

FRANCHISE DISCLOSURE DOCUMENT

IHA Franchising, LLC
a limited liability company
organized under the laws of Delaware
1597 The Greens Way
Jacksonville Beach, Florida 32250
904-241-7535
e-mail address: franchise@icehouseamerica.com
websites: www.icehouseamerica.com
www.ice-born.com



The franchises offered are for (i) the right to open and operate, and solicit others to open and operate, IceBorn Houses, IceBorn Huts, and IceBorn Expresses (collectively, “IceBorn Machines”) in a designated territory selling ready-made ice to the consuming public under an Area Development and Servicing Agreement (the “Development Agreement”) and (ii) the right to open and operate an IceBorn House, IceBorn Hut or IceBorn Express under the terms of an Operator Agreement (the “Operator Agreement”).

The total investment necessary to begin operations under a Development Agreement ranges from \$138,000 to \$400,500. These totals include the payment of a development fee to us ranging from \$50,000 to \$200,000 and the purchase from us or our designated supplier of an IceBorn House or IceBorn Hut ranging from \$80,000 to \$130,000. The total investment to begin operations under an Operator Agreement ranges from \$27,095 to \$205,500. These totals include the payment of an initial fee to us of between \$1,000 and \$5,000 and the purchase from us or our designated supplier of an IceBorn House or IceBorn Hut ranging from \$80,000 to \$130,000, or an IceBorn Express in the amount of \$18,995.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Andrea Augeri at 1597 The Greens Way, Jacksonville Beach, Florida 32250, 904-900-2851.

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

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

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

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IHA Franchising, LLC 2014-2015 FDD

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STATE COVER PAGE

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

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

MANY OPERATOR 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 OPERATOR AGREEMENT AND DEVELOPMENT AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION ONLY IN THE CITY CLOSEST TO OUR HEADQUARTERS AND BY LITIGATION ONLY IN THE STATE WHERE OUR HEADQUARTERS IS LOCATED. OUT OF STATE ARBITRATION AND LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE OR LITIGATE WITH US IN THE STATE OR CITY WHERE OUR HEADQUARTERS IS LOCATED THAN IN YOUR HOME STATE.**
2. **THE OPERATOR AGREEMENT AND DEVELOPMENT AGREEMENT STATE THAT FLORIDA LAW GOVERNS THE DEVELOPMENT AGREEMENT AND OPERATOR AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.**
3. **MACHINES PREVIOUSLY SOLD TO INDEPENDENT DEALERS MAY BE LOCATED WITHIN AN OPERATOR'S OR DEVELOPER'S TERRITORY.**
4. **WE RESERVE THE RIGHT TO SELL OR DISTRIBUTE OTHER TYPES OF ICE VENDING DISPENSING MACHINES WITHIN AN OPERATOR'S OR DEVELOPER'S TERRITORY.**
5. **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 represents us, not you. We pay this person a fee for selling out franchise or referring you to us. You should make sure to do your own investigation of the franchise.

See the following state effective date summary page for state effective dates.

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