

## FRANCHISE DISCLOSURE DOCUMENT



SERVICEMASTER CLEAN/RESTORE SPE LLC  
A Delaware Limited Liability Company  
One Glenlake Parkway, 14<sup>th</sup> Floor  
Atlanta, Georgia 30328  
Phone: 800-756-5656  
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www.servicemasterclean.com

You will operate a ServiceMaster Clean® business (a “**Clean Franchise**”). Clean Franchises provide to management or tenants of commercial or institutional buildings contracted janitorial services on a continuing basis and carpet, furniture, and other periodical non-janitorial cleaning and maintenance.

The total investment necessary to begin operation of a ServiceMaster Clean® franchise ranges from \$104,300 to \$179,750. This total investment includes \$37,250 that must be paid to us or our affiliates.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement or make any payment 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 the Franchise Sales office at One Glenlake Parkway, 14<sup>th</sup> Floor, Atlanta, Georgia 30328 or at 800-756-5656.

The terms of your franchise agreement will govern your franchise relationship. Don’t rely on the disclosure document alone to understand your franchise agreement. Read all of your franchise agreement carefully. Show your franchise agreement 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 of 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, N.W., Washington, D.C. 20580. You can also visit the FTC’s home page at [www.ftc.gov](http://www.ftc.gov) for additional information.

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

The issuance date of this disclosure document is June 19, 2025, as amended on July 7, 2025 and December 9, 2025.

## How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
<b>How much can I earn?</b>	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits D and E.
<b>How much will I need to invest?</b>	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or Exhibit B includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only ServiceMaster Clean business in my area?</b>	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
<b>What's it like to be a ServiceMaster Clean franchisee?</b>	Item 20 or Exhibits D and E lists current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

## What You Need To Know About Franchising *Generally*

**Continuing responsibility to pay fees.** You may have to pay royalties and other fees even if you are losing money.

**Business model can change.** The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

**Supplier restrictions.** You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

**Operating restrictions.** The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

**Competition from franchisor.** Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

**Renewal.** Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

**When your franchise ends.** The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

### Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit C.

Your state also may have laws that require special disclosures or amendments to be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

## Special Risks to Consider About *This Franchise*

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution**. The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Georgia. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Georgia than in your own state.
2. **Mandatory Minimum Payment**. You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in the termination of your franchise and loss of your investment.
3. **Sales Performance Required**: You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

Certain states may require other risks to be highlighted. Check the “State Specific Addenda” (if any) to see whether your state requires other risks to be highlighted.

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

**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 provision 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 a 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 term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than thirty (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 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) 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 the franchisor's intent to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right to 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 qualification 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 franchisee. 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 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:

Michigan Department of Attorney  
General Consumer Protection Division  
G. Mennen Williams Building  
1<sup>st</sup> Floor, 525 West Ottawa  
Lansing, Michigan 48913  
(517) 335-7567

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**EXHIBITS:**

- A Franchise Agreement and Related Agreements
  - A-1 ServiceMaster Clean License
  - A-2 General Release
  - A-3 Partial Assignment of Rights
  - A-4 Electronic Funds Transfer Authorization Form
- B Financial Statements And Guaranty
- C List Of State Agencies And Agents For Service Of Process
- D List Of Franchisees
- E List Of Former Franchisees
- F State Addenda To Disclosure Document And To Franchise Agreement (where applicable)
- G Manual Table Of Contents
- H Conversion Ramp-Up Amendment
- I State Effective Date And FDD Receipts

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

To simplify the language in this disclosure document (the “**Disclosure Document**”), “**we,**” “**us,**” “**our,**” or “**Franchisor**” means ServiceMaster Clean/Restore SPE LLC, the franchisor. “**You,**” “**your,**” or “**Franchisee**” means the person or entity purchasing a franchise. If you are a corporation, partnership, limited liability company or other entity, “**you**” includes your owners.

**THE FRANCHISOR**

We are a Delaware limited liability company formed in October 2020. Our principal business address is One Glenlake Parkway, 14<sup>th</sup> Floor, Atlanta, Georgia 30328. We do business under the names ServiceMaster Clean and ServiceMaster Restore. Our agents for service of process are listed in Exhibit C.

We have offered Clean Franchises since March 2021. In addition, since March 2021, we have offered franchises under the ServiceMaster Restore<sup>®</sup> and ServiceMaster Recovery Management<sup>®</sup> brands, which provide disaster services directly to residential and commercial customers following a fire, flood, earthquake, or storm (“**Restore Franchises**”). We offer Restore Franchises under a separate disclosure document. As of December 31, 2024, there were 1,995 Restore Franchises (including ServiceMaster Recovery Management franchises). We have never offered franchises other than Clean Franchises and Restore Franchises.

