson@kona-ice.com
Rodriguez, John	JR Ohana Ventures, LLC	12906 Hideaway Lane	San Diego	CA	92131	(858) 275-3075	jrod@kona-ice.com
Rodriguez, John	JR Ohana Ventures, LLC	12906 Hideaway Lane	San Diego	CA	92131	(858) 275-3075	jrod@kona-ice.com
Rodriguez, John	JR Ohana Ventures, LLC	12906 Hideaway Lane	San Diego	CA	92131	(858) 275-3075	jrod@kona-ice.com
Huh, Young	Kona Ice of South Jan Jose	5745 Orchard Park Drive	San Jose	CA	95123	(408) 799-6194	yhuh@kona-ice.com
McCoy, Jason	Kona Ice of Los Gatos	674 Mohican Drive	San Jose	CA	95123	(408) 909-4233	jmccoy@kona-ice.com
Salter, Jenni & Dave	Kona Ice West San Jose, LLC	386 Avenida Abetos	San Jose	CA	95123	(408) 621-4373	jsalter@kona-ice.com
Stewart, Dave	Kona Ice of Monterey & Salinas	76 3rd St. P.O. Box 7652	Spreckles	CA	93962	(831) 757-7777	dstewart@kona-ice.com
Stewart, Dave	Kona Ice of Monterey & Salinas	76 3rd St. P.O. Box 7652	Spreckles	CA	93962	(831) 757-7777	dstewart@kona-ice.com
Witek, Ron	Kona Ice of Spring Valley	275 S. Worthington St. #98	Spring Valley	CA	91977	(619) 455-5336	rwitek@kona-ice.com
Duncan, David & Lisa	NorCal Concession Management, LLC	681 Saffron Drive	Tracy	CA	95377	(209) 597-8760	dduncan@kona-ice.com
Young, Janel	Young's Kona Ice LLC	2886 Rhone Ct	Tulare	CA	93274	(559) 331-3541	young@kona-ice.com
Young, Janel	Young's Kona Ice LLC	2886 Rhone Ct	Tulare	CA	93274	(559) 331-3541	young@kona-ice.com
Payne, Vicky	Kona Ice Vacaville	143 Donner Drive	Vacaville	CA	95687	(707) 365-6155	vpayne@kona-ice.com
Hall, Joshua & Wong, Garvin	Kona Ice North Valley LA / Kona Ice Simi Valley	24645 Farrow Dr.	Valencia	CA	91355	(818) 835-5662	jhall@kona-ice.com
Hall, Joshua & Wong, Garvin	Kona Ice North Valley LA / Kona Ice Simi Valley	24645 Farrow Dr.	Valencia	CA	91355	(818) 835-5662	jhall@kona-ice.com
Hall, Joshua & Wong, Garvin	Kona Ice North Valley LA / Kona Ice Simi Valley	24645 Farrow Dr.	Valencia	CA	91355	(818) 835-5662	jhall@kona-ice.com
Hall, Joshua & Wong, Garvin	Kona Ice North Valley LA / Kona Ice Simi Valley	24645 Farrow Dr.	Valencia	CA	91355	(818) 835-5662	jhall@kona-ice.com
Katz, Jeff	Kona Ice of Santa Clarita, LLC	23703 Wingate Court	Valencia	CA	91354	(661) 296-5662	jkatz@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Katz, Jeff	Kona Ice of Santa Clarita, LLC	23703 Wingate Court	Valencia	CA	91354	(661) 296-5662	jkatz@kona-ice.com
Wells, Cheri & Herzog, David	Kona Ice Ventura	10986 Kings Road	Ventura	CA	93004	(805) 766-4566	cwells@kona-ice.com
Wells, Cheri & Herzog, David	Kona Ice Ventura	10986 Kings Road	Ventura	CA	93004	(805) 766-4566	cwells@kona-ice.com
Wells, Cheri & Herzog, David	Kona Ice Ventura	10986 Kings Road	Ventura	CA	93004	(805) 766-4566	cwells@kona-ice.com
Wells, Cheri & Herzog, David	Kona Ice Ventura	10986 Kings Road	Ventura	CA	93004	(805) 766-4566	cwells@kona-ice.com
Pudlo, Nancy	NLP Holdings, LLC	1658 Pinnacle Way	Vista	CA	92081	(760) 845-9549	npudlo@kona-ice.com
Pudlo, Nancy	NLP Holdings, LLC	1658 Pinnacle Way	Vista	CA	92081	(760) 845-9549	npudlo@kona-ice.com
Hernandez, Robert	Kona Ice of East Whittier	21667 Pink Ginger Ct	Wildomar	CA	92595	(562) 322-3122	rhernandez@kona-ice.com
Worden, Paul	Kona Ice of South Central Denver, LLC	16788 E Belleview Place	Centennial	CO	80015	(303) 627-2381	pworden@kona-ice.com
Hepner, Jeremy & Katrina	Hepner Family Kona Ice Central Springs, LLC	4888 Chaparral Rd	Colorado Springs	CO	80917	(719) 452-9998	khepner@kona-ice.com
Hepner, Jeremy & Katrina	Hepner Family Kona Ice Central Springs, LLC	4888 Chaparral Rd	Colorado Springs	CO	80917	(719) 452-9998	khepner@kona-ice.com
Mowry, Ray & Karen	Kona Ice Pikes Peak, LLC	2160 Old North Gate Rd	Colorado Springs	CO	80921	(719) 464-5232	konacos@gmail.com
Mowry, Ray & Karen	Kona Ice Pikes Peak, LLC	2160 Old North Gate Rd	Colorado Springs	CO	80921	(719) 464-5232	konacos@gmail.com
Mowry, Ray & Karen	Kona Ice Pikes Peak, LLC	2160 Old North Gate Rd	Colorado Springs	CO	80921	(719) 464-5232	konacos@gmail.com
Schow, David & Sylvia	Makana Lani, Inc	9462 Morning Glory Ln.	Highlands Ranch	CO	80130	(303) 585-1222	dschow@kona-ice.com
Schow, David & Sylvia	Makana Lani, Inc	9462 Morning Glory Ln.	Highlands Ranch	CO	80130	(303) 585-1222	dschow@kona-ice.com
Rotner, Dan/Shelton, Brian	NoCo Frozen Treats, LLC	5242 Silverwood Drive	Johnstown	CO	80534	(970) 420-6995	bshelton@kona-ice.com
Rotner, Dan/Shelton, Brian	NoCo Frozen Treats, LLC	5242 Silverwood Drive	Johnstown	CO	80534	(970) 420-6995	bshelton@kona-ice.com
Rotner, Dan/Shelton, Brian	NoCo Frozen Treats, LLC	5242 Silverwood Drive	Johnstown	CO	80534	(970) 420-6995	bshelton@kona-ice.com
Rotner, Dan/Shelton, Brian	NoCo Frozen Treats, LLC	5242 Silverwood Drive	Johnstown	CO	80534	(970) 420-6995	bshelton@kona-ice.com
Rotner, Dan/Shelton, Brian	NoCo Frozen Treats, LLC	5242 Silverwood Drive	Johnstown	CO	80534	(970) 420-6995	bshelton@kona-ice.com
Ingle, Mark	South Metro Shaved Ice, Inc.	7540 Dawn Dr.	Littleton	CO	80125	(303) 641-9708	milehighkona@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Ingle, Mark	South Metro Shaved Ice, Inc.	7540 Dawn Dr.	Littleton	CO	80125	(303) 641-9708	milehighkona@kona-ice.com
Ingle, Mark	South Metro Shaved Ice, Inc.	7540 Dawn Dr.	Littleton	CO	80125	(303) 641-9708	milehighkona@kona-ice.com
Ingle, Mark	South Metro Shaved Ice, Inc.	7540 Dawn Dr.	Littleton	CO	80125	(303) 641-9708	milehighkona@kona-ice.com
Geurden, Chris/Urban, Tryce	Rocky Mountain High Sales LLC	4506 Portofino Dr	Longmont	CO	80503	(720) 600-0707	tryceurban@kona-ice.com
Geurden, Chris/Urban, Tryce	Rocky Mountain High Sales LLC	4506 Portofino Dr	Longmont	CO	80503	(720) 600-0707	tryceurban@kona-ice.com
McPhearson (Whitehead), Lilla	Kona Ice of Fremont/NW Pueblo Counties, LLC	138 County Road 127	Penrose	CO	81240	(719) 205-7917	lilla@kona-ice.com
Schnelle, Julie & Ryan	Big Island Endeavors, LLC	4050 w 116th Way	Westminster	CO	80031	(720) 480-8030	jschnelle@kona-ice.com
Schnelle, Julie & Ryan	Big Island Endeavors, LLC	4050 w 116th Way	Westminster	CO	80031	(720) 480-8030	jschnelle@kona-ice.com
Tennal, Kevin & Amy	KPR Kona Colorado, LLC	5594 West 118th Place	Westminster	CO	80020	(720) 484-4174	ktennal@kona-ice.com
Tennal, Kevin & Amy	KPR Kona Colorado, LLC	5594 West 118th Place	Westminster	CO	80020	(720) 484-4174	ktennal@kona-ice.com
Zezima, Greg	Kona Ice of Stamford, LLC	33 Clover Hill Drive	Stamford	CT	06902	(293) 921-5000	zezima@kona-ice.com
Taher, Taher	Taher Family, Inc.	1324 Majestic Oak Dr	Apopka	FL	32712	Please see notes under "Description."	taher@kona-ice.com
Taher, Taher	Taher Family, Inc.	1324 Majestic Oak Dr	Apopka	FL	32712	Please see notes under "Description."	taher@kona-ice.com
Goines, Eddie	Kona Ice Of Lakeland, LLC	312 Crescent Ridge Rd	Auburndale	FL	33823	(863) 874-4404	egoines@kona-ice.com
Capozziello, Stacie	Kona Ice of Boca Raton, LLC	875 NW 13th St., #307	Boca Raton	FL	33486	(561) 251-8871	konaboca@gmail.com
Boyers, Dave & Elizabeth	Kona Ice Sarasota, LLC	4207 Oak Lane	Bradenton	FL	34208	(941) 685-2881	sarasota@kona-ice.com
Boyers, Dave & Elizabeth	Kona Ice Sarasota, LLC	4207 Oak Lane	Bradenton	FL	34208	(941) 685-2881	sarasota@kona-ice.com
Chinchilla, Stacey	Kona Ice Of Hernando, LLC	12365 Pine Cone St	Brooksville	FL	34613	(352) 212-5991	schinchilla@kona-ice.com
Cullen, Charles (Chuck) & Jackie	Kona Ice of Flagler County, LLC	4601 E Moody Blvd. #D2	Bunnell	FL	32110	(386) 793-5662	jcullen@kona-ice.com
Bateman, Matt & Denise/Murray, Bruce	Bateman Family, LLC	3126 SE 22nd Place	Cape Coral	FL	33904	(239) 225-8636	dlbateman@kona-ice.com
Palmer, Coby/Ward, Chris	Kona Ice of Ft Meyer Shores, LLC	2728 Lambay Court	Cape Coral	FL	33991	(239) 747-3814	palmerward@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Schneider, Steven	Kona-ice of Coral Springs LLC	5101 NW 57th drive	Coral Springs	FL	33067	(954) 701-5945	schneider@kona-ice.com
Ciadella, Salvatore & Amanda	Kona Ice of Citrus County LLC	1135 N Country Club Dr	Crystal River	FL	34429	(352) 212-1500	sciadella@kona-ice.com
Smith, Marcee	Sno Ride, LLC	421 Pontevedra Rd	Davenport	FL	33837	(863) 326-2368	msmith@kona-ice.com
Hoffman, Tammy/Capell, Judy	Hoffman & Capell, LLC	3811 South Atlantic Ave. #402	Daytona Beach Shores	FL	32118	(386) 872-8582	thoffman@kona-ice.com
Hoffman, Tammy/Capell, Judy	Hoffman & Capell, LLC	3811 South Atlantic Ave. #402	Daytona Beach Shores	FL	32118	(386) 872-8582	thoffman@kona-ice.com
Hoffman, Tammy/Capell, Judy	Hoffman & Capell, LLC	3811 South Atlantic Ave. #402	Daytona Beach Shores	FL	32118	(386) 872-8582	thoffman@kona-ice.com
Denigan, Isaac	Kona Ice Daytona Beach, LLC	1713 North Clara Avenue	DeLand	FL	32720	(386) 320-6277	idenigan@kona-ice.com
Denigan, Isaac	Kona Ice Daytona Beach, LLC	1713 North Clara Avenue	DeLand	FL	32720	(386) 320-6277	idenigan@kona-ice.com
Rowe, Steve & Mitzi	Sunfest Enterprises, LLC	981 HWY 98 E Suite 322	Destin	FL	32541	(850) 974-7450	rowe@kona-ice.com
Carpenter, Rebecca	BBB's Kona Ice, Inc.	24150 Weldon Drive	Eustis	FL	32736	(407) 509-3142	rcarpenter@kona-ice.com
Carpenter, Rebecca	BBB's Kona Ice, Inc.	24150 Weldon Drive	Eustis	FL	32736	(407) 509-3142	rcarpenter@kona-ice.com
Carpenter, Rebecca	BBB's Kona Ice, Inc.	24150 Weldon Drive	Eustis	FL	32736	(407) 509-3142	rcarpenter@kona-ice.com
Irish, Sandra	SBI Sankofa Enterprises, LLC	636 West Evanston Circle	Fort Lauderdale	FL	33312	(754) 229-5662	sirish@kona-ice.com
Litzenberg, Gretchen	Kona Ice of Hollywood Beach, LLC	2033 SE 10th Ave. Apt. 616	Fort Lauderdale	FL	33316	(954) 652-6296	glitzenberg@kona-ice.com
Benn, Bob & Rose	Kona Ice of SW Fort Meyers, Estero & Lehigh	6911 Buckingham Road	Fort Myers	FL	33905	(239) 980-2648	bob-rose@kona-ice.com
Johnson, Larry	CHALS Enterprises, LLC	1590 Charmont Pl.	Fort Myers	FL	33919		ljohnson@kona-ice.com
Rainwater, David	Kona Ice of Gainesville, LLC	4329 NW 27th Terrace	Gainesville	FL	32605	(352) 222-8311	rainwater@kona-ice.com
Mack, David & Valerie	Kona Ice of Miami Enterprises, LLC	803 SE 2nd Avenue	Hallandale Beach	FL	33009	(866) 902-6387	mykonaice@yahoo.com
Mack, David & Valerie	Kona Ice of Miami Enterprises, LLC	803 SE 2nd Avenue	Hallandale Beach	FL	33009	(866) 902-6387	mykonaice@yahoo.com
Mack, David & Valerie	Kona Ice of Miami Enterprises, LLC	803 SE 2nd Avenue	Hallandale Beach	FL	33009	(866) 902-6387	mykonaice@yahoo.com
Heymer, Claire	Kona Ice of New Port Richey, LLC	9408 Wildwood Ave	Hudson	FL	34669	(727) 804-1419	cheymer@kona-ice.com
Heymer, Claire	Kona Ice of New Port Richey, LLC	9408 Wildwood Ave	Hudson	FL	34669	(727) 804-1419	cheymer@kona-ice.com
Greco, Glen Jr.	Kona Ice SE Jacksonville	8451 Gate Pkwy W Unit 532	Jacksonville	FL	32216	(904) 770-7341	greco@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Greco, Glen Jr.	Kona Ice SE Jacksonville	8451 Gate Pkwy W Unit 532	Jacksonville	FL	32216	(904) 770-7341	greco@kona-ice.com
Greco, Glen Jr.	Kona Ice SE Jacksonville	8451 Gate Pkwy W Unit 532	Jacksonville	FL	32216	(904) 770-7341	greco@kona-ice.com
Peek, Michael	Kona Ice Southwest Jacksonville	7730 Allspice Circle West	Jacksonville	FL	32244	(904) 534-2538	swjax@kona-ice.com
Schubiger, David	Kona Ice of Downtown Jacksonville	7595 Baymeadows Circle West Apartment 2015	Jacksonville	FL	32256	(786) 863 9344	schubiger@kona-ice.com
Schubiger, David	Kona Ice of Downtown Jacksonville	7595 Baymeadows Circle West Apartment 2015	Jacksonville	FL	32256	(786) 863 9344	schubiger@kona-ice.com
Beane, Thomas (Cary)	TC Beane Corporation	1355 Plantation Oaks Drive N.	Jacksonville Beach	FL	32250	(904) 372-3578	cbeane@kona-ice.com
Smith, Shawn & Ellen	Kona Ice Celebration	2615 Harris Blvd	Kissimmee	FL	34746	(407) 483-7968	essmith@kona-ice.com
Patel, Mike	Kona Ice of Wellington	3472 Blanchette Trail	Lake Worth	FL	33467	(561) 254-5076	kamk@kona-ice.com
Castelow, Jeff & Robin	Castelow Enterprises LLC	2135 Pocahontas Drive	Largo	FL	33774	(443) 553-3843	rcastelow@kona-ice.com
Kolar, Meghan & Jon	Kona Ice of Jupiter	16368 Valencia Blvd.	Loxahatchee	FL	33470	(561) 345-1203	konajupiter@gmail.com
Kolar, Meghan & Jon	Kona Ice of Jupiter	16368 Valencia Blvd.	Loxahatchee	FL	33470	(561) 345-1203	konajupiter@gmail.com
Redfern, Michelle & Dwight	Kona Ice of Central Brevard County	689 Denise Dr.	Melbourne	FL	32935	(321) 210-9151	sunny@kona-ice.com
Amarin, Lema & Adib	Amarin, LLC	1756 Bayshore Dr Apt 39 E	Miami	FL	33132	(305) 890-8815	amarin@kona-ice.com
Melero,Tiffany	Caribbean Ice, Inc.	6303 SW 162 Path	Miami	FL	33193	(786) 232-1458	fmelero@kona-ice.com
Wray, Lincoln & Maureen	Lincoln Shaved Ice	460 N.E. 169th St North Miami Beach	Miami	FL	33162	(305) 733-0528	lwray@kona-ice.com
Peluchette, Paul	Naples Shaved Ice, LLC	1495 Rail Head Blvd. Suite 3	Naples	FL	34110	(917) 449-7179	paulp@kona-ice.com
Peluchette, Paul	Naples Shaved Ice, LLC	1495 Rail Head Blvd. Suite 3	Naples	FL	34110	(917) 449-7179	paulp@kona-ice.com
Bartlett, Russell	Kona Ice of Gulf Breeze, LLC	2380 Hilton Dr.	Navarre	FL	32566	(850) 902-2440	happiness@kona-ice.com
Bartlett, Russell	Kona Ice of Gulf Breeze, LLC	2380 Hilton Dr.	Navarre	FL	32566	(850) 902-2440	happiness@kona-ice.com
Bartlett, Russell	Kona Ice of Gulf Breeze, LLC	2380 Hilton Dr.	Navarre	FL	32566	(850) 902-2440	happiness@kona-ice.com
Bartlett, Russell	Kona Ice of Gulf Breeze, LLC	2380 Hilton Dr.	Navarre	FL	32566	(850) 902-2440	happiness@kona-ice.com
McKay, Deven	Kona Ice of Delray Beach	3315 SW 13th St Suite 204	Ocala	FL	33474	(352) 274-0521	dmckay@kona-ice.com
Robbins, Pauline	Kona Ice Ocala	835 SE 3rd St	Ocala	FL	34471	(352) 804-5662	ocala@kona-ice.com
Fox, Heather	Fox Family, LLC	314 S. Lakewood Dr	Orlando	FL	32803	(407) 580-2860	hfox@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Fox, Heather	Fox Family, LLC	314 S. Lakewood Dr	Orlando	FL	32803	(407) 580-2860	hfox@kona-ice.com
Fox, Heather	Fox Family, LLC	314 S. Lakewood Dr	Orlando	FL	32803	(407) 580-2860	hfox@kona-ice.com
Helish, Michael	Quality Gourmet Coffee Service Inc.	1713 London Crest Drive 304	Orlando	FL	32818		mhelish@kona-ice.com
Paqueo, Edgar	Maggie, Beah, & Kyle, LLC	13731 Dornoch Dr	Orlando	FL	32828		epaqueo@kona-ice.com
Tanko, Tom & Linda	Tanko Enterprises, LLC	9747 Pecky Cypress Way	Orlando	FL	32836	(352) 988-7554	tltanko@kona-ice.com
Tanko, Tom & Linda	Tanko Enterprises, LLC	9747 Pecky Cypress Way	Orlando	FL	32836	(352) 988-7554	tltanko@kona-ice.com
Tanko, Tom & Linda	Tanko Enterprises, LLC	9747 Pecky Cypress Way	Orlando	FL	32836	(352) 988-7554	tltanko@kona-ice.com
Barton, Guy	Kona Ice Pensacola North LLC	5520 Greenleaf Dr	Pace	FL	32571	(850) 637-5662	guynfrank@kona-ice.com
Barton, Guy	Kona Ice Pensacola North LLC	5520 Greenleaf Dr	Pace	FL	32571	(850) 637-5662	guynfrank@kona-ice.com
Brizendine, Eugene & Jeannie	Jeans Tropical Ice LLC	1460 Emerson Drive NE	Palm Bay	FL	32907	(321) 525-5599	brizendine@kona-ice.com
Ramu, Rick	Kona ice of Panama City Beach, LLC	107 Willoughby Bay Blvd, Apt 102	Panama City Beach	FL	32407	(850) 625-8656	ramu@kona-ice.com
Edwards, Stephanie & Chris	Edwards3, LLC	11436 Summit Rock Court	Parrish	FL	34219	(941) 465-0802	scedwards@kona-ice.com
Edwards, Stephanie & Chris	Edwards3, LLC	11436 Summit Rock Court	Parrish	FL	34219	(941) 465-0802	scedwards@kona-ice.com
Shores, Suzanne/Hernandez, Jennifer	Kona Ice of Perdido Key, LLC	603 Cherokee Trl.	Pensacola	FL	32506	(850) 512-0946	perdidokey@kona-ice.com
Martinez, Robyn & Robert/Pascual-Fernandez, Ana	RSMART Inc.	7415 SW 99 Street	Pinecrest	FL	33156	(786) 393-4080	rmartinez@kona-ice.com
Martinez, Robyn & Robert/Pascual-Fernandez, Ana	RSMART Inc.	7415 SW 99 Street	Pinecrest	FL	33156	(786) 393-4080	rmartinez@kona-ice.com
Martinez, Robyn & Robert/Pascual-Fernandez, Ana	RSMART Inc.	7415 SW 99 Street	Pinecrest	FL	33156	(786) 393-4080	rmartinez@kona-ice.com
Martin, Beverly	Kona Kween LLC	2061 NW 118th Ave	Plantation	FL	33323	(954) 842-5662	bmartin@kona-ice.com
Neuman, Tom	Tominal, Inc	2677 SW Cadet Ct.	Port St. Lucie	FL	34953	(561) 251-7418	tneuman@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Smith, Don & Jean	Coopersmith Ice, Inc	318 Trieste Drive	Punta Gorda	FL	33950	(941) 286-8037	dsmith@kona-ice.com
Eaton, Larry & Jackie	Kona Ice of Valrico, LLC	12611 Early Run Lane	Riverview	FL	33578	(813) 892-3091	jleaton@kona-ice.com
Cooper, Dale	D & W Wholesale, Inc	3936 Dockers Drive	Ruskin	FL	33570	(941) 799-1447	dcooper@kona-ice.com
Cooper, Dale	D & W Wholesale, Inc	3936 Dockers Drive	Ruskin	FL	33570	(941) 799-1447	dcooper@kona-ice.com
Cooper, Dale	D & W Wholesale, Inc	3936 Dockers Drive	Ruskin	FL	33570	(941) 799-1447	dcooper@kona-ice.com
Hoffman, Bob & Pam/O'Brien, Kevin	Jax 4 Paradise, LLC	1201 Cedar St Suite D	Safety Harbor	FL	34695	(727) 386-4764	pamandkevin@kona-ice.com
Hoffman, Bob & Pam/O'Brien, Kevin	Jax 4 Paradise, LLC	1201 Cedar St Suite D	Safety Harbor	FL	34695	(727) 386-4764	pamandkevin@kona-ice.com
Hoffman, Bob & Pam/O'Brien, Kevin	Jax 4 Paradise, LLC	1201 Cedar St Suite D	Safety Harbor	FL	34695	(727) 386-4764	pamandkevin@kona-ice.com
Dendler, Rick	Dendler Enterprise, LLC	108 Moultrie Crossing Lane	Saint Augustine	FL	32086	(904) 829-7291	rdendler@kona-ice.com
Eaton, Jon & Nicole	Kona Ice of West Sarasota	5148 Island Date St.	Sarasota	FL	34232		jeaton@kona-ice.com
Willard, Andrew & Flipse, Carol	Kona Ice of Highlands, LLC	4008 Sebring Ave	Sebring	FL	33875	(863) 381-9449	awillard@kona-ice.com
Donk, Rick & Kathy	Kona Ice of NE Tallahassee, LLC	7868 Reynolds Court	Tallahassee	FL	32312	(850) 559-1482	rdonk@kona-ice.com
Donk, Rick & Kathy	Kona Ice of NE Tallahassee, LLC	7868 Reynolds Court	Tallahassee	FL	32312	(850) 559-1482	rdonk@kona-ice.com
Manos, Mary	Kona Ice of Largo, LLC	1107 E Oakwood St	Tarpon Springs	FL	34689	(727) 458-9900	mmanos@kona-ice.com
Patel, Pujan (Neal)	Kona Ice of South West Palm Beach	3190 Hamblin Way	Wellington	FL	33414	(973) 919-6106	konaicevb@gmail.com
Burnett, Matt & Katie	Kona Ice Wesley Chapel, LLC	1144 Baycrest Dr.	Wesley Chapel	FL	33544	(813) 812-5662	mburnett@kona-ice.com
Burnett, Matt & Katie	Kona Ice Wesley Chapel, LLC	1144 Baycrest Dr.	Wesley Chapel	FL	33544	(813) 812-5662	mburnett@kona-ice.com
Burnett, Matt & Katie	Kona Ice Wesley Chapel, LLC	1144 Baycrest Dr.	Wesley Chapel	FL	33544	(813) 812-5662	mburnett@kona-ice.com
Edwards, Paul	Kona Ice Windermere / Winter Garden	12557 Cragside Lane	Windermere	FL	34786	(407) 668-5353	pedwards@kona-ice.com
Shivdat, Ravi & Preya	Kona Ice of NW Orlando, LLC	1218 Selbydon Way	Winter Garden	Fl	34787	(407) 620-9721	shivdat@kona-ice.com
Shivdat, Ravi & Preya	Kona Ice of NW Orlando, LLC	1218 Selbydon Way	Winter Garden	Fl	34787	(407) 620-9721	shivdat@kona-ice.com
Shivdat, Ravi & Preya	Kona Ice of NW Orlando, LLC	1218 Selbydon Way	Winter Garden	Fl	34787	(407) 620-9721	shivdat@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Dozier, Dean & Denise	Kona Ice of Western Augusta, LLC	5031 Travertine Dr	Appling	GA	30802	(706) 466-1559	ddozier@kona-ice.com
Dozier, Dean & Denise	Kona Ice of Western Augusta, LLC	5031 Travertine Dr	Appling	GA	30802	(706) 466-1559	ddozier@kona-ice.com
Dozier, Dean & Denise	Kona Ice of Western Augusta, LLC	5031 Travertine Dr	Appling	GA	30802	(706) 466-1559	ddozier@kona-ice.com
Dozier, Dean & Denise	Kona Ice of Western Augusta, LLC	5031 Travertine Dr	Appling	GA	30802	(706) 466-1559	ddozier@kona-ice.com
Dye, Matt/Oakes, Howard/Duval l, Harold	Kona Ice Midtown, LLC	1490 Kenwood Ave NW	Atlanta	GA	30309	(404) 275-9903	mdye@kona-ice.com
Thompson, Ted	Tedmo Ice, Inc.	190 Ben Burton Road	Bogart	GA	30622	(770) 310-3931	tthompson@kona-ice.com
Thompson, Ted	Tedmo Ice, Inc.	190 Ben Burton Road	Bogart	GA	30622	(770) 310-3931	tthompson@kona-ice.com
Jeschke, Jo & Gary	Jag Properties, LLC	132 Equest Drive	Canton	GA	30115	(770) 316-0072	konajo@kona-ice.com
Jeschke, Jo & Gary	Jag Properties, LLC	132 Equest Drive	Canton	GA	30115	(770) 316-0072	konajo@kona-ice.com
Jeschke, Jo & Gary	Jag Properties, LLC	132 Equest Drive	Canton	GA	30115	(770) 316-0072	konajo@kona-ice.com
Jeschke, Jo & Gary	Jag Properties, LLC	132 Equest Drive	Canton	GA	30115	(770) 316-0072	konajo@kona-ice.com
Jeschke, Jo & Gary	Jag Properties, LLC	132 Equest Drive	Canton	GA	30115	(770) 316-0072	konajo@kona-ice.com
Kinney, Marc & Marilyn	Sweet Snow Enterprises, Inc.	185 Cline Smith Road	Cartersville	GA	30121	(404) 271-5887	mkinney@kona-ice.com
Kinney, Marc & Marilyn	Sweet Snow Enterprises, Inc.	185 Cline Smith Road	Cartersville	GA	30121	(404) 271-5887	mkinney@kona-ice.com
Kinney, Marc & Marilyn	Sweet Snow Enterprises, Inc.	185 Cline Smith Road	Cartersville	GA	30121	(404) 271-5887	mkinney@kona-ice.com
Kinney, Marc & Marilyn	Sweet Snow Enterprises, Inc.	185 Cline Smith Road	Cartersville	GA	30121	(404) 271-5887	mkinney@kona-ice.com
Miller, Tom	Kona Ice of Nassau Corp.	6440 Westchester Place	Cumming	GA	30040	(404) 664-1766	nassau@kona-ice.com
Mullison, Glenn	Crystal Canyon Inc.	2837 Captain Ct.	Dacula	GA	30019	(678) 662-8213	gmullison@kona-ice.com
Mahar, Mike	AKA Kona Ice, LLC	4522 Aerie Lane	Douglasvill e	GA	30135	(678) 723-5662	mmahar@kona-ice.com
Mahar, Mike	AKA Kona Ice, LLC	4522 Aerie Lane	Douglasvill e	GA	30135	(678) 723-5662	mmahar@kona-ice.com
Mahar, Mike	AKA Kona Ice, LLC	4522 Aerie Lane	Douglasvill e	GA	30135	(678) 723-5662	mmahar@kona-ice.com
Mahar, Mike	AKA Kona Ice, LLC	4522 Aerie Lane	Douglasvill e	GA	30135	(678) 723-5662	mmahar@kona-ice.com
Mahar, Mike	AKA Kona Ice, LLC	4522 Aerie Lane	Douglasvill e	GA	30135	(678) 723-5662	mmahar@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Mahar, Mike	AKA Kona Ice, LLC	4522 Aerie Lane	Douglasville	GA	30135	(678) 723-5662	mmahar@kona-ice.com
Mahar, Mike	AKA Kona Ice, LLC	4522 Aerie Lane	Douglasville	GA	30135	(678) 723-5662	mmahar@kona-ice.com
Mahar, Mike	AKA Kona Ice, LLC	4522 Aerie Lane	Douglasville	GA	30135	(678) 723-5662	mmahar@kona-ice.com
Mahar, Mike	AKA Kona Ice, LLC	4522 Aerie Lane	Douglasville	GA	30135	(678) 723-5662	mmahar@kona-ice.com
Schrader, Kathy & Richard	Kona Ice Gwinnett, Inc	2893 Thurleston Lane	Duluth	GA	30097	(678) 480-1213	gwinnett@kona-ice.com
Schrader, Kathy & Richard	Kona Ice Gwinnett, Inc	2893 Thurleston Lane	Duluth	GA	30097	(678) 480-1213	gwinnett@kona-ice.com
Schrader, Kathy & Richard	Kona Ice Gwinnett, Inc	2893 Thurleston Lane	Duluth	GA	30097	(678) 480-1213	gwinnett@kona-ice.com
Schrader, Kathy & Richard	Kona Ice Gwinnett, Inc	2893 Thurleston Lane	Duluth	GA	30097	(678) 480-1213	gwinnett@kona-ice.com
Schrader, Kathy & Richard	Kona Ice Gwinnett, Inc	2893 Thurleston Lane	Duluth	GA	30097	(678) 480-1213	gwinnett@kona-ice.com
Harrison, Rick	RBKM Company, LLC	253 Lakeview Bend Circle	Jefferson	GA	30549	(706) 614-1461	rharrison@kona-ice.com
Shannon, Sean	S&S Global Investments, LLC	80 Sweet Bay Rd	Kathleen	GA	31047	(478) 258-2546	konaicewr@gmail.com
Neely, Calvin	GFS Group, LLC	80 Wood Valley	LaGrange	GA	30240	(706) 957-0870	cneely@kona-ice.com
Thomas, Jeff	Red Dragon Investments, LLC	1349 Chesapeake Drive SW	Lilburn	GA	30047	(678) 856-6280	jthomas@kona-ice.com
Page, Dion	Kids Love Kona LLC	6316 Phillips Court	Lithonia	GA	30058	(770) 310-5344	dlpage@kona-ice.com
Lomax, Cole	Lomax Kona Ice of Locust Grove LLC	130 Kayla Court	Locust Grove	GA	30248	(770) 375-9698	clomax@kona-ice.com
Lomax, Cole	Lomax Kona Ice of Locust Grove LLC	130 Kayla Court	Locust Grove	GA	30248	(770) 375-9698	clomax@kona-ice.com
Hall, Ronnie & Katrina	Kona Ice South Savannah	15 Birchwood Ct	Savannah	GA	31419	(912) 844-0832	rjhall@kona-ice.com
Hodge, Jamie & Jennifer	Savannah Kona Ice, LLC	32 Diana Drive	Savannah	GA	31406	(912) 346-3572	jhodge@kona-ice.com
Hodge, Jamie & Jennifer	Savannah Kona Ice, LLC	32 Diana Drive	Savannah	GA	31406	(912) 346-3572	jhodge@kona-ice.com
Roberts, Mark	Kona Ice Rome	1164 Bethel Church Rd.	Silver Creek	GA	30173	(706) 512-2866	konaice.mr57@yahoo.com
Roberts, Mark	Kona Ice Rome	1164 Bethel Church Rd.	Silver Creek	GA	30173	(706) 512-2866	konaice.mr57@yahoo.com
Tucker, Ryan/Parson, Garrett	The Kona Ice Truck, LLC	374 Lynhurst Rd	Smyrna	GA	30082	(678) 761-5471	smyrna@kona-ice.com
Tucker, Ryan/Parson, Garrett	The Kona Ice Truck, LLC	374 Lynhurst Rd	Smyrna	GA	30082	(678) 761-5471	smyrna@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Wilde, Chris	Kona Ice of North Atlanta	4905 Kettle River Point	Suwanee	GA	30024	(404) 229-0108	cwilde@kona-ice.com
Wilde, Chris	Kona Ice of North Atlanta	4905 Kettle River Point	Suwanee	GA	30024	(404) 229-0108	cwilde@kona-ice.com
Hassenstab, Russell & Brenda	KONA ICE OF LOWNDES, LLC	604 Parker Mathis Drive	Valdosta	GA	31601	(229) 300-6605	hassenstab@kona-ice.com
Kleiber, Paul & Morgan	Kleiber Kona, LLC	822 Coosawilla Way	Winder	GA	30680	(770) 668-4217	mkleiber@kona-ice.com
Kleiber, Paul & Morgan	Kleiber Kona, LLC	822 Coosawilla Way	Winder	GA	30680	(770) 668-4217	mkleiber@kona-ice.com
Miramonti, Rich & Terri	Ascend Service, Inc.	1176 Arborhill Drive	Woodstock	GA	30189	(770) 272-2380	miramonti@kona-ice.com
Miramonti, Rich & Terri	Ascend Service, Inc.	1176 Arborhill Drive	Woodstock	GA	30189	(770) 272-2380	miramonti@kona-ice.com
Miramonti, Rich & Terri	Ascend Service, Inc.	1176 Arborhill Drive	Woodstock	GA	30189	(770) 272-2380	miramonti@kona-ice.com
Miramonti, Rich & Terri	Ascend Service, Inc.	1176 Arborhill Drive	Woodstock	GA	30189	(770) 272-2380	miramonti@kona-ice.com
Thorpe, Paul	Kona Ice Ohana, LLC	238 Nomilo Place	Honolulu	HI	96825	(808) 679-5820	pthorpe@kona-ice.com
Thorpe, Paul	Kona Ice Ohana, LLC	238 Nomilo Place	Honolulu	HI	96825	(808) 679-5820	pthorpe@kona-ice.com
Marumoto, Adam	Kokua Kona, LLC	91-1022B Kaiau Avenue	Kapolei	HI	96707	(808) 551-9046	amarumoto@kona-ice.com
Marumoto, Adam	Kokua Kona, LLC	91-1022B Kaiau Avenue	Kapolei	HI	96707	(808) 551-9046	amarumoto@kona-ice.com
Mikuni, Wallace	Mikuni Enterprises LLC	91-816 Oaniani Street	Kapolei	HI	96707	(808) 282-3404	wmikuni@kona-ice.com
Thomas, Art	Kona Ice Maui/Kapolei/Ewa Beach	35 Nanaina Street	Makawao	HI	96768	(808) 250-2534	athomas@kona-ice.com
Thomas, Art	Kona Ice Maui/Kapolei/Ewa Beach	35 Nanaina Street	Makawao	HI	96768	(808) 250-2534	athomas@kona-ice.com
Betts, Lauren & Chris	CALLA ICE, LLC	215 Prairie View Dr	Gilbert	IA	50105	(515) 257-6531	ames@kona-ice.com
Booms, Jon & Rachel	Kona Ice of Greater Cedar Rapids, LLC	6450 White Gate Court	Marion	IA	52302	(319) 440-4850	jrbooms@kona-ice.com
Booms, Jon & Rachel	Kona Ice of Greater Cedar Rapids, LLC	6450 White Gate Court	Marion	IA	52302	(319) 440-4850	jrbooms@kona-ice.com
Booms, Jon & Rachel	Kona Ice of Greater Cedar Rapids, LLC	6450 White Gate Court	Marion	IA	52302	(319) 440-4850	jrbooms@kona-ice.com
Vugteveen, Kevin & Heather	Okoboji Ice, Inc	20675 Nautica Dr	Spirit Lake	IA	51360	(712) 320-5662	kvugteveen@kona-ice.com
Toothman, Jim	Kona Ice Boise	9237 W Sagebrush Dr.	Boise	ID	83709	(208) 788-2216	jtoothman@kona-ice.com
Wilmes, Chris	Kona Ice of Snake River Valley Inc.	3779 Nottingham Lane	Idaho Falls	ID	83402	(208) 680-1816	cwilmes@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Harris-Sitz, Calleen	Wingman In Mayhem, LLC	2655 NW 10th Ave	Meridian	ID	83646	(208) 484-4344	charris@kona-ice.com
Heberer, Jim	Maximum Fun, LLC	2917 S. Schilling Loop	Post Falls	ID	83854	(509) 863-7280	jheberer@kona-ice.com
Starr, Robert & Amy	Canyon Starr Promotions, Inc.	2205 Nisqually St.	Twin Falls	ID	83301	(208) 734-7827	rstarr@kona-ice.com
Durdel, Robin & Jamie	Macy Properties, LLC	110 Woodlands Pointe	East Peoria	IL	61611	(309) 402-9355	rdurdel@kona-ice.com
Durdel, Robin & Jamie	Macy Properties, LLC	110 Woodlands Pointe	East Peoria	IL	61611	(309) 402-9355	rdurdel@kona-ice.com
Schmitt, Joe & Stephanie	J & S Ventures, Inc.	5052 Kraft Road	Freeburg	IL	62243	(618) 578-0747	kona-ice@live.com
Ravagnie, Sherry & Scott	Kona Ice of McHenry County	11802 Harvest Ct.	Huntley	IL	60142	(224) 209-6022	sravagnie@kona-ice.com
Ravagnie, Sherry & Scott	Kona Ice of McHenry County	11802 Harvest Ct.	Huntley	IL	60142	(224) 209-6022	sravagnie@kona-ice.com
Schmidt, Brad & Kristin	Ice Works, LLC	26658 Lindengate Circle	Plainfield	IL	60585	(630) 777-1649	schmidtfamily@kona-ice.com
Schmidt, Brad & Kristin	Ice Works, LLC	26658 Lindengate Circle	Plainfield	IL	60585	(630) 777-1649	schmidtfamily@kona-ice.com
Silberhorn, Todd	Precision Construction Service Inc.	2104 Clinton St	Rockford	IL	61103	(779) 475-0098	tsilberhorn@kona-ice.com
Hanner, Wes/Hanner, Chuck	Kona Ice of Champaign, LLC	801 W. Church St.	Savoy	IL	61874	(217) 974-5662	whanner@kona-ice.com
Hanner, Wes/Hanner, Chuck	Kona Ice of Champaign, LLC	801 W. Church St.	Savoy	IL	61874	(217) 974-5662	whanner@kona-ice.com
Taylor, Derek	Kona Ice of Evansville Corp.	1911 Bell Rd.	Chandler	IN	47610	(812) 695-6620	dtaylor@kona-ice.com
Taylor, Derek	Kona Ice of Evansville Corp.	1911 Bell Rd.	Chandler	IN	47610	(812) 695-6620	dtaylor@kona-ice.com
Taylor, Derek	Kona Ice of Evansville Corp.	1911 Bell Rd.	Chandler	IN	47610	(812) 695-6620	dtaylor@kona-ice.com
Burtraw, Trevor	Tburtraw Corp.	1511 Cliftwood Dr	Clarksville	IN	47129	(859) 240-3072	tburtraw@kona-ice.com
Hickey, Shawn	Hickey's Shaved Ice, LLC	11581 Ludlow Dr.	Fishers	IN	46037	(574) 532-5736	hickey@kona-ice.com
Hickey, Shawn	Hickey's Shaved Ice, LLC	11581 Ludlow Dr.	Fishers	IN	46037	(574) 532-5736	hickey@kona-ice.com
Hickey, Shawn	Hickey's Shaved Ice, LLC	11581 Ludlow Dr.	Fishers	IN	46037	(574) 532-5736	hickey@kona-ice.com
Hickey, Shawn	Hickey's Shaved Ice, LLC	11581 Ludlow Dr.	Fishers	IN	46037	(574) 532-5736	hickey@kona-ice.com
Hickey, Shawn	Hickey's Shaved Ice, LLC	11581 Ludlow Dr.	Fishers	IN	46037	(574) 532-5736	hickey@kona-ice.com
Hickey, Shawn	Hickey's Shaved Ice, LLC	11581 Ludlow Dr.	Fishers	IN	46037	(574) 532-5736	hickey@kona-ice.com
Hickey, Shawn	Hickey's Shaved Ice, LLC	11581 Ludlow Dr.	Fishers	IN	46037	(574) 532-5736	hickey@kona-ice.com
Hickey, Shawn	Hickey's Shaved Ice, LLC	11581 Ludlow Dr.	Fishers	IN	46037	(574) 532-5736	hickey@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Heilshorn, Billy & Amy	Kona Ice Fort Wayne North L.L.C.	8134 N. Clinton St.	Fort Wayne	IN	46825	(260) 440-6444	billyh@kona-ice.com
Cole, Roger & Dawn	Kona Ice of the Dunes, LLC	550 N Union Place	Gary	IN	46403	(219) 716-0063	dcole@kona-ice.com
Cole, Roger & Dawn	Kona Ice of the Dunes, LLC	550 N Union Place	Gary	IN	46403	(219) 716-0063	dcole@kona-ice.com
Swartzendruber, Troy	Flurries of Flavor, LLC	104 N. Main Street	Goshen	IN	46526	(574) 400-5455	troys@kona-ice.com
Farah, Jeanne	GIGI's Shaved Ice, LLC	9694 Decatur Drive	Indianapolis	IN	46256	(317) 987-5662	jfarah@kona-ice.com
Farah, Jeanne	GIGI's Shaved Ice, LLC	9694 Decatur Drive	Indianapolis	IN	46256	(317) 987-5662	jfarah@kona-ice.com
Valiant, Tim	Kona Ice of Tippecanoe County, LLC	226 N Wilmington Ln	Lafayette	IN	47905	(765) 543-5222	thefuntruck@kona-ice.com
Valiant, Tim	Kona Ice of Tippecanoe County, LLC	226 N Wilmington Ln	Lafayette	IN	47905	(765) 543-5222	thefuntruck@kona-ice.com
Valiant, Tim	Kona Ice of Tippecanoe County, LLC	226 N Wilmington Ln	Lafayette	IN	47905	(765) 543-5222	thefuntruck@kona-ice.com
Valiant, Tim	Kona Ice of Tippecanoe County, LLC	226 N Wilmington Ln	Lafayette	IN	47905	(765) 543-5222	thefuntruck@kona-ice.com
Roark, Michael & Kimberly	Kona Ice of Madison/Columbus, LLC	2205 North Borcherding Road	Madison	IN	47250	(812) 599-0939	mroark@kona-ice.com
Stohler, Warren & Deborah	Stohler Property Management, LLC	4610 Hacker Creek Rd	Martinsville	IN	46151	(317) 363-7810	wstohler@kona-ice.com
Stohler, Warren & Deborah	Stohler Property Management, LLC	4610 Hacker Creek Rd	Martinsville	IN	46151	(317) 363-7810	wstohler@kona-ice.com
Pocock, Andrew & Valerie	Kona Ice of Steuben County, LLC	5780 S. Old US Highway 27	Pleasant Lake	IN	46779	(260) 316-5611	dpocock@kona-ice.com
Douglas, Matt	Kona Ice Lawrence & Topeka, LLC	130 Aspen Lane	Lawrence	KS	66049	(785) 249-7070	heartlandks@kona-ice.com
Wright, Eric & Cathy	Wright Idea Enterprises, Inc	5109 W. 161 Street	Overland Park	KS	66085	(913) 709-3370	ewright@kona-ice.com
Wright, Eric & Cathy	Wright Idea Enterprises, Inc	5109 W. 161 Street	Overland Park	KS	66085	(913) 709-3370	ewright@kona-ice.com
Wright, Eric & Cathy	Wright Idea Enterprises, Inc	5109 W. 161 Street	Overland Park	KS	66085	(913) 709-3370	ewright@kona-ice.com
Wright, Eric & Cathy	Wright Idea Enterprises, Inc	5109 W. 161 Street	Overland Park	KS	66085	(913) 709-3370	ewright@kona-ice.com
Wright, Eric & Cathy	Wright Idea Enterprises, Inc	5109 W. 161 Street	Overland Park	KS	66085	(913) 709-3370	ewright@kona-ice.com
Porter, Kristi & Robert	Brainfreeze Adventures, LLC	22621 W 49th St	Shawnee	KS	66226	(913) 231-7647	kporter@kona-ice.com
Young, Matt & Carmond	Kona Ice NW Wichita	13629 W Ponderosa Court	Wichita	KS	67235	(316) 644-3933	mcyoung@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Clemmons, Kyle & Angela	Kona Ice Bowling Green	2663 Laurelstone Lane	Bowling Green	KY	42104	(270) 846-5662	kclemmons@kona-ice.com
Fultz, Matt/Gilmore, Kyle	Gainer Enterprises, LLC	614 Windsor Lane	Flatwoods	KY	41139	(606) 923-0582	ashland@kona-ice.com
Fultz, Matt/Gilmore, Kyle	Gainer Enterprises, LLC	614 Windsor Lane	Flatwoods	KY	41139	(606) 923-0582	ashland@kona-ice.com
Harbin, Ben	Kona Ice Etown ky, LLC	333 Washington Commons Dr	Mount Washington	KY	40047	(270) 304-7440	bharbin@kona-ice.com
Harbin, Ben	Kona Ice Etown ky, LLC	333 Washington Commons Dr	Mount Washington	KY	40047	(270) 304-7440	bharbin@kona-ice.com
Lamb, Scott & Lisa	Seasonal Food Concepts, Inc	410 Jake St	Richmond	KY	40475	(859) 333-3100	scottlamb@kona-ice.com
Lamb, Scott & Lisa	Seasonal Food Concepts, Inc	410 Jake St	Richmond	KY	40475	(859) 333-3100	scottlamb@kona-ice.com
Lamb, Scott & Lisa	Seasonal Food Concepts, Inc	410 Jake St	Richmond	KY	40475	(859) 333-3100	scottlamb@kona-ice.com
Lamb, Scott & Lisa	Seasonal Food Concepts, Inc	410 Jake St	Richmond	KY	40475	(859) 333-3100	scottlamb@kona-ice.com
Bolin, Josh	JClay Corporation	11692 Agarwood Drive	Walton	KY	41094	(859) 803-5913	jbolin@kona-ice.com
Bolin, Josh	JClay Corporation	11692 Agarwood Drive	Walton	KY	41094	(859) 803-5913	jbolin@kona-ice.com
Bolin, Josh	JClay Corporation	11692 Agarwood Drive	Walton	KY	41094	(859) 803-5913	jbolin@kona-ice.com
Brooks, Caressa	Kona Ice of Pike & Letcher Counties, LLC	1424 Hwy 2035	Whitesburg	KY	41858	(606) 634-6528	cbrooks@kona-ice.com
Dickson, Sharon & Scott	Kona Ice of NELA, LLC	267 Jim Finley Road	Calhoun	LA	71225	(318) 372-4500	konanela@gmail.com
Dickson, Sharon & Scott	Kona Ice of NELA, LLC	267 Jim Finley Road	Calhoun	LA	71225	(318) 372-4500	konanela@gmail.com
Boss, Hall & Courtney	HACBO, LLC	103 Tara Oak Dr	Carencro	LA	70520	(337) 303-6309	cboss@kona-ice.com
Fuselier, Lisa &Todd	PIXPAP, LLC	1038 Belle Terre Dr.	Eunice	LA	70535	(337) 603-9005	lfuselier@kona-ice.com
Juncker, Roy	Bayou Shaved Ice, LLC	609 Fairfield Avenue	Gretna	LA	70056	(504) 421-8914	ejuncker@kona-ice.com
Davis, Kathy	Kathy's Kona Ice	2668 Vulcan Street	Harvey	LA	70058	(504) 915-1400	mdavis@kona-ice.com
Davis, Kathy	Kathy's Kona Ice	2668 Vulcan Street	Harvey	LA	70058	(504) 915-1400	mdavis@kona-ice.com
Mauk, Jim & Kerry	Kerry's Kona Ice, LLC	2700 Whitney Ave Apt. 527	Harvey	LA	70058	(504) 912-0274	kerryskonaice@kona-ice.com
Guidry, Dwayne	Kona-Ice of Acadiana, LLC	117 Wills Drive	Lafayette	LA	70506	(337) 344-9415	dguidry@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Guidry, Dwayne	Kona-Ice of Acadiana, LLC	117 Wills Drive	Lafayette	LA	70506	(337) 344-9415	dguidry@kona-ice.com
Easter, Ed & Dana	Kona Ice of Cenla, LLC	3013 Donahue Ferry Rd	Pineville	LA	71360	(318) 787-2457	cenla@kona-ice.com
Shoemaker, Pam	Kona Ice of LA Delta, Inc	153 Andy Allen Rd	Rayville	LA	71269	(318) 557-9564	pshoemaker@kona-ice.com
Lyons, Bill	Kona Ice of Shreveport/Bossier	6202 Gaylyn Drive	Shreveport	LA	71105	(318) 655-5662	konaicesb@comcast.net
Robichaux-Overton, Daphne	Kona Ice of the North Shore/ Bay St. Louis	8 Oak Tree Drive	Slidell	LA	70458	(504) 250-7525	robichauxoverton@bellsouth.net
Frazier, Ron	Arklatex Kona Ice	235 Woolworth Road	Stonewall	LA	71078	(318) 655-4883	rfrazier@kona-ice.com
Magel, Faye & J.R.	Kona Ice Sulphur/Lake Charles	2000 Tammy St	Sulphur	LA	70663	(337) 764-6443	fwmagel@kona-ice.com
Magel, Faye & J.R.	Kona Ice Sulphur/Lake Charles	2000 Tammy St	Sulphur	LA	70663	(337) 764-6443	fwmagel@kona-ice.com
Authement, Craig & Karen	Bayou Kool Breeze, LLC	1010 Rosedown Drive	Thibodaux	LA	70301	(985) 696-8454	bayoukoolbreeze@kona-ice.com
Gaudet, Wally	Kona Ice of Baton Rouge	35335 Ridge Rd	White Castle	LA	70788-4216	(225) 400-4743	wally@kona-ice.com
Gaudet, Wally	Kona Ice of Baton Rouge	35335 Ridge Rd	White Castle	LA	70788-4216	(225) 400-4743	wally@kona-ice.com
Lavoie, Paris	Kona Ice South Shore, Inc.	8 Farmhurst Rd	Plymouth	MA	02360	(774) 404-0468	plavoie@kona-ice.com
Souza, Dave & Cheryl	Kona Ice Cumberland RI, Inc.	555 County St.	Seekonk	MA	2771	(401) 450-9483	dsouza@kona-ice.com
Porzio, Tom	For the Kids Inc	59 Heather Row	Tewksbury	MA	01876	(978) 888-7952	tporzio@kona-ice.com
Jacobs, Chuck & Heather	Kona Ice of St. Mary's LLC	23327 White Elm Ct.	California	MD	20619	(240) 309-9906	cjacobs@kona-ice.com
Delaney, Don & Carrie	C & D Dreams Inc.	15057 Potomac River Dr. Box 285	Cobb Island	MD	20625	(301) 934-5662	charlescounty@kona-ice.com
Shuman, Steve	Snow on the Go, Inc	6608 Gleaming Sand Chase	Columbia	MD	21044	(443) 878-6109	sshuman@kona-ice.com
Shuman, Steve	Snow on the Go, Inc	6608 Gleaming Sand Chase	Columbia	MD	21044	(443) 878-6109	sshuman@kona-ice.com
Howze, Alan & Denise	Kona Ice Of North Rockville LLC	14009 Big Branch Drive	Dayton	MD	21036	(888) 566-2123	ahowze@kona-ice.com
O'Kieffe, Chris	Kona Ice of Annapolis	3444 White Admiral Ct	Edgewater	MD	21037	(410) 798-5909	konaice118@gmail.com
O'Kieffe, Chris	Kona Ice of Annapolis	3444 White Admiral Ct	Edgewater	MD	21037	(410) 798-5909	konaice118@gmail.com
O'Kieffe, Chris	Kona Ice of Annapolis	3444 White Admiral Ct	Edgewater	MD	21037	(410) 798-5909	konaice118@gmail.com
Royer, Matt	Kona Ice Elderberg, MD	5840 Mineral Hill Road	Eldersburg	MD	21784	(240) 216-5799	mroyer@kona-ice.com
Royer, Matt	Kona Ice Elderberg, MD	5840 Mineral Hill Road	Eldersburg	MD	21784	(240) 216-5799	mroyer@kona-ice.com