We also operate ServiceMaster Bio Clean<sup>™</sup>, a nationwide bioremediation and trauma cleanup company which provides biohazard cleanup, drug cleanup and destruction services for families, first responders, and government agencies (“**Bio Clean**”). We have never offered franchises for Bio Clean and we do not engage in any other line of business.

**PARENTS**

We are a direct subsidiary of ServiceMaster Systems LLC (“**SM Systems**”), a Delaware limited liability company with a principal business address at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328. SM Systems guarantees the performance of our obligations under our franchise agreements and offers and sells certain products to our franchisees.

We are an indirect subsidiary of ServiceMaster OpCo Holdings LLC (“**SM Manager**”), a Delaware limited liability company with a principal business address at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328. SM Manager provides management and support services to us and our franchisees through a management agreement with us.

SM Manager is a direct subsidiary of RW Purchaser LLC (“**RW Purchaser**”), a Delaware limited liability company with a principal business address at 1180 Peachtree Street, N.E., Suite 2500, Atlanta, Georgia 30309. RW Purchaser acquired SM Manager and became our indirect parent in an acquisition that occurred on October 1, 2020 (the “**Acquisition**”).

RW Purchaser is indirectly owned by RW Parent LLC (“**RW Parent**”), a Delaware limited liability company with a principal business address at 1180 Peachtree Street, N.E., Suite 2500, Atlanta, Georgia 30309, which is our ultimate parent. RW Parent is owned by private equity funds managed by Roark Capital Management LLC, an Atlanta-based private equity firm.

## PREDECESSORS

Our predecessors began performing professional cleaning services in 1929. Our immediate predecessor, ServiceMaster Residential/Commercial Services Limited Partnership (“**Predecessor**”), a Delaware limited partnership, offered ServiceMaster Clean, ServiceMaster Restore, and ServiceMaster Recovery Management franchises from December 1990 to December 2020. Predecessor did not offer franchises in any other line of business, except it offered and sold approximately 14 franchises in home companionship services under the name “ServiceMaster Caring Companions” from late 1996 through mid-1998. The principal business address of Predecessor is One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328.

Prior to the Acquisition, SM Manager (and its subsidiaries, including Predecessor) had been indirectly owned by The ServiceMaster Company LLC (“**Former Parent**”) and indirectly owned by ServiceMaster Global Holdings, Inc., a publicly-traded company.

## SECURITIZATION TRANSACTION

RW Parent and its subsidiaries were restructured as part of a secured financing transaction that closed on December 9, 2020 (the “**Securitization Transaction**”). As part of the Securitization Transaction, (i) we became the franchisor of the ServiceMaster® system; (ii) Predecessor assigned to us all existing ServiceMaster® franchise agreements and related agreements; and (iii) ServiceMaster IPCo LLC (“**SM IP**”), an affiliate of Parent, assigned ownership of all Marks (as defined in Item 13) and certain intellectual property relating to the operation of franchises to us. RW Parent and its subsidiaries may enter into other secured financing transactions in the future.

At the time of the closing of the Securitization Transaction, we entered into a management agreement with SM Manager for SM Manager to provide the required support and services to franchisees under their franchise agreements. SM Manager also acts as our franchise sales agent. We will pay management fees to SM Manager for these services. However, as the franchisor, we will be responsible and accountable to you to make sure that all services we promise to perform under your Franchise Agreement or other agreement you sign with us are performed in compliance with the applicable agreement, regardless of who performs these services on our behalf.

## AFFILIATES

We have no affiliates (other than our parents) that currently offer products or services to our franchisees.

*Our affiliates under the control of RW Parent that currently offer other franchises include:*

Merry Maids SPE LLC (“**Merry Maids**”), a Delaware limited liability company, franchises residential house cleaning businesses under the Merry Maids® mark. The principal address for Merry Maids is One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328. Merry Maids and its predecessors began business and started offering franchises in 1980. As of December 31, 2024, Merry Maids had 796 franchises in the United States. The ServiceMaster Clean® franchises that we sell offer heavy-duty, disaster cleaning for homes and businesses, office cleaning, and, in some cases, the cleaning of homes, which would also be candidates for cleaning by Merry Maids and its franchisees. In some instances, the customers served by ServiceMaster® franchisees and Merry Maids franchisees may require or desire the same cleaning services, and the franchisees for both brands may compete with each other for such customers.

Two Men and a Truck SPE LLC (“**Two Men and a Truck**”), a Delaware limited liability company, franchises (i) businesses that provide moving services and related products and services, including packing, unpacking and the sale of boxes and packing materials under the Two Men and a Truck® mark and (ii) businesses that provide junk removal services under the Two Men and a Junk Truck® mark. The principal address for Two Men and a Truck is One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328. Two Men and a Truck’s predecessor began offering Two Men and a Truck franchises in February 1989. Two Men and a Truck began offering Two Men and a Junk Truck franchises in June 2023. As of December 31, 2024, there were 339 franchised and two company-owned Two Men and a Truck businesses in the United States. As of December 31, 2024, there were 62 franchised Two Men and a Junk Truck businesses in the United States.

ServiceMaster of Canada Limited (“**SM Canada**”) offers ServiceMaster Clean®, ServiceMaster Restore®, Two Men and a Truck®, Two Men and a Junk Truck®, and Merry Maids® franchises in Canada. The principal address for SM Canada is One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328. As of December 31, 2024, there were approximately 308 franchises in Canada under the ServiceMaster Clean®, ServiceMaster Restore®, Two Men and a Truck®, and Merry Maids® trade names and trademarks serving residential and commercial customers throughout Canada.

ServiceMaster Limited (“**SM UK**”) offers ServiceMaster Clean®, ServiceMaster Restore®, Merry Maids®, TruGreen®, and Rosemary Bookkeeping® franchises in Great Britain. The principal address for SM UK is ServiceMaster House, Tigers Road, Wigston, Leicester, The United Kingdom. As of December 31, 2024, there were approximately 458 franchises in Great Britain that operate using the ServiceMaster Clean®, ServiceMaster Restore®, Merry Maids®, Furniture Medic®, TruGreen®, and Rosemary Bookkeeping® trade names and trademarks.

Merry Maids, Two Men and a Truck, SM Canada, and SM UK have never offered franchises in any line of business (except as provided above), have never conducted a business of the type you will operate (except as provided above), and do not provide products or services to our franchisees.

In this Disclosure Document, we refer to Merry Maids, Two Men and a Truck, and us collectively as the “**SM Franchisors.**”

## **OTHER AFFILIATED PROGRAMS**

Through control with private equity funds managed by Roark Capital Management, LLC, an Atlanta-based private equity firm, we are affiliated with the following franchise programs (“**Affiliated Programs**”). None of these affiliates operate a ServiceMaster® franchise.

**GoTo Foods Inc.** (“**GoTo Foods**”) is the indirect parent company to seven franchisors, including: Auntie Anne’s Franchisor SPV LLC (“**Auntie Anne’s**”), Carvel Franchisor SPV LLC (“**Carvel**”), Cinnabon Franchisor SPV LLC (“**Cinnabon**”), Jamba Juice Franchisor SPV LLC (“**Jamba**”), McAlister’s Franchisor SPV LLC (“**McAlister’s**”), Moe’s Franchisor SPV LLC (“**Moe’s**”), and Schlotzsky’s Franchisor SPV LLC (“**Schlotzsky’s**”). All seven GoTo Foods franchisors have a principal place of business at 5620 Glenridge Drive NE, Atlanta, GA 30342 and have not offered franchises in any other line of business.

**Auntie Anne’s** franchises Auntie Anne’s® shops that offer soft pretzels, lemonade, frozen drinks, and related foods and beverages. In November 2010, the Auntie Anne’s system became affiliated with GoTo Foods through an acquisition. Auntie Anne’s predecessor began offering franchises in January 1991. As of December 31, 2024, there were 1,182 franchised and 11 affiliate-owned Auntie

Anne's shops in the United States and 815 franchised Auntie Anne's shops outside the United States.

**Carvel** franchises Carvel® ice cream shoppes and is a leading retailer of branded ice cream cakes in the United States and a producer of premium soft-serve ice cream. The Carvel system became an Affiliated Program in October 2001 and became affiliated with GoTo Foods in November 2004. Carvel's predecessor began franchising retail ice cream shoppes in 1947. As of December 31, 2024, there were 336 franchised Carvel shoppes in the United States and 39 franchised Carvel shoppes outside the United States.

**Cinnabon** franchises Cinnabon® bakeries that feature oven-hot cinnamon rolls, as well as other baked treats and specialty beverages. It also licenses independent third parties to operate domestic and international franchised Cinnabon® bakeries and Seattle's Best Coffee® franchises on military bases in the United States and in certain international countries, and to use the Cinnabon trademarks on products dissimilar to those offered in Cinnabon bakeries. In November 2004, the Cinnabon system became affiliated with GoTo Foods through an acquisition. Cinnabon's predecessor began franchising in 1990. As of December 31, 2024, there were 1,002 franchised and 28 affiliate-owned Cinnabon bakeries in the United States, 1,040 franchised Cinnabon bakeries outside the United States, and 193 franchised Seattle's Best Coffee units outside the United States.