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Chatham, Andy	Super Ice LLC	2656 Barksdale Rd	Elkton	MD	21921	(302) 605-0078	achatham@kona-ice.com
Sunderland, Rob	Kona Ice of Carrol County	1646 Glenwood Ct	Finksburg	MD	21048	(410) 596-2963	rsunderland@kona-ice.com
Sunderland, Rob	Kona Ice of Carrol County	1646 Glenwood Ct	Finksburg	MD	21048	(410) 596-2963	rsunderland@kona-ice.com
Garoutte, Deidre	GATH Group, LLC	48 Falls Road	North East	MD	21901	(410) 920-9056	dgaroutte@kona-ice.com
Garoutte, Deidre	GATH Group, LLC	48 Falls Road	North East	MD	21901	(410) 920-9056	dgaroutte@kona-ice.com
Garoutte, Deidre	GATH Group, LLC	48 Falls Road	North East	MD	21901	(410) 920-9056	dgaroutte@kona-ice.com
Stewart, Wheeler/Orr, Jeff	J & W Concessions	2679 Broadford Rd.	Oakland	MD	21550	(301) 616-6828	jorr@kona-ice.com
Weiner, Sheldon & Sharon	Grandma Kona, LLC	4624 Winding Stone Circle	Olney	MD	20832	(240) 444-7992	grandma@kona-ice.com
Weiner, Sheldon & Sharon	Grandma Kona, LLC	4624 Winding Stone Circle	Olney	MD	20832	(240) 444-7992	grandma@kona-ice.com
Weiner, Sheldon & Sharon	Grandma Kona, LLC	4624 Winding Stone Circle	Olney	MD	20832	(240) 444-7992	grandma@kona-ice.com
Hewitt, Tom & Kristin	Hewitt Shaved Ice, LLC	1337 Hornell Drive	Silver Spring	MD	20905	(301) 384-6326	hewitt@kona-ice.com
Shepard, Sandy	Kona Ice Washington	2561 Ross Road	Silver Spring	MD	20910	(202) 345-5072	sshepard@kona-ice.com
Leftridge, Terry & Rose	Leftridge Enterprises, LLC	4516 Oak Ridge Drive	Street	MD	21154-1046	(410) 371-1331	leftridge@kona-ice.com
Leftridge, Terry & Rose	Leftridge Enterprises, LLC	4516 Oak Ridge Drive	Street	MD	21154-1046	(410) 371-1331	leftridge@kona-ice.com
Leftridge, Terry & Rose	Leftridge Enterprises, LLC	4516 Oak Ridge Drive	Street	MD	21154-1046	(410) 371-1331	leftridge@kona-ice.com
Bennett, George & Laurie	L & G Bennett Enterprises, LLC	794 Pushaw Station Rd	Sunderland	MD	20689-3059	(410) 814-8526	lgbennett@kona-ice.com
Bennett, George & Laurie	L & G Bennett Enterprises, LLC	794 Pushaw Station Rd	Sunderland	MD	20689-3059	(410) 814-8526	lgbennett@kona-ice.com
Amin, Raj	Kona Ice of Fredrick Co MD	426 North Church Street	Thurmont	MD	21788	(301) 238-4747	rkamin@kona-ice.com
Elmore, Claude & Joni	Elmore Concessions, LLC	103 Oakway Road,	Timonium	MD	21093	(443) 652-2600	elmore@kona-ice.com
Elmore, Claude & Joni	Elmore Concessions, LLC	103 Oakway Road,	Timonium	MD	21093	(443) 652-2600	elmore@kona-ice.com
Kingman, Bryan	Kona Ice of Armada Michigan	73983 Madison St	Armada	MI	48005	(586) 265-3067	kingman@kona-ice.com
Berryhill, Jeff	Kona Ice of Western Wayne County LLC	47561 Glengarry Blvd.	Canton	MI	48188	(734) 658-9534	jberryhill@kona-ice.com
Price, Jon	Kona Ice Macomb County	19823 Rosin Dr	Clinton Township	MI	48038	(586) 709-3288	jprice@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Price, Jon	Kona Ice Macomb County	19823 Rosin Dr	Clinton Township	MI	48038	(586) 709-3288	jprice@kona-ice.com
Price, Jon	Kona Ice Macomb County	19823 Rosin Dr	Clinton Township	MI	48038	(586) 709-3288	jprice@kona-ice.com
Moffett, Ben	Kona Ice of Fenton, LLC	2181 Lilac Ln.	Fenton	MI	48430	(810) 373-5662	bmoffett@kona-ice.com
Kepler, Donna	Donna Kepler, LLC	1540 Waverly Road	Holt	MI	48842	(517) 712-8647	dkepler@kona-ice.com
Quarles, Nicole	Kona Ice of Michigan	14440 Ramblewood	Livonia	MI	48154	(734) 846-3455	nquarles@kona-ice.com
McCallum, Matt	Kona Ice of Northeast Oakland, LLC	56350 Winding Creek	Macomb	MI	48042	(248) 820-5662	mccallum@kona-ice.com
Bremer, Patty	Big Toast Inc.	7551 Walnut Curve	Chanhassen	MN	55317	(952) 239-3778	pbremer@kona-ice.com
Bremer, Patty	Big Toast Inc.	7551 Walnut Curve	Chanhassen	MN	55317	(952) 239-3778	pbremer@kona-ice.com
Carver, Todd	Fun on Wheels, LLC	122 Allen Lane	Faribault	MN	55021	(507) 330-4514	tcarver@kona-ice.com
Carver, Todd	Fun on Wheels, LLC	122 Allen Lane	Faribault	MN	55021	(507) 330-4514	tcarver@kona-ice.com
Ojogwu, Daniel	RoyalDabena, LLC	80 Belvidere Street East	Saint Paul	MN	55107	(651) 331-0288	ojogwu@kona-ice.com
Sharp, Mike	MTSharp, LLC	24681 22nd avenue	St. Augusta	MN	56301	(320) 309-1855	msharp@kona-ice.com
Kingree, Richie & Kristi	Kona Ice King, LLC	1416 Appleton Ct	Arnold	MO	63010	(314) 520-5669	rkingree@kona-ice.com
Kingree, Richie & Kristi	Kona Ice King, LLC	1416 Appleton Ct	Arnold	MO	63010	(314) 520-5669	rkingree@kona-ice.com
Cook, Chris	C & C Ozark Enterprise LLC	2400 Corona Road	Columbia	MO	65203	(573) 819-5432	ccook@kona-ice.com
Cook, Chris	C & C Ozark Enterprise LLC	2400 Corona Road	Columbia	MO	65203	(573) 819-5432	ccook@kona-ice.com
Cook, Chris	C & C Ozark Enterprise LLC	2400 Corona Road	Columbia	MO	65203	(573) 819-5432	ccook@kona-ice.com
Williams, Steven	Williams Kona, LLC	16117 Henry St	Dexter	MO	63841	(573) 614-2165	swilliams@kona-ice.com
Kocurek, Joe & Jacqueline	Kona Ice of Central St. Louis City	24 Lewis and Clark Lane	Hillsboro	MO	63050	(636) 692-3216	jkocurek@kona-ice.com
Coleman, Stacie & Jason	Coleman Investments, LLC	2788 Diana Drive	Jackson	MO	63755	(573) 450-9998	scoleman@kona-ice.com
Valdivia, Michael	MAV Holdings, LLC	11201 Belleview Avenue	Kansas City	MO	64114	(816) 523-4086	mvaldivia@kona-ice.com
Murphree, Dale	Kool Ideas, LLC	19805 NE 129th Street	Kearney	MO	64060	(816) 476-2955	murphree@kona-ice.com
Murphree, Dale	Kool Ideas, LLC	19805 NE 129th Street	Kearney	MO	64060	(816) 476-2955	murphree@kona-ice.com
Joggerst, Mary	Kona Ice of Mid-Mississippi River Valley, LLC	8588 Boverie Drive	Sainte Genevieve	MO	63670	(573) 535-0915	mjoggerst@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Ewing, Jack	Ewing Enterprises of Southwest Missouri LLC	3904 w. Parkridge Circle	Springfield	MO	65802	(417) 268-0050	jdewing@kona-ice.com
Frazier, David	A Hand Holding Corporation	4365 St. Louis Rock Road	Villa Ridge	MO	63089	(314) 591-5500	countykona@gmail.com
Frazier, David	A Hand Holding Corporation	4365 St. Louis Rock Road	Villa Ridge	MO	63089	(314) 591-5500	countykona@gmail.com
Frazier, David	A Hand Holding Corporation	4365 St. Louis Rock Road	Villa Ridge	MO	63089	(314) 591-5500	countykona@gmail.com
Frazier, David	A Hand Holding Corporation	4365 St. Louis Rock Road	Villa Ridge	MO	63089	(314) 591-5500	countykona@gmail.com
Daleo, Robert	BC Kona, LLC	1402 Devonshire County Drive	Wentzville	MO	63385	(314) 973-3367	bdaleo@kona-ice.com
Daleo, Robert	BC Kona, LLC	1402 Devonshire County Drive	Wentzville	MO	63385	(314) 973-3367	bdaleo@kona-ice.com
Daleo, Robert	BC Kona, LLC	1402 Devonshire County Drive	Wentzville	MO	63385	(314) 973-3367	bdaleo@kona-ice.com
Daleo, Robert	BC Kona, LLC	1402 Devonshire County Drive	Wentzville	MO	63385	(314) 973-3367	bdaleo@kona-ice.com
Kuzmenkov, Alex	Kona Ice of the South, LLC	710 Prominence Dr.	Flowood	MS	39232	(601) 906-0385	akuzmenkov@kona-ice.com
Dearman, Renae	Kona Ice of the Southern Pine Belt	1072 Richburg Road	Hattiesburg	MS	39402	(601) 909-5423	rdearman@kona-ice.com
Amin, Alex	Kona Ice of the Eastern Pinebelt	403 Delaware Ave.	Mccomb	MS	39648	(601) 730-1515	jamin@kona-ice.com
Amin, Alex	Kona Ice of the Eastern Pinebelt	403 Delaware Ave.	Mccomb	MS	39648	(601) 730-1515	jamin@kona-ice.com
Jones, Brandon	Ice Life LLC	5730 Winchester PL	Meridian	MS	39307	(601) 917-5662	bjones@kona-ice.com
Starker, Alex & Ann	Starker Family, LLC	3833 Spring Lakes Blvd	Olive Branch	MS	38654	(662) 420-6909	astarker@kona-ice.com
Thornburg, Ric	Resolute Ice LLC	272 South Perkins St	Ridgeland	MS	39157	(601) 308-1310	rthornburg@kona-ice.com
Thornburg, Ric	Resolute Ice LLC	272 South Perkins St	Ridgeland	MS	39157	(601) 308-1310	rthornburg@kona-ice.com
Shannon, Michael	Kona Ice of Oktibbeha, LLC	629 Hannah Rd	Sturgis	MS	39769	(662) 769-9423	mshannon@kona-ice.com
Roach, Andy & Leigh	Team Roach Ventures, LLC	2104 Bull Run Dr.	Apex	NC	27539	(919) 448-1192	aroach@kona-ice.com
Roach, Andy & Leigh	Team Roach Ventures, LLC	2104 Bull Run Dr.	Apex	NC	27539	(919) 448-1192	aroach@kona-ice.com
Law, Alina	Wallih, LLC	12 Sourwood Lane	Asheville	NC	28805	(828) 772-4413	alaw@kona-ice.com
Glasgow, Chris	Glasgow Family LLC	8616 Ellington Park Drive	Charlotte	NC	28277	(704) 770-1731	cglasgow@kona-ice.com
Petty, Creg	Petty Investments, Inc	4140 Stacy Blvd	Charlotte	NC	28209	(704) 999-3421	cpetty@kona-ice.com
Allen, Michelle & Eddie	Kona Ice of Garner, LLC	188 Linwood Ln	Clayton	NC	27527		emallen@kona-ice.com
Cotta, Catherine	C.A. Cotta Corporation	304 Riverstone Drive	Clayton	NC	27527	(919) 909-1951	cotta@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Marino, Pam & Steve	MM&BD, LLC	1311 Surry Drive	Greensboro	NC	27408	(336) 653-5310	pmarino@kona-ice.com
Marino, Pam & Steve	MM&BD, LLC	1311 Surry Drive	Greensboro	NC	27408	(336) 653-5310	pmarino@kona-ice.com
Marino, Pam & Steve	MM&BD, LLC	1311 Surry Drive	Greensboro	NC	27408	(336) 653-5310	pmarino@kona-ice.com
Pounds, Jim	JD Pounds, Inc.	671 Godley Rd	Grimes Land	NC	27837	(252) 320-5662	jpounds@kona-ice.com
Pounds, Jim	JD Pounds, Inc.	671 Godley Rd	Grimes Land	NC	27837	(252) 320-5662	jpounds@kona-ice.com
Cribb, Stephen & Pamela	Smiles Express, LLC	603 Springhill Church Rd.	Hamlet	NC	28345	(910) 280-8825	scribb@kona-ice.com
Cribb, Stephen & Pamela	Smiles Express, LLC	603 Springhill Church Rd.	Hamlet	NC	28345	(910) 280-8825	scribb@kona-ice.com
Sample, Gary & Pam	Kona-Ice of Coastal Carolina, LLC	1012 NC Hwy 210W	Hampstead	NC	28443	(910) 443-5108	psample@kona-ice.com
Sample, Gary & Pam	Kona-Ice of Coastal Carolina, LLC	1012 NC Hwy 210W	Hampstead	NC	28443	(910) 443-5108	psample@kona-ice.com
Schaner, Debbie	Kona Ice Kabana, Inc.	5021 Harvestview Drive, Lot 24	Mebane	NC	27302	(919) 448-5535	dschaner@kona-ice.com
Schaner, Debbie	Kona Ice Kabana, Inc.	5021 Harvestview Drive, Lot 24	Mebane	NC	27302	(919) 448-5535	dschaner@kona-ice.com
Schaner, Debbie	Kona Ice Kabana, Inc.	5021 Harvestview Drive, Lot 24	Mebane	NC	27302	(919) 448-5535	dschaner@kona-ice.com
Schaner, Debbie	Kona Ice Kabana, Inc.	5021 Harvestview Drive, Lot 24	Mebane	NC	27302	(919) 448-5535	dschaner@kona-ice.com
Roberts, Scott	Diligent Hands, LLC	502 Cedar Wood Drive	Monroe	NC	28112	(704) 225-3922	sroberts@kona-ice.com
Roberts, Scott	Diligent Hands, LLC	502 Cedar Wood Drive	Monroe	NC	28112	(704) 225-3922	sroberts@kona-ice.com
Roberts, Scott	Diligent Hands, LLC	502 Cedar Wood Drive	Monroe	NC	28112	(704) 225-3922	sroberts@kona-ice.com
Engelhard, David & Leslie	Kona Ice of the Crystal Coast, LLC	215 Rochelle Drive	Morehead City	NC	28557	(252) 515-6108	coastalkona@kona-ice.com
Engelhard, David & Leslie	Kona Ice of the Crystal Coast, LLC	215 Rochelle Drive	Morehead City	NC	28557	(252) 515-6108	coastalkona@kona-ice.com
Engelhard, David & Leslie	Kona Ice of the Crystal Coast, LLC	215 Rochelle Drive	Morehead City	NC	28557	(252) 515-6108	coastalkona@kona-ice.com
Paccadolmi, Mike & Shana	IcePacc, Inc.	6010 Spring Forest Ct.	Pleasant Garden	NC	27313	(336) 912-1002	konagso@gmail.com
Paccadolmi, Mike & Shana	IcePacc, Inc.	6010 Spring Forest Ct.	Pleasant Garden	NC	27313	(336) 912-1002	konagso@gmail.com
Paccadolmi, Mike & Shana	IcePacc, Inc.	6010 Spring Forest Ct.	Pleasant Garden	NC	27313	(336) 912-1002	konagso@gmail.com
Paccadolmi, Mike & Shana	IcePacc, Inc.	6010 Spring Forest Ct.	Pleasant Garden	NC	27313	(336) 912-1002	konagso@gmail.com
Cummings, Jim & Amy	RockNRose, Inc	4712 Highland Glen Ct	Raleigh	NC	27612	(916) 259-9987	jcummings@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Veverka, Richie & Carina	Kona Ice of Raleigh	2324 Rainy Lake St.	Wake Forest	NC	27587	(919) 896-4410	veverka@kona-ice.com
Veverka, Richie & Carina	Kona Ice of Raleigh	2324 Rainy Lake St.	Wake Forest	NC	27587	(919) 896-4410	veverka@kona-ice.com
Veverka, Richie & Carina	Kona Ice of Raleigh	2324 Rainy Lake St.	Wake Forest	NC	27587	(919) 896-4410	veverka@kona-ice.com
Wittek, DJ	Carkate Kona of South Charlotte,LLC	7041 Stirrup Ct.	Weddington	NC	28104	(704) 560-4039	djwittek@kona-ice.com
Ford, Jill / Kay, Dudley	Kona Ice of the Sandhills, Inc.	83 Lakeview Dr.	Whispering Pines	NC	28327	(910) 315-9977	jford@kona-ice.com
Ford, Jill / Kay, Dudley	Kona Ice of the Sandhills, Inc.	83 Lakeview Dr.	Whispering Pines	NC	28327	(910) 315-9977	jford@kona-ice.com
Ivey, Doug & Beth	R12 Endeavors, LLC	1530 W Silverado Dr.	Lincoln	NE	68521	(402) 326-2479	ivey@kona-ice.com
Rewczuk, Lori	Kona Ice of West Omaha	17101 Chandler St	Omaha	NE	68136	(402) 639-0147	westomaha@kona-ice.com
Rewczuk, Lori	Kona Ice of West Omaha	17101 Chandler St	Omaha	NE	68136	(402) 639-0147	westomaha@kona-ice.com
Rewczuk, Lori	Kona Ice of West Omaha	17101 Chandler St	Omaha	NE	68136	(402) 639-0147	westomaha@kona-ice.com
Strong, Cheryl	Kona Ice of the Seacoast, LLC	17 Strongs Landing	Greenland	NH	03840	(603) 431-7378	cstrong@kona-ice.com
Daigle, Holly	Holly's Kona Ice, LLC	40 Sycamore Street	Pelham	NH	03076	(978) 457-3221	hdaigle@kona-ice.com
DiBona, Christina & Bill	Kona Ice 4 U LLC	12 Arlene Dr	Pelham	NH	03076	(603) 765-8378	cdibona@kona-ice.com
DiBona, Christina & Bill	Kona Ice 4 U LLC	12 Arlene Dr	Pelham	NH	03076	(603) 765-8378	cdibona@kona-ice.com
Sweeney, Jim & Sharon	Kona Ice of New Hampshire	516 Route 12A	Surry	NH	03431	(603) 903-1300	sweeney@kona-ice.com
Sweeney, Jim & Sharon	Kona Ice of New Hampshire	516 Route 12A	Surry	NH	03431	(603) 903-1300	sweeney@kona-ice.com
Sweeney, Jim & Sharon	Kona Ice of New Hampshire	516 Route 12A	Surry	NH	03431	(603) 903-1300	sweeney@kona-ice.com
Soberanis, Leo	Kona Ice of North Jersey, LLC	78 Bernice Road	Belleville	NJ	07109	(201) 937-9387	lsoberanis@kona-ice.com
Peak, Richard	Kona Ice Peak	16 19th Street	Burlington	NJ	8016	(609) 354-2225	rpeak@kona-ice.com
LaStella, Anthony & Lissa	38 A & A, LLC	38 Matthew Drive	Hamilton Square	NJ	08690	(609) 638-7337	konatrucknj@gmail.com
LaStella, Anthony & Lissa	39 A & A, LLC	38 Matthew Drive	Hamilton Square	NJ	08690	(609) 638-7337	konatrucknj@gmail.com
LaStella, Anthony & Lissa	40 A & A, LLC	38 Matthew Drive	Hamilton Square	NJ	08690	(609) 638-7337	konatrucknj@gmail.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Patel, Rupesh & Marleny	Kona Ice of Central Morris County	12 Leah Way	Parsippany	NJ	07054	(973) 240-7831	getakona@gmail.com
Patel, Rupesh & Marleny	Kona Ice of Central Morris County	12 Leah Way	Parsippany	NJ	07054	(973) 240-7831	getakona@gmail.com
Obiedzinski, Tom & Karen	Kona Ice of Hunterdon County, LLC	91 Sky Manor Road	Pittstown	NJ	8867	(908) 267-5662	tomob@kona-ice.com
Blum, Kelly & Eric	Blum Family, LLC	312 45th place	Sea Isle City	NJ	08243	(609) 665-5866	kblum@kona-ice.com
Blum, Kelly & Eric	Blum Family, LLC	312 45th place	Sea Isle City	NJ	08243	(609) 665-5866	kblum@kona-ice.com
Cassidy, John	CASSCO, LLC	10 Miramar Ct	Toms River	NJ	08757	(732) 928-0604	casskona@aol.com
Cassidy, John	CASSCO, LLC	10 Miramar Ct	Toms River	NJ	08757	(732) 928-0604	casskona@aol.com
Cassidy, John	CASSCO, LLC	10 Miramar Ct	Toms River	NJ	08757	(732) 928-0604	casskona@aol.com
Woodward, Russell	Rtwoodward, LLC	1087 Pine Ave.	Union	NJ	7083	(908) 425-0320	rwoodward@kona-ice.com
Pierantoni, Rey	Kona Ice of NJ, LLC	86 Fairway Avenue	Verona	NJ	07044	(973) 264-9966	reyp@kona-ice.com
Sudano, Tony	Kona Ice of Cherry Hill, LLC	6 Whitlow Dr	Westampton	NJ	08060	(609) 702-0922	tsudano@kona-ice.com
Montoya, Alfred	Kona Ice Valencia County	513 South 12th Street	Belen	NM	87002	(505) 850-0325	amontoya@kona-ice.com
Stevenson, David	Kona Ice of Albuquerque, LLC	34 Mulberry Loop	Cedar Crest	NM	87008	(505) 710-8327	dstevenson@kona-ice.com
Stevenson, David	Kona Ice of Albuquerque, LLC	34 Mulberry Loop	Cedar Crest	NM	87008	(505) 710-8327	dstevenson@kona-ice.com
Stevenson, David	Kona Ice of Albuquerque, LLC	34 Mulberry Loop	Cedar Crest	NM	87008	(505) 710-8327	dstevenson@kona-ice.com
Ruybalid, Greg	Desert Ice NM, LLC	106 West Twilight Drive	Farmington	NM	87401	(505) 215-2853	gregr@kona-ice.com
Kassis, Nadeem	C & N INVESTMENTS, LLC	5025 Camelot Drive	Hobbs	NM	88242	(575) 390-8547	nkassis@kona-ice.com
Placencio, Keith	Placencio Enterprises, Inc.	1920 Martha Drive	Las Cruces	NM	88001	(575) 993-4543	kplace@kona-ice.com
Vitz, Trent	Kona Ice Henderson, LLC	235 Opera House St	Henderson	NV	89012	(702) 510-8800	tvitz@kona-ice.com
Vitz, Trent	Kona Ice Henderson, LLC	235 Opera House St	Henderson	NV	89012	(702) 510-8800	tvitz@kona-ice.com
Fonte, Diona & Friel, Nick	F & F Creations, LLC	7100 Pirates Cove Rd. #2069	Las Vegas	NV	89145	(702) 423-3327	dfonte@kona-ice.com
Fonte, Diona & Friel, Nick	F & F Creations, LLC	7100 Pirates Cove Rd. #2069	Las Vegas	NV	89145	(702) 423-3327	dfonte@kona-ice.com
Karr, Jim & Kathy	Kona Ice Trilogy LLC	88 Sahalee Dr	Las Vegas	NV	89148	(702) 429-3171	konaland3@gmail.com
Pergi, Barbara	Just Chillin, LLC	8205 Weeping Springs Ave	Las Vegas	NV	89131	(702) 858-1177	bpergi@kona-ice.com
Smith, Larry & Sandra	Larsan, LLC	7271 E CAREY AVE	LAS VEGAS	NV	89156	(702) 350-0356	lsmith@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Greco, Glen	Kona Ice Capital District NE	2116 Rowley Rd	Ballston Spa	NY	12020	(518) 618-5600	ggreco@kona-ice.com
Malandro, John & Puglin, Julie	J&J Enterprises of LI, Inc.	705 Stewart Ave	Bethpage	NY	11714	(516) 342-5757	malandropuglin@kona-ice.com
Malandro, John & Puglin, Julie	J&J Enterprises of LI, Inc.	705 Stewart Ave	Bethpage	NY	11714	(516) 342-5757	malandropuglin@kona-ice.com
Patton, Eric	Buffalo Boys, Inc	15 Pinegrove Court	Elma	NY	14059	(716) 812-0520	epatton@kona-ice.com
Beymolla, Shaun	Kona Ice of Long Island, Inc	26 Bittersweet Avenue	Hampton Bays	NY	11946	(516) 404-5050	beymolla@kona-ice.com
Beymolla, Shaun	Kona Ice of Long Island, Inc	26 Bittersweet Avenue	Hampton Bays	NY	11946	(516) 404-5050	beymolla@kona-ice.com
Beymolla, Shaun	Kona Ice of Long Island, Inc	26 Bittersweet Avenue	Hampton Bays	NY	11946	(516) 404-5050	beymolla@kona-ice.com
Spano, Nicole	Kona Ice of South East Westchester	705 Cedar Street	Mamaroneck	NY	10543	(914) 732-3146	spano@kona-ice.com
Nitti, Scott & Nicole	Kona Ice of Genesee Valley	90 Ridgeway Estates	Rochester	NY	14626	(585) 474-9282	nitti@kona-ice.com
Nitti, Scott & Nicole	Kona Ice of Genesee Valley	90 Ridgeway Estates	Rochester	NY	14626	(585) 474-9282	nitti@kona-ice.com
Rondinelli, Andy	Kona Ice of Niagara Falls	99 Willowgrove South	Tonawanda	NY	14150	(716) 583-2627	arondinelli@kona-ice.com
Mahoney, Mike & Carol	Safe Step, Inc.	54 Mina Drive	Wappingers Falls	NY	12590	(845) 298-0270	mahoney@kona-ice.com
Persichetti, Rick/Coultas, Randy	Icebreakerz, LLC	1518 Creekside Road	Amelia	OH	45102	(513) 201-7589	rpersichetti@kona-ice.com
Persichetti, Rick/Coultas, Randy	Icebreakerz, LLC	1518 Creekside Road	Amelia	OH	45102	(513) 201-7589	rpersichetti@kona-ice.com
Hayes, Rich	Kona Ice of Athens, LLC	756 West Union Street	Athens	OH	45701	(740) 591-3573	rhayes@kona-ice.com
Barta, Steve	Barta Enterprises Inc.	6569 Thorntree Drive	Brecksville	OH	44141	(216) 532-3386	sbarta@kona-ice.com
Lockwood, Brian & Mollie	Kona Ice of North Medina County, LLC	4955 Neura Pkwy	Brunswick Hills	OH	44212	(330) 362-8901	blockwood@kona-ice.com
Oswald, Tim & Renee	Oz Ventures, Inc.	3441 Starwick Drive	Canfield	OH	44406	(330) 233-0198	timandrenee@kona-ice.com
Oswald, Tim & Renee	Oz Ventures, Inc.	3441 Starwick Drive	Canfield	OH	44406	(330) 233-0198	timandrenee@kona-ice.com
Cullen, Patrick	Mejjicull, Inc	8312 Portland Rd	Castalia	OH	44824	(419) 359-1511	pcullen@kona-ice.com
Lowman, Jim	Kona Ice of Delaware/Marysville	211 Homestead Lane	Delaware	OH	43015	(614) 849-8789	kjlowman@kona-ice.com
Lowman, Jim	Kona Ice of Delaware/Marysville	211 Homestead Lane	Delaware	OH	43015	(614) 849-8789	kjlowman@kona-ice.com
Humm, Scott & Melissa	Kona Ice of Findlay	2119 Stonecliff Drive	Findlay	OH	45840	(567) 525-0508	smhumm@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Humm, Scott & Melissa	Kona Ice of Findlay	2119 Stonecliff Drive	Findlay	OH	45840	(567) 525-0508	smhumm@kona-ice.com
Crites, Scott	Kahuna Entertainment, LLC	1772 Tecumseh Drive	Lancaster	OH	43130	(740) 412-3933	sjcrites@kona-ice.com
Crites, Scott	Kahuna Entertainment, LLC	1772 Tecumseh Drive	Lancaster	OH	43130	(740) 412-3933	sjcrites@kona-ice.com
Crites, Scott	Kahuna Entertainment, LLC	1772 Tecumseh Drive	Lancaster	OH	43130	(740) 412-3933	sjcrites@kona-ice.com
Prosser, Robert (Bobby) & April	Ice Worx, LLC	2120 Township Rd 585	Loudonville	OH	44842	(419) 528-5953	prosser@kona-ice.com
Andrews, Ted	Maineville Snow, LLC	8717 Woolstone Court	Maineville	OH	45039	(513) 600-0408	konacincinnati@gmail.com
Andrews, Ted	Maineville Snow, LLC	8717 Woolstone Court	Maineville	OH	45039	(513) 600-0408	konacincinnati@gmail.com
Andrews, Ted	Maineville Snow, LLC	8717 Woolstone Court	Maineville	OH	45039	(513) 600-0408	konacincinnati@gmail.com
Matthews, Ron & Sara	R&S Matthews, LLC	11964 Beckenham Rd.	North Royalton	OH	44133	(440) 539-3347	rmatthews@kona-ice.com
Eaton, Brad & Molly	Kona Ice of Central Dayton	440 Telford Ave	Oakwood	OH	45419	(937) 985-2215	meaton@kona-ice.com
Johnson, Chris	Central Ohio Concessions, LLC	4305 Hickory Rock Dr	Powell	OH	43065	(614) 721-4423	cjohnson@kona-ice.com
Johnson, Chris	Central Ohio Concessions, LLC	4305 Hickory Rock Dr	Powell	OH	43065	(614) 721-4423	cjohnson@kona-ice.com
Johnson, Chris	Central Ohio Concessions, LLC	4305 Hickory Rock Dr	Powell	OH	43065	(614) 721-4423	cjohnson@kona-ice.com
Johnson, Chris	Central Ohio Concessions, LLC	4305 Hickory Rock Dr	Powell	OH	43065	(614) 721-4423	cjohnson@kona-ice.com
Church, John	Kona Ice of the Mid-Ohio Valley LLC	10080 St Rt 550	Vincent	OH	45784	(740) 538-4126	jchurch@kona-ice.com
Church, John	Kona Ice of the Mid-Ohio Valley LLC	10080 St Rt 550	Vincent	OH	45784	(740) 538-4126	jchurch@kona-ice.com
Lay, Sarah & Allen	A & S Services, LLC	4820 Kessler Cowlesville Road	West Milton	OH	45383	(937) 964-5662	slay@kona-ice.com
Lay, Sarah & Allen	A & S Services, LLC	4820 Kessler Cowlesville Road	West Milton	OH	45383	(937) 964-5662	slay@kona-ice.com
Lay, Sarah & Allen	A & S Services, LLC	4820 Kessler Cowlesville Road	West Milton	OH	45383	(937) 964-5662	slay@kona-ice.com
Sipes, Connie	Rockin S Enterprises, Inc.	1113 W Decatur Pl	Broken Arrow	OK	74011	(918) 266-2665	csipes@kona-ice.com
Sipes, Connie	Rockin S Enterprises, Inc.	1113 W Decatur Pl	Broken Arrow	OK	74011	(918) 266-2665	csipes@kona-ice.com
Sipes, Connie	Rockin S Enterprises, Inc.	1113 W Decatur Pl	Broken Arrow	OK	74011	(918) 266-2665	csipes@kona-ice.com
Campbell, Jeremy	Kona Ice of Bartlesville	201 South Creek	Dewey	OK	74029	(918) 534-6578	jcampbell@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Burrough, Brian	Burrough Enterprises, LLC	804 Glenwood Drive	Moore	OK	73160	(405) 255-5121	burrough@kona-ice.com
Harris, Richard & Jennifer	Formosa Ice, LLC	5401 NW 122nd Terrace	Oklahoma City	OK	73162	(405) 896-0370	rharris@kona-ice.com
Harris, Richard & Jennifer	Formosa Ice, LLC	5401 NW 122nd Terrace	Oklahoma City	OK	73162	(405) 896-0370	rharris@kona-ice.com
Harris, Richard & Jennifer	Formosa Ice, LLC	5401 NW 122nd Terrace	Oklahoma City	OK	73162	(405) 896-0370	rharris@kona-ice.com
Love, Charles & Mary	Love2Smile, Inc	11908 Pepper Tree Place	Oklahoma City	OK	73120	(405) 286-2663	loves@kona-ice.com
Love, Charles & Mary	Love2Smile, Inc	11908 Pepper Tree Place	Oklahoma City	OK	73120	(405) 286-2663	loves@kona-ice.com
Love, Charles & Mary	Love2Smile, Inc	11908 Pepper Tree Place	Oklahoma City	OK	73120	(405) 286-2663	loves@kona-ice.com
Buckner, Ron	Kona Ice of NE Green Country, LLC	5103 S Sheridan #100	Tulsa	OK	74145	(918) 924-5441	rbuckner@kona-ice.com
Lindsey, Joe	J & C Lindsey, LLC	12609 sw 24th st	Yukon	OK	73099	(405) 397-4105	jlindsey@kona-ice.com
Lindsey, Joe	J & C Lindsey, LLC	12609 sw 24th st	Yukon	OK	73099	(405) 397-4105	jlindsey@kona-ice.com
Lindsey, Joe	J & C Lindsey, LLC	12609 sw 24th st	Yukon	OK	73099	(405) 397-4105	jlindsey@kona-ice.com
Adams, Nelson	Kona Ice of NW Linn County, LLC	525 19th Ave SW	Albany	OR	97322	(503) 881-5002	nadams@kona-ice.com
Wittstock, Jeff & Thuy	Kona Ice of East Washington County, Inc.	10550 SW Shearwater Place	Beaverton	OR	97007	(503) 347-5317	jwittstock@kona-ice.com
Burk, Mark & Lisa	Kona Ice of Oregon City, LLC	915 Hayes St	Mt. Angel	OR	97362	(503) 312-8398	marknlisa@kona-ice.com
Burk, Justin	Kona ice of Northwest Salem, LLC	268 Evelyn Ave NE.	Salem	OR	97301	(503) 930-6511	jburk@kona-ice.com
Burk, Alyssa	Kona Ice of Tigard, LLC	1015 Oak St. #34	Silverton	OR	97381		aburk@kona-ice.com
Russell, Matt & Andrea	Matthew J Russell Co LLC	1638 Fieldstone St	Allentown	PA	18106	(484) 239-3319	mrussell@kona-ice.com
Russell, Matt & Andrea	Matthew J Russell Co LLC	1638 Fieldstone St	Allentown	PA	18106	(484) 239-3319	mrussell@kona-ice.com
Brown, Dennis & Lisa	Southern Chester County, LLC	707 Ewing Rd.	Cochranville	PA	19330	(484) 748-0085	lbrown@kona-ice.com
Williams, Deborah	Kona Ice of Conemaugh Valley LLC	6 Lou Anne Ln	Delmont	PA	15626	(412) 369-6924	dwilliams@kona-ice.com
Dimaggio, John	Kona Ice of Carlisle, LLC	227 Scotch Pine Rd	Dillsburg	PA	17019	(717) 683-5432	jdimaggio@kona-ice.com
Webber, Steve	Scrumptious Ice, LLC	183 Cypress Rd.	Dingmans Ferry	PA	18328	(570) 828-3074	swebber@kona-ice.com
Webber, Steve	Scrumptious Ice, LLC	183 Cypress Rd.	Dingmans Ferry	PA	18328	(570) 828-3074	swebber@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Schwartzinger, Steve	Kona Ice Easton	1314 Lindenwood Lane	Easton	PA	18040	(973) 945-0474	sschwartzinger@kona-ice.com
Radziwon, Randy	Kona Ice of Westmoreland, LLC	805 Cleardale Dr.	Greensburg	PA	15601	(724) 953-9676	radziwon@kona-ice.com
Radziwon, Randy	Kona Ice of Westmoreland, LLC	805 Cleardale Dr.	Greensburg	PA	15601	(724) 953-9676	radziwon@kona-ice.com
Kader, Sondra	Kader's Kona Ice	P.O. Box 108 135 W Main St	Howard	PA	16841	(814) 880-4471	skader@kona-ice.com
Guiliani, Al & Debbie	A & D Kona Ice, LLC	4054 Turnwood Lane	Moon Township	PA	15108	(724) 601-5672	misterkona@comcast.net
Guiliani, Al & Debbie	A & D Kona Ice, LLC	4054 Turnwood Lane	Moon Township	PA	15108	(724) 601-5672	misterkona@comcast.net
Davis, Craig	Kona Ice of Adams County, LLC	26 Bugler Drive	New Oxford	PA	17350	(717) 451-4995	cdavis@kona-ice.com
Davis, Craig	Kona Ice of Adams County, LLC	26 Bugler Drive	New Oxford	PA	17350	(717) 451-4995	cdavis@kona-ice.com
Green, Bill & Julie	Kona Ice King of Prussia, LP	106 Summit Dr.	Phoenixville	PA	19460	(610) 933-7673	bgreen@kona-ice.com
Green, Bill & Julie	Kona Ice King of Prussia, LP	106 Summit Dr.	Phoenixville	PA	19460	(610) 933-7673	bgreen@kona-ice.com
Green, Bill & Julie	Kona Ice King of Prussia, LP	106 Summit Dr.	Phoenixville	PA	19460	(610) 933-7673	bgreen@kona-ice.com
Egli, Andrew/Mlinac, Ross	Kona Ice of Pittsburgh	2548 Lindenwood Drive	Pittsburgh	PA	15241	(412) 818-9641	andrewegli@gmail.com
Egli, Andrew/Mlinac, Ross	Kona Ice of Pittsburgh	2548 Lindenwood Drive	Pittsburgh	PA	15241	(412) 818-9641	andrewegli@gmail.com
Egli, Andrew/Mlinac, Ross	Kona Ice of Pittsburgh	2548 Lindenwood Drive	Pittsburgh	PA	15241	(412) 818-9641	andrewegli@gmail.com