**Jamba** franchises Jamba® stores that feature a wide variety of fresh blended-to-order smoothies and other cold or hot beverages and offer fresh squeezed juices and portable food items to customers who come for snacks and light meals. Jamba has offered JAMBA® franchises since October 2018. In October 2018, Jamba became affiliated with GoTo Foods through an acquisition. Jamba's predecessor began franchising in 1991. As of December 31, 2024, there were 726 franchised Jamba stores and one affiliate-owned Jamba store in the United States and 61 franchised Jamba stores outside the United States.

**McAlister's** franchises McAlister's Deli® restaurants that feature deli foods, including hot and cold deli sandwiches, baked potatoes, salads, soups, desserts, iced tea and other food and beverage products. The McAlister's system became an Affiliated Program through an acquisition in July 2005 and became affiliated with GoTo Foods in October 2013. McAlister's or its predecessor have been franchising since 1999. As of December 31, 2024, there were 524 franchised and 36 affiliate-owned McAlister's restaurants in the United States.

**Moe's** franchises Moe's Southwest Grill® fast casual restaurants which feature fresh-mex and southwestern food. In August 2007, the Moe's system became affiliated with GoTo Foods through an acquisition. Moe's predecessor began offering Moe's Southwest Grill franchises in 2001. As of December 31, 2024, there were 591 franchised and five affiliate-owned Moe's Southwest Grill restaurants in the United States.

**Schlotzsky's** franchises Schlotzsky's® quick-casual restaurants that feature sandwiches, pizza, soups, and salads. Schlotzsky's signature items are its "fresh-from-scratch" sandwich buns and pizza crusts that are baked on-site every day. In November 2006, the Schlotzsky's system became affiliated with GoTo Foods through an acquisition. Schlotzsky's restaurant franchises have been offered since 1976. As of December 31, 2024, there were 280 franchised and 28 affiliate-owned Schlotzsky's restaurants in the United States.

**Inspire Brands, Inc.** ("Inspire Brands") is a global multi-brand restaurant company, launched in February 2018 upon completion of the merger of the Arby's and Buffalo Wild Wings brands. Inspire Brands is a parent company to six franchisors offering and selling franchises in the United States, including: Arby's

Franchisor, LLC (“**Arby’s**”), Baskin-Robbins Franchising LLC (“**Baskin-Robbins**”), Buffalo Wild Wings International, Inc. (“**Buffalo Wild Wings**”), Dunkin’ Donuts Franchising LLC (“**Dunkin’**”), Jimmy John’s Franchisor SPV, LLC (“**Jimmy John’s**”), and Sonic Franchising LLC (“**Sonic**”). Inspire Brands is also a parent company to the following franchisors offering and selling franchises internationally: Inspire International, Inc. (“**Inspire International**”), DB Canadian Franchising ULC (“**DB Canada**”), DDBR International LLC (“**DB China**”), DD Brasil Franchising Ltda. (“**DB Brasil**”), DB Mexican Franchising LLC (“**DB Mexico**”), and BR UK Franchising LLC (“**BR UK**”). All of Inspire Brands’ franchisors have a principal place of business at Three Glenlake Parkway NE, Atlanta, Georgia 30328 and, other than as described below for Arby’s, have not offered franchises in any other line of business.

**Arby’s** is a franchisor of quick-serve restaurants operating under the Arby’s® trade name and business system that feature slow-roasted, freshly sliced roasted beef and other deli-style sandwiches. In July 2011, Arby’s became an Affiliated Program through an acquisition. Arby’s has been franchising since 1965. Predecessors and former affiliates of Arby’s have, in the past, offered franchises for other restaurant concepts including T.J. Cinnamons® stores that served gourmet baked goods. All of the T.J. Cinnamons locations have closed. As of December 29, 2024, there were 3,365 Arby’s restaurants operating in the United States (2,286 franchised and 1,079 company-owned), including one multi-brand location. Additionally, as of December 29, 2024, there were 231 single-branded franchised Arby’s restaurants operating internationally.

**Baskin-Robbins** is a franchisor of Baskin-Robbins® restaurants that offer ice cream, ice cream cakes and related frozen products, beverages and other products and services. Baskin-Robbins became an Affiliated Program through an acquisition in December 2020. Baskin-Robbins has offered franchises in the United States and certain international markets for Baskin-Robbins restaurants since March 2006. As of December 29, 2024, there were 2,245 franchised Baskin-Robbins restaurants operating in the United States. Of those 2,245 restaurants, 974 were single-branded Baskin-Robbins restaurants, two were Baskin-Robbins restaurants operating at a multi-brand location, and 1,269 were Dunkin’ and Baskin-Robbins combo restaurants. Additionally, as of December 29, 2024, there were 5,651 single-branded franchised Baskin-Robbins restaurants operating internationally and in Puerto Rico.

**Buffalo Wild Wings** is a franchisor of sports entertainment-oriented casual sports bars that feature chicken wings, sandwiches, and other products, alcoholic and other beverages, and related services under Buffalo Wild Wings® name (“**Buffalo Wild Wings Sports Bars**”) and restaurants that feature chicken wings and other food and beverage products primarily for off-premises consumption under the Buffalo Wild Wings GO name (“**BWW-GO Restaurants**”). Buffalo Wild Wings has offered franchises for Buffalo Wild Wings Sports Bars since April 1991 and for BWW-GO Restaurants since December 2020. As of December 29, 2024, there were 1,183 Buffalo Wild Wings Sports Bars operating in the United States (538 franchised and 645 company-owned) and 65 franchised Buffalo Wild Wings or B-Dubs restaurants operating outside the United States. As of December 29, 2024, there were 140 BWW-GO Restaurants operating in the United States (90 franchised and 50 company-owned).

**Dunkin’** is a franchisor of Dunkin’® restaurants that offer doughnuts, coffee, espresso, breakfast sandwiches, bagels, muffins, compatible bakery products, croissants, snacks, sandwiches and beverages. Dunkin’ became an Affiliated Program through an acquisition in December 2020. Dunkin’ has offered franchises in the United States and certain international markets for Dunkin’ restaurants since March 2006. As of December 29, 2024, there were 9,768 Dunkin’ restaurants operating in the United States (9,734 franchised and 34 company-owned). Of those 9,768 restaurants, 8,480 were single-branded Dunkin’ restaurants, 19 were Dunkin’ restaurants operating at multi-brand locations, and 1,269 were franchised Dunkin’ and Baskin-Robbins combo

restaurants. Additionally, as of December 29, 2024, there were 4,328 single-branded franchised Dunkin' restaurants operating internationally.

**Jimmy John's** is a franchisor of restaurants operating under the Jimmy John's® trade name and business system that feature high-quality deli sandwiches, fresh baked breads, and other food and beverage products. Jimmy John's became an Affiliated Program through an acquisition in October 2016 and became part of Inspire Brands by merger in 2019. As of December 29, 2024, there were 2,689 Jimmy John's restaurants operating in the United States (2,647 franchised and 42 affiliate-owned). Of those 2,689 restaurants, 2,668 were single-branded Jimmy John's restaurants and 21 were Jimmy John's restaurants operating at multi-brand locations. Additionally, as of December 29, 2024, there were five franchised Jimmy John's restaurants operating internationally.

**Sonic** is the franchisor of Sonic Drive-In® restaurants, which serve hot dogs, hamburgers and other sandwiches, tater tots and other sides, a full breakfast menu and frozen treats and other drinks. Sonic became an Affiliated Program through an acquisition in December 2018. Sonic has offered franchises for Sonic restaurants since May 2011. As of December 29, 2024, there were 3,461 Sonic Drive-Ins operating in the United States (3,144 franchised and 317 company-owned), including one multi-brand location.

**Inspire International** has, directly or through its predecessors, offered and sold franchises outside the United States for the following brands: Arby's restaurants (since May 2016), Buffalo Wild Wings sports bars (since October 2019), Jimmy John's restaurants (since November 2022), and Sonic restaurants (since November 2019). **DB Canada** was formed in May 2006 and has, directly or through its predecessors, offered and sold Baskin-Robbins franchises in Canada since January 1972. **DB China** has offered and sold Baskin-Robbins franchises in China since its formation in March 2006. **DB Brasil** has offered and sold Dunkin' and Baskin-Robbins franchises in Brazil since its formation in May 2014. **DB Mexico** has offered and sold Dunkin' franchises in Mexico since its formation in October 2006. **BR UK** has offered and sold Baskin-Robbins franchises in the UK since its formation in December 2014. The restaurants franchised by the international franchisors are included in the brand-specific disclosures above.

**Primrose School Franchising SPE, LLC ("Primrose")** is a franchisor that offers franchises for the establishment, development and operation of educational childcare facilities serving families with children from 6 weeks to 12 years old operating under the Primrose® name. Primrose's principal place of business is 3200 Windy Hill Road SE, Suite 1200E, Atlanta GA 30339. Primrose became an Affiliated Program through an acquisition in June 2008. Primrose and its affiliates have been franchising since 1988. As of December 31, 2024, there were 525 franchised Primrose facilities in the United States. Primrose has not offered franchises in any other line of business.

**ME SPE Franchising, LLC ("Massage Envy")** is a franchisor of businesses that offer professional therapeutic massage services, facial services, and related goods and services under the name "Massage Envy®" since 2019. Massage Envy's principal place of business is 14350 North 87th Street, Suite 200, Scottsdale, Arizona 85260. Massage Envy's predecessor began operation in 2003, commenced franchising in 2010, and became an Affiliated Program through an acquisition in 2012. As of December 31, 2024, there were 1,009 Massage Envy locations operating in the United States, including 1,000 operated as total body care Massage Envy businesses and 9 operated as traditional Massage Envy businesses. Additionally, Massage Envy's predecessor previously sold franchises for regional developers, who acquired a license for a defined region in which they were required to open and operate a designated number of Massage Envy locations either by themselves or through franchisees that they would solicit. As of December 31, 2024, there were nine regional developers operating 11 regions in the United States. Massage Envy has not offered franchises in any other line of business.