Egli, Andrew/Mlinac, Ross	Kona Ice of Pittsburgh	2548 Lindenwood Drive	Pittsburgh	PA	15241	(412) 818-9641	andrewegli@gmail.com
Egli, Andrew/Mlinac, Ross	Kona Ice of Pittsburgh	2548 Lindenwood Drive	Pittsburgh	PA	15241	(412) 818-9641	andrewegli@gmail.com
Bouchard, Bob & Joyce	Rhode Island Kona, LLC	4 Cider Lane	Greenville	RI	2828	(401) 949-5073	bbouchard@kona-ice.com
Bouchard, Bob & Joyce	Rhode Island Kona, LLC	4 Cider Lane	Greenville	RI	2828	(401) 949-5073	bbouchard@kona-ice.com
Lizza, Jim	TL Vending LLC	111 Mystic Vineyard Lane	Anderson	SC	29621	(864) 934-1266	jlizza@kona-ice.com
Lindemann, Erich/Gilmore, Haley	Kona Ice of the Lowcountry, LLC	50 Lake Linden Dr.	Bluffton	SC	29910	(843) 441-7694	elindemann@kona-ice.com
Lindemann, Erich/Gilmore, Haley	Kona Ice of the Lowcountry, LLC	50 Lake Linden Dr.	Bluffton	SC	29910	(843) 441-7694	elindemann@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Lindemann, Erich/Gilmore, Haley	Kona Ice of the Lowcountry, LLC	50 Lake Linden Dr.	Bluffton	SC	29910	(843) 441-7694	elindemann@kona-ice.com
Cantey, Dan	Kona Ice of Midlands	1606 Fair Street	Camden	SC	29020	(803) 309-3749	dcantey@kona-ice.com
Cantey, Dan	Kona Ice of Midlands	1606 Fair Street	Camden	SC	29020	(803) 309-3749	dcantey@kona-ice.com
Buchan, Daniel & Jamie	Kona Ice of Charleston	P.O. Box 41161	Charleston	SC	29423	(843) 647-6477	charleston@kona-ice.com
Buchan, Daniel & Jamie	Kona Ice of Charleston	P.O. Box 41161	Charleston	SC	29423	(843) 647-6477	charleston@kona-ice.com
Johnson, Barbie / Buckley, Mark	Kona Ice of Charleston Islands LLC	1644 Dexter Lane	Charleston	SC	29412	(843) 830-9966	mbuckley@kona-ice.com
Syler, Barbara	Kona Ice of Columbia Northeast, LLC	506 Fetterbush Road	Elgin	SC	29045	(803) 727-9219	bsyler@kona-ice.com
Davis, Danny	Kona Ice of Florence, LLC	3404 Cherry Rd	Florence	SC	29501	(843) 260-1462	florence@kona-ice.com
Godlewski, Charles	Kona Ice Fort Mill	710 Lagan Ct.	Fort Mill	SC	29715	(704) 964-4656	cgodlewski@kona-ice.com
Godlewski, Charles	Kona Ice Fort Mill	710 Lagan Ct.	Fort Mill	SC	29715	(704) 964-4656	cgodlewski@kona-ice.com
Watlington, Isaac	The Watlington Group, LLC	210 Chemistry Circle	Ladson	SC	29456	(843) 530-4659	iwatlington@kona-ice.com
Munnerlyn, Brent & Shasta	Kona Ice Columbia, LLC	106 Dogwood Place Ct.	Lexington	SC	29072	(803) 457-0180	konaicecolumbia@gmail.com
Keene, Marvin & Carmaletia	Kona Ice of Central Horry County LLC	3409 Labrador Court	Myrtle Beach	SC	29579	(843) 467-9550	horry@kona-ice.com
Keene, Marvin & Carmaletia	Kona Ice of Central Horry County LLC	3409 Labrador Court	Myrtle Beach	SC	29579	(843) 467-9550	horry@kona-ice.com
Keene, Marvin & Carmaletia	Kona Ice of Central Horry County LLC	3409 Labrador Court	Myrtle Beach	SC	29579	(843) 467-9550	horry@kona-ice.com
Mackey, Scott & Angela	Kona Ice of Greenville, LLC	141 Talley Scott Rd.	Piedmont	SC	29673	(864) 380-0154	smackey@kona-ice.com
Mackey, Scott & Angela	Kona Ice of Greenville, LLC	141 Talley Scott Rd.	Piedmont	SC	29673	(864) 380-0154	smackey@kona-ice.com
Wolfenbarger, Christie	Touring Two, LLC	326 Charlton Ct	Bluff City	TN	37618	(423) 444-5224	wolfenbarger@kona-ice.com
Elrod, Kyle	Kona Ice of Chattanooga, LLC	3326 Cumberland Hills Circle	Cleveland	TN	37312	(423) 402-1811	kelrod@kona-ice.com
Elrod, Kyle	Kona Ice of Chattanooga, LLC	3326 Cumberland Hills Circle	Cleveland	TN	37312	(423) 402-1811	kelrod@kona-ice.com
Elrod, Kyle	Kona Ice of Chattanooga, LLC	3326 Cumberland Hills Circle	Cleveland	TN	37312	(423) 402-1811	kelrod@kona-ice.com
Elrod, Kyle	Kona Ice of Chattanooga, LLC	3326 Cumberland Hills Circle	Cleveland	TN	37312	(423) 402-1811	kelrod@kona-ice.com
Grillet, Andrew & Jennifer	Kona Ice Knoxville West	212 Guttery Lane	Clinton	TN	37716	(865) 809-8242	knoxvillewest@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Reeves, Tom	Kona Ice of Spring Hill / Columbia, LLC	4202 Warren Ct	Franklin	TN	37067	(615) 351-3199	treeves@kona-ice.com
Reeves, Tom	Kona Ice of Spring Hill / Columbia, LLC	4202 Warren Ct	Franklin	TN	37067	(615) 351-3199	treeves@kona-ice.com
Morgan, Cindy & Mark	Kona Ice of Sevier County	4223 E Parkway #333	Gatlinburg	TN	37738	(865) 306-3457	cmorgan@kona-ice.com
Kennedy, John F. & Rose	Chair Enterprises, LLC	4452 Andrew Jackson Pkwy	Hermitage	TN	37076	(615) 626-8002	jkennedy@kona-ice.com
Kennedy, John F. & Rose	Chair Enterprises, LLC	4452 Andrew Jackson Pkwy	Hermitage	TN	37076	(615) 626-8002	jkennedy@kona-ice.com
Greenwell, Kevin	Kona Ice of Johnson City	178 Bill Bennett Road	Johnson City	TN	37604	(423) 341-2701	greenwell@kona-ice.com
Maxey, Randy & Zach	Smoky Mountain Kona Ice, LLC	1602 Mt Tabor Rd	Maryville	TN	37801	(865) 776-5127	smoky@kona-ice.com
Maxey, David/Sessions, Cheryl	Kona Ice of Memphis	3270 Prince George Street	Memphis	TN	38115	(901) 794-5662	konaiceofmemphis@att.net
Hill, Eric & Jamesa	Hilltop Strategies, INC	3014 Melbourne Ct East	Mount Juliet	TN	37122	(404) 423-1037	jhill@kona-ice.com
Hill, Eric & Jamesa	Hilltop Strategies, INC	3014 Melbourne Ct East	Mount Juliet	TN	37122	(404) 423-1037	jhill@kona-ice.com
Lyon, Landon & Melinda	Lyon Koncessions, LLC	5591 Harpeth Haven Drive	Pegram	TN	37143	(615) 944-5662	lyon@kona-ice.com
Lyon, Landon & Melinda	Lyon Koncessions, LLC	5591 Harpeth Haven Drive	Pegram	TN	37143	(615) 944-5662	lyon@kona-ice.com
Lyon, Landon & Melinda	Lyon Koncessions, LLC	5591 Harpeth Haven Drive	Pegram	TN	37143	(615) 944-5662	lyon@kona-ice.com
Woods, Mike	Kona of Middle Tennessee, LLC	1679 Kingwood Lane	Rockvale	TN	37153	(615) 971-0092	mwoods@kona-ice.com
Woods, Mike	Kona of Middle Tennessee, LLC	1679 Kingwood Lane	Rockvale	TN	37153	(615) 971-0092	mwoods@kona-ice.com
Woods, Mike	Kona of Middle Tennessee, LLC	1679 Kingwood Lane	Rockvale	TN	37153	(615) 971-0092	mwoods@kona-ice.com
McLeod, Barbara	Abilene's Kona Ice, LLC	1502 River Oaks Road	Abilene	TX	79605	(325) 669-6970	bmcleod@kona-ice.com
McLeod, Barbara	Abilene's Kona Ice, LLC	1502 River Oaks Road	Abilene	TX	79605	(325) 669-6970	bmcleod@kona-ice.com
Escobedo, Frank	Kona Ice of Jim Wells County	483 FM 2507	Alice	TX	78332	(361) 563-5532	fescobedo@kona-ice.com
Holt, Lisa & Blake	Kona Ice of Frisco/Allen, LLC	1012 Edison Lane	Allen	TX	75002	(469) 408-5662	holt@kona-ice.com
Holt, Lisa & Blake	Kona Ice of Frisco/Allen, LLC	1012 Edison Lane	Allen	TX	75002	(469) 408-5662	holt@kona-ice.com
Dalmolin, Billy	Dolce Ice, LLC	717 Dezso Dr.	Alvin	TX	77511	(281) 889-2653	bdalmolin@kona-ice.com
Walker, Frank	Walker Frozen Ice, LLC	12288 Cr 290	Anna	TX	75409	(972) 838-3174	fwalker@kona-ice.com
Spring, Richard	SS Unlimited, Inc	15157 North State Hwy 94 P.O. BOX 42	Apple Springs	TX	75926	(936) 676-2399	rspring@kona-ice.com
Alexander, Joe & Amy	Kona Ice Lake Arlington, LLC	3800 Starr Lane	Arlington	TX	76016	(682) 593-5662	aalexander@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Alexander, Joe & Amy	Kona Ice Lake Arlington, LLC	3800 Starr Lane	Arlington	TX	76016	(682) 593-5662	aalexander@kona-ice.com
Alexander, Joe & Amy	Kona Ice Lake Arlington, LLC	3800 Starr Lane	Arlington	TX	76016	(682) 593-5662	aalexander@kona-ice.com
Alexander, Joe & Amy	Kona Ice Lake Arlington, LLC	3800 Starr Lane	Arlington	TX	76016	(682) 593-5662	aalexander@kona-ice.com
Alexander, Joe & Amy	Kona Ice Lake Arlington, LLC	3800 Starr Lane	Arlington	TX	76016	(682) 593-5662	aalexander@kona-ice.com
Alexander, Joe & Amy	Kona Ice Lake Arlington, LLC	3800 Starr Lane	Arlington	TX	76016	(682) 593-5662	aalexander@kona-ice.com
Reese, Wayne & Diana	Kona Ice North Grand Prairie, LLC	7701 White Fawn Road	Arlington	TX	76002	(713) 962-2523	wreese@kona-ice.com
Reese, Wayne & Diana	Kona Ice North Grand Prairie, LLC	7701 White Fawn Road	Arlington	TX	76002	(713) 962-2523	wreese@kona-ice.com
Reese, Wayne & Diana	Kona Ice North Grand Prairie, LLC	7701 White Fawn Road	Arlington	TX	76002	(713) 962-2523	wreese@kona-ice.com
Reese, Wayne & Diana	Kona Ice North Grand Prairie, LLC	7701 White Fawn Road	Arlington	TX	76002	(713) 962-2523	wreese@kona-ice.com
Sanchez, Cynthia	Kona Ice of Central Irving	2500 Plaza St.	Arlington	TX	76010	(682) 222-6447	csanchez@kona-ice.com
Waddell, Jeff	Brain Freeze Events, Inc	2001 North Saint Andrews Court	Arlington	TX	76011	(817) 864-9996	jwaddell@kona-ice.com
Waddell, Jeff	Brain Freeze Events, Inc	2001 North Saint Andrews Court	Arlington	TX	76011	(817) 864-9996	jwaddell@kona-ice.com
Stephens, Melissa/Gwin, Nancy	Onakay, LLC	430 Private Road 35975	Arthur City	TX	75411	(903) 401-0998	mstephens@kona-ice.com
Stephens, Melissa/Gwin, Nancy	Onakay, LLC	430 Private Road 35975	Arthur City	TX	75411	(903) 401-0998	mstephens@kona-ice.com
Candau, Craig & Karie	Kona Ice of Leander Cedar Park	11624 Sweet Basil Court	Austin	TX	78726	(737) 210-2445	candau@kona-ice.com
Candau, Craig & Karie	Kona Ice of Leander Cedar Park	11624 Sweet Basil Court	Austin	TX	78726	(737) 210-2445	candau@kona-ice.com
Candau, Craig & Karie	Kona Ice of Leander Cedar Park	11624 Sweet Basil Court	Austin	TX	78726	(737) 210-2445	candau@kona-ice.com
Huskisson, Justin	Unus Vita, LLC	4306 Ganymede Drive	Austin	TX	78727	(512) 850-1777	konaiceaustin@yahoo.com
Huskisson, Justin	Unus Vita, LLC	4306 Ganymede Drive	Austin	TX	78727	(512) 850-1777	konaiceaustin@yahoo.com
Huskisson, Justin	Unus Vita, LLC	4306 Ganymede Drive	Austin	TX	78727	(512) 850-1777	konaiceaustin@yahoo.com
Huskisson, Justin	Unus Vita, LLC	4306 Ganymede Drive	Austin	TX	78727	(512) 850-1777	konaiceaustin@yahoo.com
Huskisson, Justin	Unus Vita, LLC	4306 Ganymede Drive	Austin	TX	78727	(512) 850-1777	konaiceaustin@yahoo.com
Huskisson, Justin	Unus Vita, LLC	4306 Ganymede Drive	Austin	TX	78727	(512) 850-1777	konaiceaustin@yahoo.com
Huskisson, Justin	Unus Vita, LLC	4306 Ganymede Drive	Austin	TX	78727	(512) 850-1777	konaiceaustin@yahoo.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Potts, Luke & Kayla	Nolan Creek Innovations, LLC	3505 Spinnaker Ln.	Belton	TX	76513	(254) 444-0766	lkpotts@kona-ice.com
Meeks, Virgil (Terry)	VTM Ventures, Inc	1307 Park Center St.	Benbrook	TX	76126	(817) 249-7525	vmeeks@kona-ice.com
Meeks, Virgil (Terry)	VTM Ventures, Inc	1307 Park Center St.	Benbrook	TX	76126	(817) 249-7525	vmeeks@kona-ice.com
Barkey, Donna & Grant	Kona Ice Hill Country LLC	16035 State Hwy 29E	Buchanan Dam	TX	78609	(512) 755-9814	barkey@kona-ice.com
Barkey, Donna & Grant	Kona Ice Hill Country LLC	16035 State Hwy 29E	Buchanan Dam	TX	78609	(512) 755-9814	barkey@kona-ice.com
Escamilla Jr, Jesse	Kona Ice Buda/Kyle	1500 Satterwhite Rd.	Buda	TX	78610	(512) 757-1163	konaiceofbudakyle@gmail.com
Reeder, Karey/Shelton, Susan	KARSAN'S KONA ICE OF HUNTSVILLE LLC	144 S Reeder Hill	Buffalo	TX	75831	(903) 388-6649	karsan@kona-ice.com
Hale, Richard	Kona-ice of Brazos County, LLC	502 Southwest Pkwy apt 811	College Station	TX	77840	(979) 587-9699	rhale@kona-ice.com
Rodriguez, Ivan	Kona ice of North Conroe, LLC	11201 Kentucky Oaks Dr	Conroe	TX	77304	(936) 756-5662	irod@kona-ice.com
Taylor, Jarrod	Kona Ice of Denton	2205 Lea Meadow Cir	Corinth	TX	76208	(940) 597-9089	jtaylor@kona-ice.com
Taylor, Jarrod	Kona Ice of Denton	2205 Lea Meadow Cir	Corinth	TX	76208	(940) 597-9089	jtaylor@kona-ice.com
Garza, Rene & Christy	Kona Ice of Coastal Corpus Christi	6005 Bobtail Drive	Corpus Christi	TX	78414	(361) 658-6244	rgarza@kona-ice.com
Maldonado, Randy & Yvette	Koastal Kona Ice of Corpus Christi	6001 King Trail	Corpus Christi	TX	78414	(361) 232-6687	rlmaldonado@kona-ice.com
Maldonado, Randy & Yvette	Koastal Kona Ice of Corpus Christi	6001 King Trail	Corpus Christi	TX	78414	(361) 232-6687	rlmaldonado@kona-ice.com
Rosas, Rudy & Christina	Kona Ice of San Patricio County	2533 Cresterrace Drive	Corpus Christi	TX	78415	(361) 248-5662	rosas@kona-ice.com
Wood, Trey & Stacey	Kona-Wood Houston LLC	2804 Daniel Ave	Dallas	TX	75205	(713) 253-7121	wood@kona-ice.com
Wood, Trey & Stacey	Kona-Wood Houston LLC	2804 Daniel Ave	Dallas	TX	75205	(713) 253-7121	wood@kona-ice.com
Wood, Trey & Stacey	Kona-Wood Houston LLC	2804 Daniel Ave	Dallas	TX	75205	(713) 253-7121	wood@kona-ice.com
Solis, Gary/Morrison, Bryant	Penguin 956 Kona, LLC	2508 Stirling Ave.	Edinburg	TX	78539	(956) 873-6619	gsolis@kona-ice.com
Galindo, Jose/ Baca, Victor	Kona Ice Southern El Paso	12096 Banner Crest Dr	El Paso	TX	79936	(915) 241-2234	southelpaso@kona-ice.com
Hammond, Greg & Lee Ann	Top Two Investments, LLC	119 Wagner Trl	Farmersville	TX	75442	(469) 500-6500	hammond@kona-ice.com
Hammond, Greg & Lee Ann	Top Two Investments, LLC	119 Wagner Trl	Farmersville	TX	75442	(469) 500-6500	hammond@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Hammond, Greg & Lee Ann	Top Two Investments, LLC	119 Wagner Trl	Farmersville	TX	75442	(469) 500-6500	hammond@kona-ice.com
Davis, Darrell	DFW Shaved Ice, LLC	3160 Tex Blvd	Fort Worth	TX	76116	(817) 808-9844	ddavis@kona-ice.com
Davis, Darrell	DFW Shaved Ice, LLC	3160 Tex Blvd	Fort Worth	TX	76116	(817) 808-9844	ddavis@kona-ice.com
McWilliams, Tim	GoChem LLC	4403 Wentworth Dr.	Fulshear	TX	77441	(346) 704-5662	tmcwilliams@kona-ice.com
Fiveash, Nick & Christina	Fiveash, LLC	6202 Lennox Lane	Garland	TX	75043	(214) 776-1222	fiveash@kona-ice.com
Fiveash, Nick & Christina	Fiveash, LLC	6202 Lennox Lane	Garland	TX	75043	(214) 776-1222	fiveash@kona-ice.com
Thibodeaux, Lonnie	Kona Ice of Paluxy River, LLC	2936 CR 312	Glen Rose	TX	76043	(254) 300-1604	paluxyriver@kona-ice.com
Sterling, Mike & Toni	M and T Enterprises, LLC	6964 Catamaran Drive	Grand Prairie	TX	75054	(972) 342-8046	mtsterling@kona-ice.com
Sterling, Mike & Toni	M and T Enterprises, LLC	6964 Catamaran Drive	Grand Prairie	TX	75054	(972) 342-8046	mtsterling@kona-ice.com
Sutton, Tiffany	Strategic Business Concepts, LLC	2428 Ranchview Drive	Grand Prairie	TX	75052	(972) 742-1584	tsutton@kona-ice.com
Cabriales, Noe	Cabriales Family, LLC	3101 E. Hapner St.	Harlingen	TX	78550	(956) 730-3981	ncabriales@kona-ice.com
Valdez, Jacob & Criselda	CJ's Snowcones, LLC	2930 Lazy Lake Drive	Harlingen	TX	78550	(956) 368-3070	cjvaldez@kona-ice.com
Dunn, Thomas	White Buffalo Interests, LLC	6119 Ariel Street	Houston	TX	77074	(832) 799-2409	tdunn@kona-ice.com
Dunn, Thomas	White Buffalo Interests, LLC	6119 Ariel Street	Houston	TX	77074	(832) 799-2409	tdunn@kona-ice.com
Dunn, Thomas	White Buffalo Interests, LLC	6119 Ariel Street	Houston	TX	77074	(832) 799-2409	tdunn@kona-ice.com
Sinclair, Patrick	Kona Ice of Houston, LLC	717 Cortlandt Street	Houston	TX	77007	(713) 864-4747	patrick@kona-ice.com
Sinclair, Patrick	Kona Ice of Houston, LLC	717 Cortlandt Street	Houston	TX	77007	(713) 864-4747	patrick@kona-ice.com
Sinclair, Patrick	Kona Ice of Houston, LLC	717 Cortlandt Street	Houston	TX	77007	(713) 864-4747	patrick@kona-ice.com
Sinclair, Patrick	Kona Ice of Houston, LLC	717 Cortlandt Street	Houston	TX	77007	(713) 864-4747	patrick@kona-ice.com
Sinclair, Patrick	Kona Ice of Houston, LLC	717 Cortlandt Street	Houston	TX	77007	(713) 864-4747	patrick@kona-ice.com
Sinclair, Patrick	Kona Ice of Houston, LLC	717 Cortlandt Street	Houston	TX	77007	(713) 864-4747	patrick@kona-ice.com
Sinclair, Patrick	Kona Ice of Houston, LLC	717 Cortlandt Street	Houston	TX	77007	(713) 864-4747	patrick@kona-ice.com
Sinclair, Patrick	Kona Ice of Houston, LLC	717 Cortlandt Street	Houston	TX	77007	(713) 864-4747	patrick@kona-ice.com
Sinclair, Patrick	Kona Ice of Houston, LLC	717 Cortlandt Street	Houston	TX	77007	(713) 864-4747	patrick@kona-ice.com
Sinclair, Patrick	Kona Ice of Houston, LLC	717 Cortlandt Street	Houston	TX	77007	(713) 864-4747	patrick@kona-ice.com
Sinclair, Patrick	Kona Ice of Houston, LLC	717 Cortlandt Street	Houston	TX	77007	(713) 864-4747	patrick@kona-ice.com
Sinclair, Patrick	Kona Ice of Houston, LLC	717 Cortlandt Street	Houston	TX	77007	(713) 864-4747	patrick@kona-ice.com
Sinclair, Patrick	Kona Ice of Houston, LLC	717 Cortlandt Street	Houston	TX	77007	(713) 864-4747	patrick@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Sinclair, Patrick	Kona Ice of Houston, LLC	717 Cortlandt Street	Houston	TX	77007	(713) 864-4747	patrick@kona-ice.com
Sinclair, Patrick	Kona Ice of Houston, LLC	717 Cortlandt Street	Houston	TX	77007	(713) 864-4747	patrick@kona-ice.com
Sinclair, Patrick	Kona Ice of Houston, LLC	717 Cortlandt Street	Houston	TX	77007	(713) 864-4747	patrick@kona-ice.com
McLaughlin, Cameron & Jessica	McLaughlin Kerrville Shaved Ice, LLC	164 Stewart-Junkin P.O. Box 204	Hunt	TX	78028	(830) 777-0623	cmclaughlin@kona-ice.com
Werner, Dan	Kona by the Lake LLC	1518 Highland Circle	Little Elm	TX	75068	(469) 475-8081	dwerner@kona-ice.com
Werner, Dan	Kona by the Lake LLC	1518 Highland Circle	Little Elm	TX	75068	(469) 475-8081	dwerner@kona-ice.com
Dibble, Keith & Sandy	K&S Shaved Ice, LLC	P.O. Box 5416	Longview	TX	75608	(903) 431-1165	dibble@kona-ice.com
Dibble, Keith & Sandy	K&S Shaved Ice, LLC	P.O. Box 5416	Longview	TX	75608	(903) 431-1165	dibble@kona-ice.com
Brady, Quentin	Kona Ice of Central Lubbock	5801 Ave G	Lubbock	TX	79404	(806) 241-1052	qbrady@kona-ice.com
Salamon, Paulene	Chillaxin Enterprises LLC	151 state rd 2130	lubbock	TX	79407	(806) 638-5662	psalamon@kona-ice.com
Meeks, Gary & Stacy	Kona Ice of North Texas	1010 Pebble Beach Drive	Mansfield	TX	76063	(817) 727-6252	gmeeks@kona-ice.com
Meeks, Gary & Stacy	Kona Ice of North Texas	1010 Pebble Beach Drive	Mansfield	TX	76063	(817) 727-6252	gmeeks@kona-ice.com
Meeks, Gary & Stacy	Kona Ice of North Texas	1010 Pebble Beach Drive	Mansfield	TX	76063	(817) 727-6252	gmeeks@kona-ice.com
Meeks, Gary & Stacy	Kona Ice of North Texas	1010 Pebble Beach Drive	Mansfield	TX	76063	(817) 727-6252	gmeeks@kona-ice.com
Park, Steve & Tina	STP Tasty Treats LLC	1803 Grayson Ave.	Mesquite	TX	75181		
Rinehart, Buster & Heather	Kona Ice of West Texas	709 Austin Street	Midland	TX	79703	(432) 634-0220	westtexas@kona-ice.com
Rinehart, Buster & Heather	Kona Ice of West Texas	709 Austin Street	Midland	TX	79703	(432) 634-0220	westtexas@kona-ice.com
Rinehart, Buster & Heather	Kona Ice of West Texas	709 Austin Street	Midland	TX	79703	(432) 634-0220	westtexas@kona-ice.com
Kashuda, Mark & Theresa	MTM ICE LLC	3110 Gray Thrush	Missouri City	TX	77459	(713) 817-4046	kash@kona-ice.com
Kashuda, Mark & Theresa	MTM ICE LLC	3110 Gray Thrush	Missouri City	TX	77459	(713) 817-4046	kash@kona-ice.com
Kashuda, Mark & Theresa	MTM ICE LLC	3110 Gray Thrush	Missouri City	TX	77459	(713) 817-4046	kash@kona-ice.com
Kashuda, Mark & Theresa	MTM ICE LLC	3110 Gray Thrush	Missouri City	TX	77459	(713) 817-4046	kash@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Kashuda, Mark & Theresa	MTM ICE LLC	3110 Gray Thrush	Missouri City	TX	77459	(713) 817-4046	kash@kona-ice.com
Manning, Jesse & Sandy	JSManning Enterprise, Inc.	190 Center Street Ste 108	New Braunfels	TX	78130	(830) 832-0973	newbraunfels@kona-ice.com
Manning, Jesse & Sandy	JSManning Enterprise, Inc.	190 Center Street Ste 108	New Braunfels	TX	78130	(830) 832-0973	newbraunfels@kona-ice.com
Manning, Jesse & Sandy	JSManning Enterprise, Inc.	190 Center Street Ste 108	New Braunfels	TX	78130	(830) 832-0973	newbraunfels@kona-ice.com
Holleman, Steve & Paige	Holleman Enterprises, LLC	8304 Juniper Drive	North Richland Hills	TX	76182	(817) 939-9805	sholleman@kona-ice.com
Holleman, Steve & Paige	Holleman Enterprises, LLC	8304 Juniper Drive	North Richland Hills	TX	76182	(817) 939-9805	sholleman@kona-ice.com
Holleman, Steve & Paige	Holleman Enterprises, LLC	8304 Juniper Drive	North Richland Hills	TX	76182	(817) 939-9805	sholleman@kona-ice.com
Thibodeaux, Logan/Frautschi, Ellen	LAKESIDE FROZEN TREATS, LLC	4950 Cloyce Ct. Apt C	North Richland Hills	TX	76180	(405) 355-2922	coppell@kona-ice.com
Thibodeaux, Logan/Frautschi, Ellen	LAKESIDE FROZEN TREATS, LLC	4950 Cloyce Ct. Apt C	North Richland Hills	TX	76180	(405) 355-2922	coppell@kona-ice.com
Waddell, Mike & Shannon	Waddell's Shaved Ice, Co	5010 Colombia Dr.	Pasadena	TX	77505	(832) 696-2544	mwaddell@kona-ice.com
Maples, Ron & Kerrie	The Maple Tree Group, LLC	9721 Beck Dr.	Plano	TX	75025	(972) 234-4058	kandrmaples@kona-ice.com
Maples, Ron & Kerrie	The Maple Tree Group, LLC	9721 Beck Dr.	Plano	TX	75025	(972) 234-4058	kandrmaples@kona-ice.com
Maples, Ron & Kerrie	The Maple Tree Group, LLC	9721 Beck Dr.	Plano	TX	75025	(972) 234-4058	kandrmaples@kona-ice.com
Maples, Ron & Kerrie	The Maple Tree Group, LLC	9721 Beck Dr.	Plano	TX	75025	(972) 234-4058	kandrmaples@kona-ice.com
Carter, Eric & Sandy	Carter Cool, Inc.	20179 Royal Orchard Dr	Porter	TX	77365	(281) 793-9664	secarter@kona-ice.com
Carter, Eric & Sandy	Carter Cool, Inc.	20179 Royal Orchard Dr	Porter	TX	77365	(281) 793-9664	secarter@kona-ice.com
Bowers, David & Becky	Prosper Shaved Ice, Inc	1239 Chandler Circle	Prosper	TX	75078	(469) 955-5662	bbowers@kona-ice.com
Fowler, Tom	TGI KONA LLC	10702 Waterview Parkway	Rowlett	TX	75089	(214) 316-0925	tfowler@kona-ice.com
Fowler, Tom	TGI KONA LLC	10702 Waterview Parkway	Rowlett	TX	75089	(214) 316-0925	tfowler@kona-ice.com
Fowler, Tom	TGI KONA LLC	10702 Waterview Parkway	Rowlett	TX	75089	(214) 316-0925	tfowler@kona-ice.com
Rodriguez, Carlos	Ice Dreams Inc.	5929 Lynd Hurst Dr	San Angelo	TX	76901	(432) 290-1123	crodriguez@kona-ice.com
Chapa, Ryan	Ryan Chapa Enterprises, LLC	5403 Green Grass	San Antonio	TX	78223	(210) 213-3757	rchapa@kona-ice.com
Pharis, Mike & Natasha	Kona Ice Calcasieu Parish East, LLC	8235 Olde Village Drive	San Antonio	TX	78250	(210) 504-6780	npharis@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Pharis, Mike & Natasha	Kona Ice Calcasieu Parish East, LLC	8235 Olde Village Drive	San Antonio	TX	78250	(210) 504-6780	npharis@kona-ice.com
Pharis, Mike & Natasha	Kona Ice Calcasieu Parish East, LLC	8235 Olde Village Drive	San Antonio	TX	78250	(210) 504-6780	npharis@kona-ice.com
Pharis, Mike & Natasha	Kona Ice Calcasieu Parish East, LLC	8235 Olde Village Drive	San Antonio	TX	78250	(210) 504-6780	npharis@kona-ice.com
Stetson, Randy	Kona Ice San Antonio	61 Granburg Circle	San Antonio	TX	78218	(210) 826-7662	hstetson@kona-ice.com
Stetson, Randy	Kona Ice San Antonio	61 Granburg Circle	San Antonio	TX	78218	(210) 826-7662	hstetson@kona-ice.com
Stetson, Randy	Kona Ice San Antonio	61 Granburg Circle	San Antonio	TX	78218	(210) 826-7662	hstetson@kona-ice.com
Zamora, Rick & Claire	Kona Ice of Alamo City, LLC	6962 Friesenhahn St.	San Antonio	TX	78263	(210) 852-8560	rzamora@kona-ice.com
Oeswein, David	CP&Z Enterprises LLC	30 Silverstrand Pl	Spring	TX	77381	(281) 408-4423	david@konaicehouston.com
Oeswein, David	CP&Z Enterprises LLC	30 Silverstrand Pl	Spring	TX	77381	(281) 408-4423	david@konaicehouston.com
Oeswein, David	CP&Z Enterprises LLC	30 Silverstrand Pl	Spring	TX	77381	(281) 408-4423	david@konaicehouston.com
Ontiveros, Lorena	Kona Ice Spring Branch/Boerne	322 Lantana View	Spring Branch	TX	78070	(210) 833-7469	lontiveros@kona-ice.com
Dugan, Jordan & Jessica	JSManning Enterprise, LLC	101 S Holly St	Sweeny	TX	77480	(979) 798-5662	jsmanning@kona-ice.com
Hargrove, Justin	JB Hargrove, LLC	2405 Kensington	Tyler	TX	75703	(903) 372-0269	hargrove@kona-ice.com
Hargrove, Justin	JB Hargrove, LLC	2405 Kensington	Tyler	TX	75703	(903) 372-0269	hargrove@kona-ice.com
Peña, Jesse/Garibay, Louis	Victoria Shaved Ice	508 Kelly Crick	Victoria	TX	77904	(361) 579-7423	jpena@kona-ice.com
Peña, Jesse/Garibay, Louis	Victoria Shaved Ice	508 Kelly Crick	Victoria	TX	77904	(361) 579-7423	jpena@kona-ice.com
Kapavik, Jessica	Tie Dye Enterprises, LLC	420 Crawshaw Lane	West	TX	76691	(254) 265-1048	jkapavik@kona-ice.com
Davoult, Roy & Carri	Makhes, LLC	P.O. BOX 4691	Wichita Falls	TX	76306	(940) 636-5662	nwtexoma@kona-ice.com
Davoult, Roy & Carri	Makhes, LLC	P.O. BOX 4691	Wichita Falls	TX	76306	(940) 636-5662	nwtexoma@kona-ice.com
Davoult, Roy & Carri	Makhes, LLC	P.O. BOX 4691	Wichita Falls	TX	76306	(940) 636-5662	nwtexoma@kona-ice.com
Brown, Nick	Kona Ice of Killeen, LLC	8281 Mosswood Dr	Woodway	TX	76712	(214) 529-2169	nbrown@kona-ice.com
Brown, Nick	Kona Ice of Killeen, LLC	8281 Mosswood Dr	Woodway	TX	76712	(214) 529-2169	nbrown@kona-ice.com
Becerra, Annya	Kona Ice of South Orem/Provo	1657 North 400 West	Orem	UT	84057	(801) 319-8620	annyab@kona-ice.com
Maloney, Eddie	Kona Ice North Roanoke County	1483 Morgans Church Rd	Bedford	VA	24523	(540) 296-0670	emaloney@kona-ice.com
Coleman, Paul	Kona of the Piedmont, LLC	965 Grayson Lane	Charlottesville	VA	22903	(434) 284-2285	pcoleman@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Townsend, Kevin & Lisa	Kona Ice of Chesapeake	725 Hilda Pine Drive	Chesapeake	VA	23322	(757) 739-3731	konalisa@kona-ice.com
Chaffin, Shannon	Kona Ice of Gloucester, York, N. Newport News	6851 Cedar Lake Drive	Gloucester	VA	23061	(804) 413-9793	schaffin@kona-ice.com
Young, Steve & Cindy	Surf N Dipity, Inc.	52 Saddle Ridge Lane	Nellysford	VA	22958	(434) 466-8959	youngs@kona-ice.com
Young, Steve & Cindy	Surf N Dipity, Inc.	52 Saddle Ridge Lane	Nellysford	VA	22958	(434) 466-8959	youngs@kona-ice.com
McCloud, John (Jay) & Linda	Kona Ice of Hampton City	5908 Sturbridge Way	Portsmouth	VA	23703	(757) 652-3675	jmccloud@kona-ice.com
Hammond, Steve	Eat Good Snacks, LLC	11654 Plaza Americas Dr #910	Reston	VA	20190	(703) 745-2536	shammond@kona-ice.com
Hammond, Steve	Eat Good Snacks, LLC	11654 Plaza Americas Dr #910	Reston	VA	20190	(703) 745-2536	shammond@kona-ice.com
Mittelstaedt, Joel/Dearing, Tim	DM Concessions, Inc	1609 Cedar Grove Terrace	Richmond	VA	23228	(804) 304-0996	jmitt@kona-ice.com
Mittelstaedt, Joel/Dearing, Tim	DM Concessions, Inc	1609 Cedar Grove Terrace	Richmond	VA	23228	(804) 304-0996	jmitt@kona-ice.com
Mittelstaedt, Joel/Dearing, Tim	DM Concessions, Inc	1609 Cedar Grove Terrace	Richmond	VA	23228	(804) 304-0996	jmitt@kona-ice.com
Mittelstaedt, Joel/Dearing, Tim	DM Concessions, Inc	1609 Cedar Grove Terrace	Richmond	VA	23228	(804) 304-0996	jmitt@kona-ice.com
Mittelstaedt, Joel/Dearing, Tim	DM Concessions, Inc	1609 Cedar Grove Terrace	Richmond	VA	23228	(804) 304-0996	jmitt@kona-ice.com
Mittelstaedt, Joel/Dearing, Tim	DM Concessions, Inc	1609 Cedar Grove Terrace	Richmond	VA	23228	(804) 304-0996	jmitt@kona-ice.com
Mittelstaedt, Joel/Dearing, Tim	DM Concessions, Inc	1609 Cedar Grove Terrace	Richmond	VA	23228	(804) 304-0996	jmitt@kona-ice.com
Mittelstaedt, Joel/Dearing, Tim	DM Concessions, Inc	1609 Cedar Grove Terrace	Richmond	VA	23228	(804) 304-0996	jmitt@kona-ice.com
Walsh, Bob & Melanie	Kona Ice of Virginia Beach, LLC	4013 Vinland Circle	Virginia Beach	VA	23456	(757) 333-7170	walsh@kona-ice.com
Walsh, Bob & Melanie	Kona Ice of Virginia Beach, LLC	4013 Vinland Circle	Virginia Beach	VA	23456	(757) 333-7170	walsh@kona-ice.com
Meyerhoeffer, James	JM Aidan LLC	1014 Norwyk Lane	Williamsburg	VA	23188	(540) 414-4422	williamsburg@kona-ice.com
Rasmussen, Nate & Brooke	Summit Adventures, LLC	20810 E. First Ave.	Green Acres	WA	99016	(509) 599-3191	brasmussen@kona-ice.com
Kleindel, DiAnna	Kona Ice Bellingham, Inc	802 Hinotes Ct.	Lynden	WA	98264	(360) 815-0653	dkleindel@kona-ice.com