**CKE Inc.** (“**CKE**”), through two indirect wholly-owned subsidiaries (Carl’s Jr. Restaurants LLC and Hardee’s Restaurants LLC), owns, operates and franchises quick serve restaurants operating under the Carl’s Jr.® and Hardee’s® trade names and business systems. Carl’s Jr. restaurants and Hardee’s restaurants offer a limited menu of breakfast, lunch and dinner products featuring charbroiled 100% Black Angus Thickburger® sandwiches, Hand-Breaded Chicken Tenders, Made from Scratch Biscuits and other related quick serve menu items. A small number of Hardee’s Restaurants offer Red Burrito® Mexican food products through a Dual Concept Restaurant. A small number of Carl’s Jr. Restaurants offer Green Burrito® Mexican food products through a Dual Concept Restaurant. CKE Inc.’s principal place of business is 6700 Tower Circle, Suite 1000, Franklin, Tennessee. In December 2013, CKE Inc. became an Affiliated Program through an acquisition. Hardee’s restaurants have been franchised since 1961. As of January 27, 2025, there were 202 company-operated Hardee’s restaurants and there were 1,369 domestic franchised Hardee’s restaurants, including 129 Hardee’s/Red Burrito Dual Concept restaurants. Additionally, there were 473 franchised Hardee’s restaurants operating outside the United States. Carl’s Jr. restaurants have been franchised since 1984. As of January 27, 2025, there were 50 company-operated Carl’s Jr. restaurants, and there were 982 domestic franchised Carl’s Jr. restaurants, including 218 Carl’s Jr./Green Burrito Dual Concept restaurants. In addition, there were 687 franchised Carl’s Jr. restaurants operating outside the United States. Neither CKE nor its subsidiaries that operate the above-described franchise systems have offered franchises in any other line of business.

**Driven Holdings, LLC** (“**Driven Holdings**”) is the indirect parent company to nine franchisors, including Meineke Franchisor SPV LLC (“**Meineke**”), Maaco Franchisor SPV LLC (“**Maaco**”), Merlin Franchisor SPV LLC (“**Merlin**”), Econo Lube Franchisor SPV LLC (“**Econo Lube**”), 1-800-Radiator Franchisor SPV LLC (“**1-800-Radiator**”), CARSTAR Franchisor SPV LLC (“**CARSTAR**”), Take 5 Franchisor SPV LLC (“**Take 5**”), ABRA Franchisor SPV LLC (“**ABRA**”) and FUSA Franchisor SPV LLC (“**FUSA**”). In April 2015, Driven Holdings and its franchised brands at the time (which included Meineke, Maaco, Merlin and Econo Lube) became Affiliated Programs through an acquisition. Subsequently, through acquisitions in June 2015, October 2015, March 2016, September 2019, and April 2020, respectively, the 1-800-Radiator, CARSTAR, Take 5, ABRA and FUSA brands became Affiliated Programs. The principal business address of Meineke, Maaco, Econo Lube, Merlin, CARSTAR, Take 5, Abra and FUSA is 440 South Church Street, Suite 700, Charlotte, North Carolina 28202. 1-800-Radiator’s principal business address is 4401 Park Road, Benicia, California 94510. None of these franchise systems have offered franchises in any other line of business.

**Meineke** franchises automotive centers that offer to the general public automotive repair and maintenance services that it authorizes periodically. These services currently include repair and replacement of exhaust system components, brake system components, steering and suspension components (including alignment), belts (V and serpentine), cooling system service, CV joints and boots, wiper blades, universal joints, lift supports, motor and transmission mounts, trailer hitches, air conditioning, state inspections, tire sales, tune ups and related services, transmission fluid changes and batteries. Meineke and its predecessors have offered Meineke center franchises since September 1972, and Meineke’s affiliate has owned and operated Meineke centers on and off since March 1991. As of December 28, 2024, there were 714 franchised Meineke centers, 18 franchised Meineke centers co-branded with Econo Lube, and no company-owned Meineke centers or company-owned Meineke centers co-branded with Econo Lube operating in the United States.

**Maaco** and its predecessors have offered Maaco center franchises since February 1972 providing automotive collision and paint refinishing. As of December 28, 2024, there were 363 franchised Maaco centers and no company-owned Maaco centers in the United States.

**Merlin** franchises shops that provide automotive repair services specializing in vehicle longevity, including the repair and replacement of automotive exhaust, brake parts, ride and steering control system and tires. Merlin and its predecessors offered franchises from July 1990 to February 2006 under the name “Merlin Muffler and Brake Shops,” and have offered franchises under the name “Merlin Shops” since February 2006. As of December 28, 2024, there were 14 Merlin franchises and no company-owned Merlin shops located in the United States.

**Econo Lube** offers franchises that provide oil change services and other automotive services including brakes, but not including exhaust systems. Econo Lube’s predecessor began offering franchises in 1980 under the name “Muffler Crafters” and began offering franchises under the name “Econo Lube N’ Tune” in 1985. As of December 28, 2024, there were eight Econo Lube N’ Tune franchises and nine Econo Lube N’ Tune franchises co-branded with Meineke centers in the United States, which are predominately in the western part of the United States, including California, Arizona, and Texas, and no company-owned Econo Lube N’ Tune locations in the United States.

**1-800-Radiator** franchises distribution warehouses selling radiators, condensers, air conditioning compressors, fan assemblies and other automotive parts to automotive shops, chain accounts and retail consumers. 1-800-Radiator and its predecessor have offered 1-800-Radiator franchises since 2004. As of December 28, 2024, there were 193 1-800-Radiator franchises in operation in the United States. 1-800-Radiator’s affiliate has owned and operated 1-800-Radiator warehouses since 2001 and, as of December 28, 2024, owned and operated 1 1-800-Radiator warehouse in the United States.

**CARSTAR** offers franchises for full-service automobile collision repair facilities providing repair and repainting services for automobiles and trucks that suffered damage in collisions. CARSTAR’s business model focuses on insurance-related collision repair work arising out of relationships it has established with insurance company providers. CARSTAR and its affiliates first offered conversion franchises to existing automobile collision repair facilities in August 1989 and began offering franchises for new automobile repair facilities in October 1995. As of December 28, 2024, there were 471 franchised CARSTAR facilities and no company-owned facilities operating in the United States.

**Take 5** franchises motor vehicle centers that offer quick service, customer-oriented oil changes, lubrication and related motor vehicle services and products. Take 5 commenced offering franchises in March 2017, although the Take 5 concept started in 1984 in Metairie, Louisiana. As of December 28, 2024, there were 432 franchised Take 5 outlets and 710 affiliate-owned Take 5 outlets operating in the United States.

**Abra** franchises repair and refinishing centers that offer high quality auto body repair and refinishing and auto glass repair and replacement services at competitive prices. Abra and its predecessor have offered Abra franchises since 1987. As of December 28, 2024, there were 55 franchised Abra repair centers and no company-owned repair centers operating in the United States.

**FUSA** franchises collision repair shops specializing in auto body repair work and after-collision services. FUSA has offered Fix Auto shop franchises since July 2020, although its predecessors have offered franchise and license arrangements for Fix Auto shops on and off from April 1998 to June 2020. As of December 28, 2024, there were 212 franchised Fix Auto repair shops operating in the United States.

Driven Holdings is also the indirect parent company to the following franchisors that offer franchises in Canada: (1) **Meineke Canada SPV LP** and its predecessors have offered Meineke

center franchises in Canada since August 2004; (2) **Maaco Canada SPV LP** and its predecessors have offered Maaco center franchises in Canada since 1983; (3) **1-800-Radiator Canada, Co.** has offered 1-800-Radiator warehouse franchises in Canada since April 2007; (4) **Carstar Canada SPV LP** and its predecessors have offered CARSTAR franchises in Canada since September 2000; (5) **Take 5 Canada SPV LP** and its predecessor have offered Take 5 franchises in Canada since November 2019; (6) **Driven Brands Canada Funding Corporation** and its predecessors have offered UniglassPlus and Uniglass Express franchises in Canada since 1985 and 2015, respectively, Vitro Plus and Vitro Express franchises in Canada since 2002, and Docteur du Pare Brise franchises in Canada since 1998; (7) **Go Glass Franchisor SPV LP** and its predecessors have offered Go! Glass & Accessories franchises since 2006 and Go! Glass franchises since 2017 in Canada; and (8) **Star Auto Glass Franchisor SPV LP** and its predecessors have offered Star Auto Glass franchises in Canada since approximately 2012.