Franchisee Name	Entity	Address	City	State	Zip Code	Phone	Email Address
Kerr, Grover & Sandra	Wheelhouse Entertainment LLC	4003 Monterey Dr.	Pasco	WA	99301	(509) 947-9472	gkerr@kona-ice.com
Duarte Jonathan	Duarte Aguilar Enterprises LLC	P.O. Box 140	Richland	WA	99352	(509) 713-0400	jduarte@kona-ice.com
Brown, Skip & Kim	Kona Ice of Greater Everett	15619 62nd Avenue SE	Snohomish	WA	98296	(425) 356-2063	kim.brown@konaicenw.com
Dietzen, Jon	Jon Dietzen Ice, LLC	3700 Woodside Ct	Appleton	WI	54913	(920) 284-4897	jdietzen@kona-ice.com
Charlton, Andrew	Kona Ice of Wisconsin	234 Boyd Street	Fond du Lac	WI	54935	(920) 933-6600	acharlton@kona-ice.com
Charlton, Andrew	Kona Ice of Wisconsin	234 Boyd Street	Fond du Lac	WI	54935	(920) 933-6600	acharlton@kona-ice.com
Moistner-Bartlett, Kim	Ice Angels, LLC	3007 Cumberland Drive	Janesville	WI	53546	(608) 436-8940	kimmb@kona-ice.com
Rocha, David & Julie	Kona Ice of Kenosha, LLC	5815 83rd Pl	Kenosha	WI	53142	(262) 577-5053	drocha@kona-ice.com
Sterken, Jamison	Kona Ice Lake Country	681 Shady Lane	Oconomowoc	WI	53066	(262) 354-8230	jsterken@kona-ice.com
Sanftleben, Scott & Dorothy	Kona Ice of Madison, LLC	643 Rovalia Dr.	Verona	WI	53593	(608) 347-9403	scotts@kona-ice.com
Sanftleben, Scott & Dorothy	Kona Ice of Madison, LLC	643 Rovalia Dr.	Verona	WI	53593	(608) 347-9403	scotts@kona-ice.com
Simonton, Joey & Jocelyn	Kona Ice of Charleston WV, LLC	1496 Limestone Road	Charleston	WV	25312	(304) 776-6922	jsimonton@kona-ice.com
Simonton, Joey & Jocelyn	Kona Ice of Charleston WV, LLC	1496 Limestone Road	Charleston	WV	25312	(304) 776-6922	jsimonton@kona-ice.com
Monazam, Sherry	Esmail Monazam, Almost Heaven Kona Ice, LLC	308 Rotary Street	Morgantown	WV	26505-3235	(304) 709-0311	smonazam@kona-ice.com
Cochran, Troy	Wagon Box Holdings LLC	298 Tongue Canyon Rd	Dayton	WY	82836	(307) 461-2426	tcochran@kona-ice.com
Cochran, Troy	Wagon Box Holdings LLC	298 Tongue Canyon Rd	Dayton	WY	82836	(307) 461-2426	tcochran@kona-ice.com
Cattoor, Darren & Mendy	Cattoor Corp.	1027 Tepee Ct.	Douglas	WY	82633	(307) 298-4750	cattoor@kona-ice.com
Cattoor, Darren & Mendy	Cattoor Corp.	1027 Tepee Ct.	Douglas	WY	82633	(307) 298-4750	cattoor@kona-ice.com
Baumann, Lianne	Kona Ice of Central Okanagan	13 sundown bay SW	Medicine Hat	Alberta	T1B 4W3	(403) 504-6730	lbaumann@kona-ice.com
Wallis, Stacey	Kona Ice SE Alberta Ltd	4 Sunset RD SW	Medicine Hat	Alberta	T1B4T6	(403) 878-5651	swallis@kona-ice.com
Evans, Andrew		24 Detroit Dr	Chatham	Ontario	N7M 2l9	(519) 355-8997	aevans@kona-ice.com

Franchisees with Unopened Outlets as of the Issuance Date:

Last Name	First Name	Entity Name	Address	City	State	Zip Code	Phone	Email
Crowell	William & Christine	CK&WR Enterprises, LLC	6872 N. 78th Ave.	Glendale	AZ	85303	(623) 826-5959	bcrowell@kona-ice.com
Duarte	Raul	RaDCo ICE, LLC	8329 True Ave	Pico Rivera	CA	90660	(562) 991-3807	rduarte@kona-ice.com
La/Wong	Tam/Monica	Kona Ice of West Davis	9985 Whirlaway Lane	Elk Grove	CA	95624	(916) 320-7828	tmla@kona-ice.com
La	Wendi & Roger	W&RLA LLC	8272 Lupine Field Court	Sacramento	CA	95829	(916) 533-2718	wrla@kona-ice.com
Mays	Melyssa & Kenneth	Kona Ice of Napa	1122 3rd Ave	Napa	CA	94558	(707) 603-9082	mmays@kona-ice.com
Smith	Don & Jean	Coopersmith Ice, Inc	318 Trieste Drive	Punta Gorda	FL	33950	(941) 286-8037	dsmith@kona-ice.com
Shoats	Jon & Stacey	Kingdom Konfections, LLC	1720 Timberline Trace	Snellville	GA	30078	(678) 898-0714	shoats@kona-ice.com
Douglas	Matt	Kona Ice Lawrence & Topeka, LLC	130 Aspen Lane	Lawrence	KS	66049	(785) 979-5587	heartlandks@kona-ice.com
Farr	Clifford	Kona Ice of East Lansing	1906 Cooper Ave.	Lansing	MI	48910	(517) 881-6802	cfarr@kona-ice.com
Nasab	Sam	Kona Ice NJ 1	113 Alexander Way	Edgewater	NJ	07020	(201) 693-7722	snasab@kona-ice.com
Phillips	Adolfo & Diane	Taste Like Summer LLC	7546 Jenkins Dr.	Canal Winchester	OH	43110	(614) 464-7579	dphillips@kona-ice.com
Green	Bill & Julie	Kona Ice King of Prussia, LP	106 Summit Dr.	Phoenixville	PA	19460	(610) 933-4943	bgreen@kona-ice.com
Radziwon	Randy	Kona Ice of Westmoreland, LLC	805 Cleardale Dr.	Greensburg	PA	15601	(724) 454-0196	radziwon@kona-ice.com
Young	Russell & Shannon	Kona Ice of South Palm Bay	446 Redbird Chase	San Antonio	TX	78253	(303) 717-0655	rsyoung@kona-ice.com
McCulloch	Steve & Kelli	Kellstep Inc	21206 NE 10th Ave	Ridgefield	WA	98642	(503) 407-7241	smcculloch@kona-ice.com
Monazam	Sherry	Esmail Monazam, Almost Heaven Kona Ice, LLC	308 Rotary Street	Morgantown	WV	26505-3235	(304) 709-0311	smonazam@kona-ice.com

Former Franchisees

The name and last known address of every franchisee who had a Kona Ice Franchise transferred, terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under our Franchise Agreement during the period January 1, 2017 to December 31, 2017, or who has not communicated with us within ten (10) weeks of the Issuance Date of this Franchise Disclosure Document

are listed below. If you buy this Franchise, your contact information may be disclosed to other buyers when you leave the Franchise System.

Last Name	First Name	Entity Name	Address	City	State	Zip Code	Phone	Email
Biesele	Lisa	Kona Ice of the College Area	11170 Alejo Place	San Diego	CA	92124	(619) 857-0845	lisab@kona-ice.com
Carter	Janelle	Kona Ice of San Diego	15102 Tombstone Creek Road	El Cajon	CA	92021	(619) 277-4349	jcarter@kona-ice.com
Fussel	Gary	Kona Ice of Bakersfield	P.O. Box 9711	Bakersfield	CA	93389	(661) 742-8169	gfussel@kona-ice.com
Montgomery	Carl	Coastal Kona Corp.	13115 Shalimar Place	Del Mar	CA	92014	(858) 353-2643	konacoastal@gmail.com
Prieb	Joshua & Amy	Kona Ice of SE Fresno/Sanger	5819 E. Laurite Avenue	Fresno	CA	93727	(559) 696-0199	jprieb@kona-ice.com
Johnson	David	Kona Ice Sussex County North, LLC	36622 Day Lily PKWY	Selbyville	DE	19975	(240) 626-3689	djohnson@kona-ice.com
Gary	Jordan	Gary Flavorwave, LLC	6214 E 113th Ave	Temple Terrace	FL	33617	(305) 905-3375	jgary@kona-ice.com
Gould	Kevin	Kona Ice of North East Naples	2504 Estey Ave	Naples	FL	34104	(239) 285-4362	kgould@kona-ice.com
Rakestraw	Jane	Rakestraw Enterprises, INC	507 Haverhill Ln	Safety Harbor	FL	34695	(813) 404-4497	jane@konaicetampabay.com
Stahl	Vic	Kona Ice of the Central Panhandle	4252 Skipjack Cove	Niceville	FL	32578	(850) 362-8126	vstahl@kona-ice.com
Wilkerson	Nikki	Life is Fun, LLC	3151 Jonesboro Rd.	Hampton	GA	30228	(770) 686-0030	nwilkerson@kona-ice.com
Mayo	Dennis	Kona Ice of Hawaii	68-1755 Kualapa Place	Waikoloa	HI	96738	(808) 268-5350	dmayo@kona-ice.com
Bensema	Steve	GV BCK Vending, LLC	2018 Prairie View East	Ames	IA	50010	(515) 451-9421	ames@kona-ice.com
Aubuchon/ Amro	Jeannette /Kathy	Kona Ice of Central Dupage County	1791 Whitt Court	Wheaton	IL	60189	(630) 362-8938	jkapartners@kona-ice.com
Jerscheid	Michael & Melissa	Kona Ice Little SE Baltimore	1657 Livingston Dr.	Belair	MD	21015	(443) 619-2816	mjerscheid@kona-ice.com
Outten	Mark & Cynthia	Kona Ice of Greater Salisbury	1715 W Clear Lake Drive	Salisbury	MD	21804	(443) 523-6020	salisbury@kona-ice.com
Hall	Mark & Dawn	Kona Ice of Greater Bloomfield Hills	1562 Hunters Ridge Drive	Bloomfield Hills	MI	48304	(248) 505-1836	mhall@kona-ice.com
Fiske	PJ	Ice Inc.	7621 Aldrich Ave	Richfield	MN	55423	(612) 387-0483	pjfiske@kona-ice.com
Franklin	Wilfred	Kona Ice of Gulfport	13247 Terrapin Cove	Gulfport	MS	39503	(228) 424-5395	wfranklin@kona-ice.com

Last Name	First Name	Entity Name	Address	City	State	Zip Code	Phone	Email
Monzo	Jess	Monzo Family Kona Ice	20 Ralph Drive	Fairfield	NJ	07004	(201) 370-0775	monzofamily@kona-ice.com
Hoffman	Patrick	Kona Ice of Schwenksville	49 Dunleavy Circle	Schwenksville	PA	19473	(610) 908-7562	hoffmanschw@aol.com
Smotherman	Michael	Kona Ice Herhshey	13 Jan Dale Ave	Annville	PA	17003	(717) 639-8843	smotherman@kona-ice.com
Cowart	Bud	Koart Systems, LLC	2855 Eastex Freeway Suite i	Beaumont	TX	77706	(409) 550-4633	cowart@kona-ice.com
Gewinner	George	Great Frozen Desserts, LLC	4500 Breckinridge Blvd	Richardson	TX	75082	(214) 802-5837	gewinner@kona-ice.com
Johnson	Jimmy	Kona Ice of North Irving/Farmers Branch	13736 Charcoal Lane	Farmers Branch	TX	75234	(972) 672-5901	jjohnson@kona-ice.com
Lollar/Lowe	Shane/Theo	Kona Ice of Sienna	3007 Bobcat Bend	Missouri City	TX	77459	(832) 489-4260	sienna@kona-ice.com
Parrish	Jesse	Keppy Ice, LLC	331 Snap Road	Sherman	TX	75090	(903) 819-1289	jparrish@kona-ice.com
Spiegel	Jarrid & Tiffany	Kona Ice Cypress	12002 Cypress Creek Lakes Drive	Cypress	TX	77433	(281) 804-3330	konaicecypress@aol.com
Wilson	Jenny	Crazy Fun Times, LLC	1910 ESE Loop 323 #114	Tyler	TX	75701	(903) 530-3166	jwilson@kona-ice.com
Wu	Edward	Fuwu, Inc	27619 Esteban Point Lane	Spring	TX	77386	(281) 753-8558	ewu@kona-ice.com
Watkins	Wendi	Kona Ice Washington County Utah	2050 South Stone Gate Circle Lot #14	Washington	UT	84780	(435) 401-8000	watkins@kona-ice.com

EXHIBIT G

STATE ADDENDA
AND AGREEMENT RIDERS

STATE ADDENDA AND AGREEMENT RIDERS

ADDENDUM TO FRANCHISE AGREEMENT, SUPPLEMENTAL AGREEMENTS, AND FRANCHISE DISCLOSURE DOCUMENT FOR CERTAIN STATES FOR KONA ICE, INC.

The following modifications are made to the Kona Ice, Inc. ("**Franchisor**," "**us**," "**we**," or "**our**") Franchise Disclosure Document ("**FDD**") given to Franchisee ("**Franchisee**," "**you**," or "**your**") and may supersede, to the extent then required by valid applicable state law, certain portions of the Franchise Agreement between you and us dated _____, 20___ (**"Franchise Agreement"**). When the term "**Franchisor's Choice of Law State**" is used, it means Kentucky. When the term "**Supplemental Agreements**" is used, it means N/A.

Certain states have laws governing the franchise relationship and franchise documents. Certain states require modifications to the FDD, Franchise Agreement and other documents related to the sale of a franchise. This State-Specific Addendum ("**State Addendum**") will modify these agreements to comply with the state's laws. The terms of this State Addendum will only apply if you meet the requirements of the applicable state independently of your signing of this State Addendum. The terms of this State Addendum will override any inconsistent provision of the FDD, Franchise Agreement or any Supplemental Documents. This State Addendum only applies to the following states: California, Hawaii, Illinois, Iowa, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Ohio, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

If your state requires these modifications, you will sign this State Addendum along with the Franchise Agreement and any Supplemental Agreements.

CALIFORNIA

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the Franchise be delivered together with the FDD.

California Corporations Code Section 31125 requires us to give to you a FDD approved by the Department of Business Oversight before we ask you to consider a material modification of your Franchise Agreement.

The Franchise Agreement contains, and if applicable, the Supplemental Agreements may contain, provisions requiring binding arbitration with the costs being awarded to the prevailing party. The arbitration will occur in Franchisor's Choice of Law State. 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 provisions of the Franchise Agreement or Supplemental Agreements restricting venue to a forum outside the State of California. The Franchise Agreement may contain a mediation provision. If so, the parties shall each bear their own costs of mediation and shall share equally the filing fee and the mediator's fees.

The Franchise Agreement and Supplemental Agreements require the application of the law of Franchisor's Choice of Law State. This provision may not be enforceable under California law.

Neither Franchisor nor any other person listed in Item 2 of the FDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the

Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement or Supplemental Agreements contain a provision that is inconsistent with the California Franchise Investment Law, the California Franchise Investment Law will control.

The Franchise Agreement and Supplemental Agreements may provide for termination upon bankruptcy. Any such provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. SEC. 101 et seq.).

The Franchise Agreement contains, and if applicable, the Supplemental Agreements may contain, a covenant not to compete provision which extends beyond the termination of the Franchise. Such provisions may not be enforceable under California law.

Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable. Any such provisions contained in the Franchise Agreement or Supplemental Agreements may not be enforceable.

You must sign a general release of claims if you renew or transfer your Franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516).

Our website has not been reviewed or approved by the California Department of Business Oversight. Any complaints concerning the content of this website may be directed to the California Department of Business Oversight at www.dbo.ca.gov.

Item 6 of the FDD is amended to state the highest interest rate allowed by law in California is 10% annually.

HAWAII

The following is added to the Cover Page:

THIS FRANCHISE WILL BE/HAS BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED IN THIS FRANCHISE DISCLOSURE DOCUMENT IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO YOU OR SUBFRANCHISOR AT LEAST SEVEN (7) DAYS PRIOR TO THE EXECUTION BY YOU OR SUBFRANCHISOR OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN (7) DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY YOU, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT,

TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS FRANCHISE DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH US AND YOU.

Registered agent in the state authorized to receive service of process:

Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

The following list reflects the status of the Franchise registrations of the Franchisor in the states which require registration:

1. States in which this proposed registration is effective are listed on the third page of the FDD on the page entitled, "State Effective Dates" and have a registration date.

2. States in which this proposed registration is or will shortly be on file are listed on the third page of the FDD on the page entitled, "State Effective Dates" and do not have a registration date listed.

3. States which have refused, by order or otherwise, to register these Franchises are:

None

4. States which have revoked or suspended the right to offer the Franchises are:

None

5. States in which the proposed registration of these Franchises has been withdrawn are:

None

ILLINOIS

Sections 4 and 41 and Rule 608 of the Illinois Franchise Disclosure Act states that court litigation must take place before Illinois federal or state courts and all dispute resolution arising from the terms of this Agreement or the relationship of the parties and conducted through arbitration or litigation shall be subject to Illinois law. The FDD, Franchise Agreement and Supplemental Agreements are amended accordingly.

The governing law or choice of law clause described in the FDD and contained in the Franchise Agreement and Supplemental Agreements is not enforceable under Illinois law. This governing law clause shall not be construed to negate the application of Illinois law in all situations to which it is applicable.

Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void." The Franchise Agreement is amended accordingly. To the extent that the Franchise Agreement would otherwise violate Illinois law, such Agreement is amended by providing that all litigation by or between you and us, arising directly or indirectly from the Franchise relationship, will be commenced and maintained in the state courts of Illinois or, at our election, the United States District Court for Illinois, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements, and Illinois law will pertain to any claims arising under the Illinois Franchise Disclosure Act.

Item 17.v, Choice of Forum, of the FDD is revised to include the following: "provided, however, that the foregoing shall not be considered a waiver of any right granted upon you by Section 4 of the Illinois Franchise Disclosure Act."

Item 17.w, Choice of Law, of the FDD is revised to include the following: "provided, however, that the foregoing shall not be considered a waiver of any right granted upon you by Section 4 of the Illinois Franchise Disclosure Act."

The termination and non-renewal provisions in the Franchise Agreement and the FDD may not be enforceable under Sections 19 and 20 of the Illinois Franchise Disclosure Act.

Under Section 705/27 of the Illinois Franchise Disclosure Act, no action for liability under the Illinois Franchise Disclosure Act can be maintained unless brought before the expiration of three (3) years after the act or transaction constituting the violation upon which it is based, the expiration of one (1) year after you become aware of facts or circumstances reasonably indicating that you may have a claim for relief in respect to conduct governed by the Act, or 90 days after delivery to you of a written notice disclosing the violation, whichever shall first expire. To the extent that the Franchise Agreement is inconsistent with the Illinois Franchise Disclosure Act, Illinois law will control and supersede any inconsistent provision(s).

INDIANA

Item 13 of the FDD is amended to add the following:

> Under Indiana Code Section 23-2-2.7-1(4), we will not accept any rebates from any person with whom you do business or associate in relation to transactions between you and the other person, other than for compensation for services rendered by us, unless the rebate is properly accounted for and submitted to you.

Item 17 of the FDD is amended to add the following:

> Indiana Code 23-2-2.7-1(7) makes it unlawful for us to unilaterally terminate your Franchise Agreement unless there is a material violation of the Franchise Agreement and termination is not in bad faith.
>
> Indiana Code 23-2-2.7-1(5) prohibits us to require you to agree to a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Act.

The "Summary" column in Item 17.r. of the FDD is deleted and the following is inserted in its place:

> No competing business for two (2) years within the Protected Territory.

The "Summary" column in Item 17.t. of the FDD is deleted and the following is inserted in its place:

> Notwithstanding anything to the contrary in this provision, you do not waive any right under the Indiana Statutes with regard to prior representations made by us.

The "Summary" column in Item 17.v. of the FDD is deleted and the following is inserted in its place:

> Litigation regarding Franchise Agreement in Indiana; other litigation in the Franchisor's Choice of Law State. This language has been included in this Franchise Disclosure Document as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all venue provisions, is fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

The "Summary" column in Item 17.w. of the FDD is deleted and the following is inserted in its place:

> Indiana law applies to disputes covered by Indiana franchise laws; otherwise Franchisor's Choice of Law State law applies.

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all Franchises offered and sold in the State of Indiana:

1. The laws of the State of Indiana supersede any provisions of the FDD, the Franchise Agreement, or Franchisor's Choice of Law State law, if such provisions are in conflict with Indiana law.

2. The prohibition by Indiana Code 23-2-2.7-1(7) against unilateral termination of the Franchise without good cause or in bad faith, good cause being defined under law as including any material breach of the Franchise Agreement, will supersede the provisions of the Franchise Agreement relating to termination for cause, to the extent those provisions may be inconsistent with such prohibition.

3. Any provision in the Franchise Agreement that would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such law.

4. The covenant not to compete that applies after the expiration or termination of the Franchise Agreement for any reason modified to the extent necessary to comply with Indiana Code 23-2-2.7-1 (9).

5. The following provision will be added to the Franchise Agreement:

> No Limitation on Litigation. Despite the foregoing provisions of this Agreement, any provision in the Agreement which limits in any manner whatsoever litigation brought for breach of the Agreement will be void to the extent that any such contractual provision violates the Indiana Deceptive Franchise Practices Law.

MARYLAND

AMENDMENTS TO FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENTS AND FRANCHISE DISCLOSURE QUESTIONNAIRE

Item 17 of the FDD and the Franchise Agreement are amended to state: "The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law."

Representations in the Franchise Agreement and Franchise Disclosure Questionnaire are not intended to, nor shall they act as, a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Item 17 of the FDD and sections of the Franchise Agreement are amended to state that you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the Franchise.

The Franchise Agreement and franchisee disclosure questionnaire are amended to state that all representations requiring prospective franchisees to assent to a release, estoppel, or waiver of liability are not intended to, nor shall they act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under Federal Bankruptcy Law (11 U.S.C.A Sec. 101 et seq.).

MICHIGAN

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.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

(a) A prohibition on your right to join an association of franchisees.

(b) A requirement that you assent to a release, assignment, novation, waiver, or estoppel which deprives you of rights and protections provided in this act. This shall not preclude you, after entering into a Franchise Agreement, from settling any and all claims.

(c) A provision that permits us to terminate a Franchise prior to the expiration of its term except for good cause. Good cause shall include your failure 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 us to refuse to renew your Franchise without fairly compensating you by repurchase or other means for the fair market value at the time of expiration of your inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to us 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 five (5) years; and (ii) you are prohibited by the Franchise Agreement 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 you do not receive at least six (6) months' advance notice of our intent not to renew the Franchise.

(e) A provision that permits us 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 the State of Michigan. This shall not preclude you from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits us to refuse to permit a transfer of ownership of a Franchise, except for good cause. This subdivision does not prevent us 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 our then-current reasonable qualifications or standards.

(ii) the fact that the proposed transferee is a competitor of us or our subfranchisor.

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

(iv) your or proposed transferee's failure to pay any sums owing to us or to cure any default in the Franchise Agreement existing at the time of the proposed transfer.

(h) A provision that requires you to resell to us items that are not uniquely identified with us. This subdivision does not prohibit a provision that grants to us 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 us the right to acquire the assets of a Franchise for the market or appraised value of such assets if you have breached the lawful provisions of the Franchise Agreement and have failed to cure the breach in the manner provided in subdivision (c).

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

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

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
Consumer Protection Division
Attn: Franchise
670 Law Building
525 W. Ottawa Street
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

MINNESOTA

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all Franchises offered and sold in the State of Minnesota:

1. Any provision in the Franchise Agreement which would require you to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22 will be void to the extent that such contractual provision violates such law.

2. Minnesota Statute Section 80C.21 and Minnesota Rule 2860.4400J prohibit the franchisor from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the FDD or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of Minnesota.

3. Minn. Rule Part 2860.4400J. prohibits a franchisee from waiving his rights to a jury trial or waiving his rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes. Any provision in the Franchise Agreement which would require you to waive your rights to any procedure, forum or remedies provided for by the laws of the State of Minnesota is deleted from any agreement relating to Franchises offered and sold in the State of Minnesota; provided, however, that this paragraph will not affect the obligation in the Franchise Agreement relating to arbitration.

4. With respect to Franchises governed by Minnesota law, we will comply with Minnesota Statute Section 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 Franchise Agreement; and that consent to the transfer of the Franchise will not be unreasonably withheld.

5. Item 13 of the FDD is hereby amended to state that we will protect your rights under the Franchise Agreement to use the Marks, or indemnify you from any loss, costs, or expenses arising out of any third-party claim, suit or demand regarding your use of the Marks, if your use of the Marks is in compliance with the provisions of the Franchise Agreement and our System standards.

6. Minnesota Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release. As a result, the FDD and the Franchise Agreement, which require you to sign a

general release prior to renewing or transferring your Franchise, are hereby deleted from the Franchise Agreement, to the extent required by Minnesota law.

7. The following language will appear as a new paragraph of the Franchise Agreement:

> No Abrogation. Pursuant to Minnesota Statutes, Section 80C.21, nothing in the dispute resolution section of this Agreement will in any way abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80.C.

8. Minnesota Statute Section 80C.17 states that no action for a violation of Minnesota Statutes, Sections 80C.01 to 80C.22 may be commenced more than three (3) years after the cause of action accrues. To the extent that the Franchise Agreement conflicts with Minnesota law, Minnesota law will prevail.

9. Item 6 of the FDD and Section 4.G of the Franchise Agreement is hereby amended to limit the Insufficient Funds Charge to $30 per occurrence pursuant to Minnesota Statute 604.113.

NEW YORK

The following information is added to the cover page of the Franchise Disclosure Document:

> **INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23RD FLOOR, NEW YORK, NEW YORK 10271. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.**

The following is added at the end of Item 3:

Except as provided above, with regard to Franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the Franchise System or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge, or within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or 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, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunction or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including without limitation, actions affecting a license as a real estate broker or sales agent.

The following is added to the end of Item 4:

Neither the Franchisor, its affiliate, its predecessor, officers or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of the franchisor held this position in the company or partnership.

The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for Franchisee to renew or extend," and Item 17(m), entitled "Conditions for Franchisor approval of transfer":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

The following language replaces the "Summary" section of Item 17(d), titled "Termination by Franchisee":

You may terminate the agreement on any grounds available by law.

The following is added to the end of the "Summary" section of Item 17(j), titled "Assignment of contract by Franchisor":

However, no assignment will be made except to an assignee who in good faith and judgment of the Franchisor, is willing and financially able to assume the Franchisor's obligations under the Franchise Agreement.

The following is added to the end of the "Summary" sections of Item 17(v), titled "Choice of Forum", and Item 17(w), titled "Choice of Law":

> The foregoing choice of law should not be considered a waiver of any right conferred upon the Franchisor or upon the Franchisee by Article 33 of the General Business Law of the State of New York.

NORTH DAKOTA

Sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring that you sign a general release, estoppel or waiver as a condition of renewal and/or assignment may not be enforceable as they relate to releases of the North Dakota Franchise Investment Law.

Sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring resolution of disputes to be outside North Dakota may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Sections of the FDD, the Franchise Agreement, and the Supplemental Agreements relating to choice of law may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring you to consent to liquidated damages and/or termination penalties may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring you to consent to a waiver of trial by jury may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring you to consent to a waiver of exemplary and punitive damages may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Item 17(r) of the FDD and Sections 16D and 16G of the Franchise Agreement disclose the existence of certain covenants restricting competition to which Franchisee must agree. The Commissioner has held that covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statue, are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The FDD and the Franchise Agreement are amended accordingly to the extent required by law.

OHIO

The following language will be added to the front page of the Franchise Agreement:

You, the purchaser, may cancel this transaction at any time prior to midnight of the fifth business day after the date you sign this agreement. See the attached notice of cancellation for an explanation of this right.

Initials_____ Date_____

NOTICE OF CANCELLATION

_____ (enter date of transaction)

You may cancel this transaction, without penalty or obligation, within five (5) business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten (10) business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to the seller, or if you agree to return them to the seller and fail to do so, then you remain liable for the performance of all obligations under this agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to Kona Ice, Inc., 5945 Centennial Circle, Florence, KY 41042, or send a fax to Kona Ice, Inc. at (859) 282-9890 not later than midnight of the fifth business day after the Effective Date.

I hereby cancel this transaction.

Franchisee:

Date: _____ By: _____

Print Name: _____

Its: _____

RHODE ISLAND

§ 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." The FDD, the Franchise Agreement, and the Supplemental Agreements are amended accordingly to the extent required by law.

The above language has been included in this FDD as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement and the Supplemental Agreements, including all choice of law provisions, are fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement, the Supplemental Agreements, and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

SOUTH DAKOTA

Intentionally left blank.

VIRGINIA

Item 17(h). The following is added to Item 17(h):

> "Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement or Supplemental Agreements involve the use of undue influence by the Franchisor to induce a franchisee to surrender any rights given to franchisee under the Franchise, that provision may not be enforceable."

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the FDD for Kona Ice, Inc. for use in the Commonwealth of Virginia shall be amended as follows:

> Additional Disclosure. The following statements are added to Item 8 and Item 17.h.
>
> Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

WASHINGTON

The state of Washington has a statute, RCW 19.100.180, which may supersede the Franchise Agreement and Supplemental Agreements in your relationship with the franchisor including the areas of termination and renewal of your Franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your Franchise. The FDD, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

In any arbitration involving a Franchise purchased in Washington, the arbitration site shall be either in Washington or in a place as mutually agreed upon at the time of the arbitration, or as determined by the arbitrator. The FDD, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail. The FDD, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

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, rights or remedies under the Act such as a right to a jury trial may not be enforceable. The FDD, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer. The FDD, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135 of the Wisconsin Statutes supersedes any provision of the Franchise Agreement if such provision is in conflict with that law. The Franchise Disclosure Document, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

APPLICABLE ADDENDA

If any one of the preceding Addenda for specific states ("**Addenda**") is checked as an "Applicable Addenda" below, then that Addenda shall be incorporated into the Franchise Disclosure Document, Franchise Agreement and any other specified agreement(s) entered into by us and the undersigned Franchisee. To the extent any terms of an Applicable Addenda conflict with the terms of the Franchise Disclosure Document, Franchise Agreement and other specified agreement(s), the terms of the Applicable Addenda shall supersede the terms of the Franchise Disclosure Document.

☐ California	☐ Michigan	☐ Rhode Island
☐ Hawaii	☐ Minnesota	☐ South Dakota
☐ Illinois	☐ New York	☐ Virginia
☐ Indiana	☐ North Dakota	☐ Washington
☐ Maryland	☐ Ohio	☐ Wisconsin

Dated: _____, 20____

FRANCHISOR:

KONA ICE, INC.

By: _____

Title: _____

FRANCHISEE:

By: _____

Title: _____

Rev. 060614

EXHIBIT H

CONTRACTS FOR USE WITH THE KONA ICE FRANCHISE

The following contracts contained in Exhibit H are contracts that Franchisee is required to utilize or execute after signing the Franchise Agreement in the operation of the Kona Ice Business. The following are the forms of contracts that Kona Ice, Inc. uses as of the Issuance Date of this Franchise Disclosure Document. If they are marked "Sample," they are subject to change at any time.

EXHIBIT H-1

KONA ICE FRANCHISE

SAMPLE GENERAL RELEASE AGREEMENT

WAIVER AND RELEASE OF CLAIMS

This Waiver and Release of Claims ("Release") is made as of _____, 20___ by _____, a(n) _____ ("Franchisee"), and each individual holding an ownership interest in Franchisee (collectively with Franchisee, "Releasor") in favor of Kona Ice, Inc., a Kentucky corporation ("Franchisor," and together with Releasor, the "Parties").

WHEREAS, Franchisor and Franchisee have entered into a Franchise Agreement ("Agreement") pursuant to which Franchisee was granted the right to own and operate a Kona Ice business;

WHEREAS, Franchisee has notified Franchisor of its desire to transfer the Agreement and all rights related thereto, or an ownership interest in Franchisee, to a transferee **(enter into a successor franchise agreement)**, and Franchisor has consented to such transfer **(agreed to enter into a successor franchise agreement)**; and

WHEREAS, as a condition to Franchisor's consent to the transfer **(Franchisee's ability to enter into a successor franchise agreement)**, Releasor has agreed to execute this Release upon the terms and conditions stated below.

NOW, THEREFORE, in consideration of Franchisor's consent to the transfer **(Franchisor entering into a successor franchise agreement)**, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, Releasor hereby agrees as follows:

1. Representations and Warranties. Releasor represents and warrants that it is duly authorized to enter into this Release and to perform the terms and obligations herein contained, and has not assigned, transferred, or conveyed, either voluntarily or by operation of law, any of its rights or claims against Franchisor or any of the rights, claims, or obligations being terminated and released hereunder. The undersigned represents and warrants that he/she is duly authorized to enter into and execute this Release on behalf of Franchisee. Releasor further represents and warrants that all individuals that currently hold a direct or indirect ownership interest in Franchisee are signatories to this Release.

2. Release. Releasor and its subsidiaries, affiliates, parents, divisions, successors and assigns, and all persons or firms claiming by, through, under, or on behalf of any or all of them, hereby release, acquit, and forever discharge Franchisor, any and all of its affiliates, parents, subsidiaries, or related companies, divisions, and partnerships, and its and their past and present officers, directors, agents, partners, shareholders, employees, representatives, successors and assigns, and attorneys, and the spouses of such individuals (collectively, the "Released Parties"), from any and all claims, liabilities, damages, expenses, actions, or causes of action which Releasor may now have or has ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, including without limiting the generality of the foregoing, all claims, liabilities, damages, expenses, actions, or causes of action directly or indirectly arising out of or relating to the execution and performance of the Agreement and the

offer and sale of the franchise related thereto, except to the extent such liabilities are payable by the applicable indemnified party in connection with a third party claim.

3. Nondisparagement. Releasor expressly covenants and agrees not to make any false representation of facts, or to defame, disparage, discredit, or deprecate any of the Released Parties or otherwise communicate with any person or entity in a manner intending to damage any of the Released Parties, their business, or their reputation.

4. Confidentiality. Releasor agrees to hold in strictest confidence and not disclose, publish, or use the existence of, or any details relating to, this Agreement to any third party without Franchisor's express written consent, except as required by law.

5. Miscellaneous.

a. Releasor agrees that it has read and fully understands this Release and that the opportunity has been afforded to Releasor to discuss the terms and contents of said Release with legal counsel and/or that such a discussion with legal counsel has occurred.

b. This Release shall be construed and governed by the laws of the State of Kentucky.

c. Each individual and entity that comprises Releasor shall be jointly and severally liable for the obligations of Releasor.

d. In the event that it shall be necessary for any Party to institute legal action to enforce or for the breach of any of the terms and conditions or provisions of this Release, the prevailing Party in such action shall be entitled to recover all of its reasonable costs and attorneys' fees.

e. All of the provisions of this Release shall be binding upon and inure to the benefit of the Parties and their current and future respective directors, officers, partners, attorneys, agents, employees, shareholders, and the spouses of such individuals, successors, affiliates, and assigns. No other party shall be a third-party beneficiary to this Release.

f. This Release constitutes the entire agreement and, as such, supersedes all prior oral and written agreements or understandings between and among the Parties regarding the subject matter hereof. This Release may not be modified except in a writing signed by all of the Parties. This Release may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same document.

g. If one or more of the provisions of this Release shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect or impair any other provision of this Release, but this Release shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.

h. Releasor agrees to do such further acts and things and to execute and deliver such additional agreements and instruments as any Released Party may reasonably require to consummate, evidence, or confirm the Release contained herein in the matter contemplated hereby.

(Signatures on following page)

IN WITNESS WHEREOF, Releasor has executed this Release as of the date first written above.

FRANCHISEE:

_____, a

_____

By: _____

Name: _____

Its: _____

FRANCHISEE:

_____, a

_____

By: _____

Name: _____

Its: _____

FRANCHISEE:

_____, a

_____

By: _____

Name: _____

Its: _____

FRANCHISEE'S OWNERS:

Date _____

_____
Signature

_____
Typed or Printed Name

FRANCHISEE'S OWNERS:

Date _____

_____
Signature

_____
Typed or Printed Name

FRANCHISEE'S OWNERS:

Date _____

_____
Signature

_____
Typed or Printed Name

EXHIBIT H-2

KONA ICE FRANCHISE

SAMPLE SYSTEM PROTECTION AGREEMENT

This System Protection Agreement ("Agreement") is entered into by the undersigned ("you" or "your") in favor of Kona Ice, Inc., a Kentucky corporation, and its successors and assigns ("us", "we" or "our"), upon the terms and conditions set forth in this Agreement.

1. Definitions. For purposes of this Agreement, the following terms have the meanings given to them below:

"Competitive Business" means any business that: (i) sells or offers to sell products the same as or similar to the type of products sold by you in and/or from the Franchisee Territory (including, but not limited to, the products we authorize); or (ii) provides or offers to provide services the same as or similar to the type of services sold by you in and/or from the Franchisee Territory (including, but not limited to, the services we authorize), but excludes a Kona Ice business operating pursuant to a franchise agreement with us.

"Copyrights" means all works and materials for which we or our affiliate have secured common law or registered copyright protection and that we allow franchisees to use, sell, or display in connection with the marketing and/or operation of a Kona Ice business or the solicitation or offer of a Kona Ice franchise, whether now in existence or created in the future.

"Franchisee" means the Kona Ice franchisee for which you are a manager or officer.

"Franchisee Territory" means the territory granted to you pursuant to a franchise agreement with us.

"Intellectual Property" means, collectively or individually, our Marks, Copyrights, Know-how, and System.

"Know-how" means all of our trade secrets and other proprietary information relating to the development, construction, marketing, and/or operation of a Kona Ice business, including, but not limited to, methods, techniques, specifications, proprietary practices and procedures, policies, marketing strategies, and information comprising the System and the Manual.

"Manual" means our confidential operations manual for the operation of a Kona Ice business, which may be periodically modified by us.

"Marks" means the logotypes, service marks, and trademarks now or hereafter involved in the operation of a Kona Ice business, including "KONA ICE," and any other trademarks, service marks, or trade names that we designate for use by a Kona Ice business. The term "Marks" also includes any distinctive trade dress used to identify a Kona Ice business, whether now in existence or hereafter created.

"Prohibited Activities" means any or all of the following: (i) owning, operating, or having any other interest (as an owner, partner, director, officer, employee, manager, consultant, shareholder, creditor, representative, agent, or in any similar capacity) in a Competitive Business (other than owning an interest of five percent (5%) or less in a publicly-traded company that is a Competitive Business); (ii) diverting or attempting to divert any business from us (or one of our affiliates or franchisees); and/or (iii) inducing or attempting to induce: (a) any of our employees or managers (or those of our affiliates or

franchisees) to leave their position; or (b) any customer of ours (or of one of our affiliates or franchisees) to transfer their business to you or to any other person that is not then a franchisee of ours.

"Restricted Period" means the two (2)-year period after you cease to be a manager or officer of Franchisee's Kona Ice business; provided, however, that if a court of competent jurisdiction determines that this period of time is too long to be enforceable, then the "Restricted Period" means the nine (9) month period after you cease to be a manager or officer of Franchisee's Kona Ice business.

"Restricted Territory" means the geographic area within: (i) a 20-mile radius from Franchisee's Kona Ice business (and including the premises of the approved location of Franchisee); and (ii) a 20-mile radius from all other Kona Ice businesses that are operating or under development as of the beginning of the Restricted Period; provided, however, that if a court of competent jurisdiction determines that the foregoing Restricted Territory is too broad to be enforceable, then the "Restricted Territory" means the geographic area within a 10-mile radius from Franchisee's Kona Ice business (and including the premises of the approved location of Franchisee).

"System" means our system for the establishment, development, operation, and management of a Kona Ice business, including Know-how, proprietary programs and products, Manual, and operating system.

2. Background. You are a manager or officer of Franchisee. As a result of this relationship, you may gain knowledge of our System. You understand that protecting the Intellectual Property and our System are vital to our success and that of our franchisees and that you could seriously jeopardize our entire System if you were to unfairly compete with us. In order to avoid such damage, you agree to comply with the terms of this Agreement.

3. Know-How and Intellectual Property. You agree: (i) you will not use the Know-how in any business or capacity other than the Kona Ice business operated by Franchisee; (ii) you will maintain the confidentiality of the Know-how at all times; (iii) you will not make unauthorized copies of documents containing any Know-how; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Know-how; and (v) you will stop using the Know-how immediately if you are no longer a manager or officer of Franchisee's Kona Ice business. You further agree that you will not use all or part of the Intellectual Property or all or part of the System for any purpose other than the performance of your duties for Franchisee and within the scope of your employment or other engagement with Franchisee. These restrictions on Know-how, Intellectual Property and the System shall not apply to any information which is information publicly known or becomes lawfully known in the public domain other than through a breach of this Agreement or is required or compelled by law to be disclosed, provided that you will give reasonable notice to us to allow us to seek protective or other court orders.

4. Unfair Competition During Relationship. You agree not to unfairly compete with us at any time while you are a manager or officer of Franchisee's Kona Ice business by engaging in any Prohibited Activities.

5. Unfair Competition After Relationship. You agree not to unfairly compete with us during the Restricted Period by engaging in any Prohibited Activities; provided, however, that the Prohibited Activity relating to having an interest in a Competitive Business will only apply with respect to a Competitive Business that is located within or provides competitive goods or services to customers who are located within the Restricted Territory. If you engage in any Prohibited Activities during the Restricted Period, then you agree that your Restricted Period will be extended by the period of time during which you were engaging in the Prohibited Activity.

6. Immediate Family Members. You acknowledge that you could circumvent the purpose of this Agreement by disclosing Know-how to an immediate family member (i.e., spouse, parent, sibling, child, grandparent or grandchild). You also acknowledge that it would be difficult for us to prove whether you disclosed the Know-how to family members. Therefore, you agree that you will be presumed to have violated the terms of this Agreement if any member of your immediate family: (i) engages in any Prohibited Activities during any period of time during which you are prohibited from engaging in the Prohibited Activities; or (ii) uses or discloses the Know-how. However, you may rebut this presumption by furnishing evidence conclusively showing that you did not disclose the Know-how to the family member.

7. Covenants Reasonable. You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. **YOU HEREBY WAIVE ANY RIGHT TO CHALLENGE THE TERMS OF THIS AGREEMENT AS BEING OVERLY BROAD, UNREASONABLE, OR OTHERWISE UNENFORCEABLE.**

8. Breach. You agree that failure to comply with the terms of this Agreement will cause substantial and irreparable damage to us and/or other Kona Ice franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of the terms of this Agreement will entitle us to injunctive relief. You agree that we may apply for such injunctive relief without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours in the event of the entry of such injunction will be the dissolution of such injunction, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the parties agree that the amount of the bond shall not exceed $1,000. None of the remedies available to us under this Agreement are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance, and recovery of monetary damages. Any claim, defense, or cause of action that you may have against us, our owners or our affiliates, or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

9. Miscellaneous.

a. If we pursue legal remedies against you because you have breached this Agreement and prevail against you, you agree to pay our reasonable attorneys' fees and costs in doing so.

b. This Agreement will be governed by, construed, and enforced under the laws of Kentucky, and the courts in that state shall have jurisdiction over any legal proceedings arising out of this Agreement.

c. Each section of this Agreement, including each subsection and portion thereof, is severable. If any section, subsection, or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection, or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms reasonable in scope, duration, and geographic area.

d. You and we both believe that the covenants in this Agreement are reasonable in terms of scope, duration, and geographic area. However, we may at any time unilaterally modify the terms of this Agreement upon written notice to you by limiting the scope of the Prohibited Activities,

narrowing the definition of a Competitive Business, shortening the duration of the Restricted Period, reducing the geographic scope of the Restricted Territory, and/or reducing the scope of any other covenant imposed upon you under this Agreement to ensure that the terms and covenants in this Agreement are enforceable under applicable law.

(Signatures on following page)

EXECUTED on the date stated below.

Date_____ _____

Signature

_____

Typed or Printed Name

Date_____ _____

Signature

_____

Typed or Printed Name

Date_____ _____

Signature

_____

Typed or Printed Name

EXHIBIT H-3

KONA ICE FRANCHISE

SAMPLE CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement ("Agreement") is entered into by the undersigned ("you") in favor of Kona Ice, Inc., a Kentucky corporation, and its successors and assigns ("us"), upon the terms and conditions set forth in this Agreement.

1. Definitions. For purposes of this Agreement, the following terms have the meanings given to them below:

"Copyrights" means all works and materials for which we or our affiliate(s) have secured common law or registered copyright protection and that we allow Kona Ice franchisees to use, sell, or display in connection with the marketing and/or operation of a Kona Ice Business, whether now in existence or created in the future.

"Franchisee" means the Kona Ice franchisee for which you are an employee, independent contractor, agent, representative, or supplier.

"Intellectual Property" means, collectively or individually, our Marks, Copyrights, Know-how, Manual, and System.

"Know-how" means all of our trade secrets and other proprietary information relating to the development, construction, marketing, and/or operation of a Kona Ice Business, including, but not limited to, methods, techniques, specifications, proprietary practices and procedures, policies, marketing strategies, and information comprising the System and the Manual.

"Kona Ice Business" means a business that provides flavored shaved ice, ice cream, and related products to the general public in a mobile environment and other related products and services using our Intellectual Property.

"Manual" means our confidential operations manual for the operation of a Kona Ice Business.

"Marks" means the logotypes, service marks, and trademarks now or hereafter involved in the operation of a Kona Ice Business, including "KONA ICE" and any other trademarks, service marks, or trade names that we designate for use by a Kona Ice Business. The term "Marks" also includes any distinctive trade dress used to identify a Kona Ice Business, whether now in existence or hereafter created.

"System" means our system for the establishment, development, operation, and management of a Kona Ice Business, including Know-how, proprietary programs and products, confidential operations manuals, and operating system.

2. Background. You are an employee, independent contractor, agent, representative, or supplier of Franchisee. Because of this relationship, you may gain knowledge of our Intellectual Property. You understand that protecting the Intellectual Property is vital to our success and that of our franchisees, and that you could seriously jeopardize our entire Franchise System if you were to use such Intellectual Property in any way other than as described in this Agreement. In order to avoid such damage, you agree to comply with this Agreement.

3. Know-How and Intellectual Property: Nondisclosure and Ownership. You agree: (i) you will not use the Intellectual Property in any business or capacity other than for the benefit of the

Kona Ice Business operated by Franchisee or in any way detrimental to us or to the Franchisee; (ii) you will maintain the confidentiality of the Intellectual Property at all times; (iii) you will not make unauthorized copies of documents containing any Intellectual Property; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Intellectual Property; and (v) you will stop using the Intellectual Property immediately if you are no longer an employee, independent contractor, agent, representative, or supplier of Franchisee. You further agree that you will not use the Intellectual Property for any purpose other than the performing your duties for Franchisee and within the scope of your employment or other engagement with Franchisee.

The Intellectual Property is and shall continue to be the sole property of Kona Ice, Inc. You hereby assign and agree to assign to us any rights you may have or may acquire in such Intellectual Property. Upon the termination of your employment or engagement with Franchisee, or at any time upon our or Franchisee's request, you will deliver to us or to Franchisee all documents and data of any nature pertaining to the Intellectual Property, and you will not take with you any documents or data or copies containing or pertaining to any Intellectual Property.

4. Immediate Family Members. You acknowledge you could circumvent the purpose of this Agreement by disclosing Intellectual Property to an immediate family member (i.e., spouse, parent, sibling, child, or grandchild). You also acknowledge that it would be difficult for us to prove whether you disclosed the Intellectual Property to family members. Therefore, you agree you will be presumed to have violated the terms of this Agreement if any member of your immediate family uses or discloses the Intellectual Property. However, you may rebut this presumption by furnishing evidence conclusively showing you did not disclose the Intellectual Property to the family member.

5. Covenants Reasonable. You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. **YOU HEREBY WAIVE ANY RIGHT TO CHALLENGE THE TERMS OF THIS AGREEMENT AS BEING OVERLY BROAD, UNREASONABLE, OR OTHERWISE UNENFORCEABLE.**

6. Breach. You agree that failure to comply with this Agreement will cause substantial and irreparable damage to us and/or other Kona Ice franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of this Agreement will entitle us to injunctive relief. You agree that we may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the parties agree that the amount of the bond shall not exceed $1,000. None of the remedies available to us under this Agreement are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance, and recovery of monetary damages. Any claim, defense, or cause of action you may have against us or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

7. Miscellaneous.

a. Although this Agreement is entered into in favor of Kona Ice, Inc., you understand and acknowledge that your employer/employee, independent contractor, agent, representative, or supplier relationship is with Franchisee and not with us, and for all purposes in connection with such relationship, you will look to Franchisee and not to us.

b. If we pursue legal remedies against you because you have breached this Agreement and prevail against you, you agree to pay our reasonable attorney fees and costs in doing so.

c. This Agreement will be governed by, construed, and enforced under the laws of Kentucky, and the courts in that state shall have jurisdiction over any legal proceedings arising out of this Agreement.

d. Each section of this Agreement, including each subsection and portion, is severable. If any section, subsection, or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection, or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms enforceable.

EXECUTED on the date stated below.

Date_____ _____
Signature

_____
Typed or Printed Name

Date_____ _____
Signature

_____
Typed or Printed Name

Date_____ _____
Signature

_____
Typed or Printed Name

EXHIBIT H-4

KONA ICE FRANCHISE

SAMPLE APPROVAL OF REQUESTED ASSIGNMENT

This Approval of Requested Assignment ("**Agreement**") is entered into this _____ day of _____, 20_____, between Kona Ice, Inc. ("**Franchisor**"), _____ ("**Former Franchisee**") and _____ ("**New Franchisee**").

RECITALS

WHEREAS, Franchisor and Former Franchisee entered into that certain franchise agreement dated _____, 20_____ ("**Franchise Agreement**"), in which Franchisor granted Former Franchisee the right to operate a Kona Ice franchise located at _____ ("**Franchised Business**"); and

WHEREAS, Former Franchisee desires to assign ("**Requested Assignment**") the Franchised Business to New Franchisee, New Franchisee desires to accept the Requested Assignment of the Franchised Business from Former Franchisee, and Franchisor desires to approve the Requested Assignment of the Franchised Business from Former Franchisee to New Franchisee upon the terms and conditions contained in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements herein contained, the parties hereto hereby covenant, promise, and agree as follows:

1. Payment of Fees. In consideration for the Requested Assignment, Former Franchisee acknowledges and agrees to pay Franchisor the Transfer Fee, as required under the Franchise Agreement ("**Franchisor's Assignment Fee**").

2. Assignment and Assumption. Former Franchisee hereby consents to assign all of its rights and delegate its duties with regard to the Franchise Agreement and all exhibits and attachments thereto from Former Franchisee to New Franchisee, subject to the terms and conditions of this Agreement, and conditioned upon New Franchisee's signing of a franchise agreement pursuant to Section 5 of this Agreement.

3. Consent to Requested Assignment of Franchised Business. Franchisor hereby consents to the Requested Assignment of the Franchised Business from Former Franchisee to New Franchisee upon receipt of the Franchisor's Assignment Fee from Former Franchisee and the mutual execution of this Agreement by all parties. Franchisor waives its right of first refusal set forth in the Franchise Agreement and waives any obligation for Former Franchisee to enter into a subordination agreement pursuant to the Franchise Agreement.

4. Termination of Rights to the Franchised Business. The parties acknowledge and agree that all of Former Franchisee's rights to operate the Franchised Business and rights under the Franchise Agreement are hereby relinquished and that from the date of this Agreement only New Franchisee shall have the sole right to operate the Franchised Business. Former Franchisee and its owners agree to comply with all of the covenants in the Franchise Agreement that expressly or by implication survive the

termination, expiration, or transfer of the Franchise Agreement. Unless otherwise precluded by state law, Former Franchisee shall execute Franchisor's current form of General Release Agreement.

5. New Franchise Agreement. New Franchisee shall execute Franchisor's current form of Franchise Agreement and attachments for the Franchised Business (as amended by the form of Addendum prescribed by Franchisor, if applicable), and any other required contracts for the operation of a Kona Ice franchise as stated in Franchisor's Franchise Disclosure Document.

6. Franchisee's Contact Information. Former Franchisee agrees to keep Franchisor informed of its current address and telephone number at all times during the three (3) year period following the execution of this Agreement.

7. Acknowledgement by New Franchisee. New Franchisee acknowledges and agrees that the purchase of the rights to the Franchised Business ("**Transaction**") occurred solely between Former Franchisee and New Franchisee. New Franchisee also acknowledges and agrees that Franchisor played no role in the Transaction and that Franchisor's involvement was limited to the approval of Requested Assignment and any required actions regarding New Franchisee's signing of a new franchise agreement for the Franchised Business. New Franchisee agrees that any claims, disputes, or issues relating New Franchisee's acquisition of the Franchised Business from Franchisee are between New Franchisee and Franchisee, and shall not involve Franchisor.

8. Representation. Former Franchisee warrants and represents that it has not heretofore assigned, conveyed, or disposed of any interest in the Franchise Agreement or Franchised Business. Buyer hereby represents that it received Franchisor's Franchise Disclosure Document and did not sign the new Franchise Agreement or pay any money to Franchisor or its affiliate for a period of at least 14 calendar days after receipt of the Franchise Disclosure Document.

9. Notices. Any notices given under this Agreement shall be in writing, and if delivered by hand, or transmitted by U.S. certified mail, return receipt requested, postage prepaid, or via telegram or telefax, shall be deemed to have been given on the date so delivered or transmitted, if sent to the recipient at its address or telefax number appearing on the records of the sending party.

10. Further Actions. Former Franchisee and New Franchisee each agree to take such further actions as may be required to effectuate the terms and conditions of this Agreement, including any and all actions that may be required or contemplated by the Franchise Agreement.

11. Affiliates. When used in this Agreement, the term "**Affiliates**" has the meaning as given in Rule 144 under the Securities Act of 1933.

12. Miscellaneous. This Agreement may not be changed or modified except in a writing signed by all of the parties hereto. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same document. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

13. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Kentucky.

(Signatures on following page)

IN WITNESS WHEREOF, the parties have executed this Agreement under seal, with the intent that this be a sealed instrument, as of the day and year first above written.

FRANCHISOR:

KONA ICE, INC.

By: _____

Title: _____

FORMER FRANCHISEE:

_____

By: _____

Title: _____

NEW FRANCHISEE:

_____

By: _____

Title: _____

Rev. 040516

EXHIBIT H-5

KONA ICE FRANCHISE

AGREEMENT OF PROVISIONAL TERRITORY HOLD
WITH INTENT TO PURCHASE ADDITIONAL FRANCHISE

KONA ICE
Agreement of Provisional Territory Hold
with Intent to Purchase Additional Franchise

FRANCHISEE NAME _____

Franchisee **NAME** plans expansion with the purchase of an additional Kona Ice Franchise. A non-refundable deposit of $10,000 is required to hold such purchase. A non-refundable deposit of $5,000 will also be required and will be applied toward the purchase of the additional Kona Ice truck.

Kona Ice hereby accepts the deposit of $10,000 to secure a hold on the Territory designated below until **DATE,** by which time the purchase of the additional Kona Ice Franchise purchase is to be completed.

STATE Postal Zip Codes: **City – XXXXX, XXXXX**
City – XXXXX, XXXXX, XXXXX

Final territory definition will be based on the current population at the time of purchase. Any unreserved territory adjacent to your Territory will remain available for sale to other franchisees.

Having made the initial $10,000 deposit with this Agreement, the Franchisee will then pay the remaining balance for the purchase of the additional Kona Ice Franchise and the $5,000 deposit required for the Kona Ice truck upon acceptance of the Franchise Agreement by **DATE** *or* thirty (30) days prior to scheduled pick up or delivery of your Kona truck, whichever comes first.

The balances due for the additional Kona Ice Franchise and for the additional truck will be based on the then-current purchase price and shall be paid in full prior to pick up or delivery of your Kona truck, in accordance with the terms of the Franchise Agreement.

KONA ICE
Tony Lamb, President

_____
Franchisee Name

_____
Signature

_____
Signature

_____
Date

_____
Date

KONA ICE
5945 Centennial Circle
Florence, KY 41042

EXHIBIT H-6

PNC EQUIPMENT FINANCE LOAN AND SECURITY AGREEMENT

PNC EQUIPMENT FINANCE

Loan & Security Agreement #

Borrower:

Legal Name:	Fed Tax ID#:		
Legal Address:	Phone Number:	Cell Number: (	Fax Number:
Billing Address:	E-Mail Address:		
Send Invoice to Attention of:	Vendor Name: Kona Ice, Inc.		

Equipment

Quantity	Year, Manufacturer, Model and Description	Serial Number
1	Kona Entertainment Vehicle	

Equipment Location Address:

805 Cleardale Dr , Greensburg, PA 15601

Transaction Terms/Payment Schedule:

Principal Amount:	Interest Rate: 7.50%	Term (in months):	Payment Amount:	Payable: Monthly
Advance Payment: $0.00	Commitment Fee: $0.00	Security Deposit: $0.00	# Payments:	Financed Documentation Fee: $149.00

☐ See attached Schedule B for variable payment structure

We have written this Loan & Security Agreement ("Loan") in plain language because we want you to understand its terms. Please read your copy of this Loan carefully and feel free to ask us any questions you may have. The words "you" and "your" mean the Borrower named above. The words "we", "us", and "our" refer to the Lender named below. THE TERMS OF THIS LOAN (INCLUDING THOSE ON THE SECOND AND THIRD PAGES) SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING ARE ENFORCEABLE. TERMS OR ORAL PROMISES WHICH ARE NOT CONTAINED IN THIS WRITTEN LOAN MAY NOT BE LEGALLY ENFORCED. YOU MAY CHANGE THE TERMS OF THIS LOAN ONLY BY ANOTHER WRITTEN AGREEMENT BETWEEN YOU AND US. YOU AGREE TO COMPLY WITH THE TERMS AND CONDITIONS OF THIS LOAN. THIS LOAN IS NOT CANCELABLE. YOU AGREE THAT THE PROCEEDS OF THE LOAN WILL BE USED FOR BUSINESS PURPOSES ONLY AND NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES.

YOU CERTIFY THAT ALL THE INFORMATION GIVEN IN THIS LOAN AND YOUR APPLICATION WAS CORRECT AND COMPLETE WHEN THIS LOAN WAS SIGNED. THIS LOAN IS NOT BINDING UPON US OR EFFECTIVE UNLESS AND UNTIL WE EXECUTE THIS LOAN. THIS LOAN AND ALL SCHEDULES WILL BE GOVERNED BY THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA. YOU SPECIFICALLY WAIVE ANY DEFENSE BASED UPON FORUM NON CONVENIENS AND YOU ADMIT THAT MONTGOMERY COUNTY, PENNSYLVANIA IS A CONVENIENT FORUM TO RESOLVE ALL DISPUTES UNDER THIS LOAN. ALL DISPUTES UNDER THIS LOAN SHALL BE RESOLVED IN THIS JURISDICTION AND VENUE OF FEDERAL COURT IN THE EASTERN DISTRICT OF PENNSYLVANIA OR STATE COURTS IN MONTGOMERY COUNTY, PENNSYLVANIA.

BY SIGNING THIS LOAN BELOW, YOU AGREE TO BE BOUND BY ALL OF THE TERMS AND CONDITIONS ON THE SECOND AND THIRD PAGES. You agree to submit the original loan documents with any security deposit to Lender or its assignee via overnight courier. Should we fail to receive these originals, you agree to be bound by an electronic copy of this Loan with appropriate signatures on the document. Borrower waives the right to challenge in court the authenticity of an electronic copy of this Loan and the electronic copy shall be considered the original and shall be the binding agreement for the purposes of any enforcement action under paragraph 14.

Lender		**Borrower**	
PNC Equipment Finance, LLC 655 Business Center Drive, Horsham, PA 19044			
Signature:	Date:	Signature: x	Date:
Print Name:	Title:	Print Name:	Title:

EXHIBIT H-7

AUTOMATED CLEARING HOUSE PAYMENT AUTHORIZATION FORM

ACH AUTHORIZATION FORM

Organization Name: KONA ICE INC.

CUSTOMER BUSINESS NAME:	**DATE**

Effective date of authorization: _____/_____/_____

Type of authorization: ❑ New authorization ❑ Change payment amount ❑ Change payment date ❑ Change banking information ❑ Discontinue electronic payment

Last Name	First Name	
Address		
City	State	Zip
Email Address		

PAYMENT INFORMATION FOR ANNUAL ROYALTY & MARKETING FEES:

Option for monthly withdrawal (please check one): ❑ 1 Installment ❑ 3 Installments ❑ 6 Installments

Date of first payment: _____/_____/_____ Total Amount Due: $_____ Amount of monthly payment: $_____

CHECKING / SAVINGS

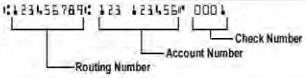
Please debit payment from my (check one):

❑ Savings Account (contact your financial institution for Routing #)

❑ Checking Account (staple a voided check below)

Routing Number: _____
Valid Routing # must start with 0, 1, 2, or 3

Account Number: _____



I authorize the above organization to process debit entries to my account. I understand that this authority will remain in effect until I provide reasonable notification to terminate the authorization.

Authorized Signature:_____ Date:_____

If using a checking account, please attach a voided check to the bottom of this page.

EXHIBIT I

RECEIPT

RECEIPT
(Retain This Copy)

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 Kona Ice, Inc. 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.

Under Iowa law, if applicable, Kona Ice, Inc. must provide this disclosure document to you at your first personal meeting to discuss the franchise. Michigan requires Kona Ice, Inc. to give you this disclosure document at least ten (10) business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. New York requires you to receive this disclosure document at the earlier of the first personal meeting or ten (10) business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Kona Ice, Inc. 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 on Exhibit A.

The name, principal business address, and telephone number of each franchise seller offering the franchise is:
Tony Lamb, 5945 Centennial Circle, Florence, KY 41042 and 1-800-566-2423

Issuance Date: April 20, 2018

I received a disclosure document issued April 20, 2018 which included the following exhibits:

Exhibit A	State Administrators/Agents for Service of Process
Exhibit B	Financial Statements
Exhibit C	Franchise Agreement
Exhibit D	Franchise Disclosure Questionnaire
Exhibit E	Success Guide Table of Contents
Exhibit F	List of Current and Former Franchisees
Exhibit G	State Addenda and Agreement Riders
Exhibit H	Contracts for use with the Kona Ice Franchise
Exhibit I	Receipt

Date	Signature	Printed Name
Date	Signature	Printed Name

PLEASE RETAIN THIS COPY FOR YOUR RECORDS.

RECEIPT
(Our Copy)

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 Kona Ice, Inc. 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.

Under Iowa law, if applicable, Kona Ice, Inc. must provide this disclosure document to you at your first personal meeting to discuss the franchise. Michigan requires Kona Ice, Inc. to give you this disclosure document at least ten (10) business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. New York requires you to receive this disclosure document at the earlier of the first personal meeting or ten (10) business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Kona Ice, Inc. 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 on Exhibit A.

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Exhibit H	Contracts for use with the Kona Ice Franchise
Exhibit I	Receipt

Date	Signature	Printed Name
Date	Signature	Printed Name

Please sign this copy of the receipt, date your signature, and return it to Kona Ice, Inc., 5945 Centennial Circle, Florence, KY 41042.