As of December 28, 2024, there were: (i) 14 franchised Meineke centers and no company-owned Meineke centers in Canada; (ii) 17 franchised Maaco centers and no company-owned Maaco centers in Canada; (iii) 10 1-800-Radiator franchises and no company-owned 1-800-Radiator locations in Canada; (iv) 317 franchised CARSTAR facilities and one company-owned CARSTAR facility in Canada; (v) 32 franchised Take 5 outlets and seven company-owned Take 5 outlets in Canada; (vi) 71 franchised UniglassPlus businesses, 27 franchised UniglassPlus/Ziebart businesses, and five franchised Uniglass Express businesses in Canada, and one company-owned UniglassPlus business and one company-owned UniglassPlus/Ziebart business in Canada; (vii) 10 franchised VitroPlus businesses, 56 franchised VitroPlus/Ziebart businesses and three franchised Vitro Express businesses in Canada, and one company-owned VitroPlus business and one company-owned VitroPlus/Ziebart business in Canada; (viii) 31 franchised Docteur du Pare Brise businesses and two company-owned Docteur du Pare Brise businesses in Canada; (ix) 11 franchised Go! Glass & Accessories businesses and no franchised Go! Glass business in Canada, and 8 company-owned Go! Glass & Accessories businesses and no company-owned Go! Glass businesses in Canada; and (x) 8 franchised Star Auto Glass businesses and no company-owned Star Auto Glass businesses in Canada.

In January 2022, Driven Brands acquired Auto Glass Now's repair locations. As of December 28, 2024, there were more than 224 repair locations operating under the AUTOGLASSNOW® name in the United States ("AGN Repair Locations"). AGN Repair Locations offer auto glass calibration and windshield repair and replacement services. In the future, AGN Repair Locations may offer products and services to Driven Brands' affiliates and their franchisees in the United States, and/or Driven Brands may decide to offer franchises for AGN Repair Locations in the United States.

**NBC Franchisor LLC** ("NBC") franchises gourmet bakeries that offer and sell specialty bundt cakes, other food items and retail merchandise under the Nothing Bundt Cakes® mark. NBC's predecessor began offering franchises in May 2006. NBC became an Affiliated Program through an acquisition in May 2021. NBC has a principal place of business at 4560 Belt Line Road, Suite 350, Addison, Texas 75001. As of December 31, 2024, there were 643 Nothing Bundt Cake franchises and 17 company-owned locations operating in the United States. NBC has never offered franchises in any other line of business.

**Mathnasium Center Licensing, LLC** ("Mathnasium") franchises learning centers that provide math instruction using the Mathnasium® system of learning. Mathnasium began offering franchises in late 2003. Mathnasium became an Affiliated Program through an acquisition in November 2022. Mathnasium has a principal place of business at 5120 West Goldleaf Circle, Suite 400, Los Angeles, California 90056. As of December 31, 2024, there were 995 franchised and 4 affiliate-owned Mathnasium centers operating in the

United States. Mathnasium has never offered franchises in any other line of business. Affiliates of Mathnasium Center Licensing, LLC also offer franchises for operation outside the United States.

**Mathnasium Center Licensing Canada, Inc.** has offered franchises for Mathnasium centers in Canada since May 2014. As of December 31, 2024, there were 100 franchised Mathnasium centers in Canada. **Mathnasium International Franchising, LLC** has offered franchises outside the United States and Canada since May 2015. As of December 31, 2024, there were 91 franchised Mathnasium centers outside the United States and Canada. Mathnasium Center Licensing, LLC, Mathnasium Center Licensing Canada, Inc. and Mathnasium International Franchising, LLC each have their principal place of business at 5120 West Goldleaf Circle, Suite 400, Los Angeles, California 90056 and none of them has ever offered franchises in any other line of business.

**Youth Enrichment Brands, LLC** is the direct parent company to three franchisors operating in the United States: i9 Sports, LLC (“**i9**”), SafeSplash Brands, LLC also known as “**Streamline Brands**”), and School of Rock Franchising LLC (“**School of Rock**”). i9 became an Affiliated Program through an acquisition in September 2021. Streamline Brands became an Affiliated Program through an acquisition in June 2022. School of Rock became an Affiliated Program through an acquisition in September 2023. The three franchisors have never offered franchises in any other line of business.

**i9** franchises businesses that operate, market, sell, and provide amateur sports leagues, camps, tournaments, clinics, training, development, social activities, special events, products, and related services under the i9 Sports® mark. i9 began offering franchises in November 2003. i9 has its principal place of business at 9410 Camden Field Parkway, Riverview, Florida 33578. As of December 31, 2024, there were 264 i9 Sports franchises in the United States.

**Streamline Brands** offers franchises under the SafeSplash Swim School® brand and operates under the SwimLabs® and Swimtastic® brands, all of which provide “learn to swim” programs for children and adults, birthday parties, summer camps, and other swimming-related activities. Streamline Brands has offered swim school franchises under the SafeSplash Swim School brand since August 2014. Streamline Brands offered franchises under the Swimtastic brand since August 2015 through March 2023 and under the SwimLabs brand from February 2017 through March 2023. Streamline Brands became an Affiliated Program through an acquisition in June 2022 and has its principal place of business at 12240 Lioness Way, Parker, Colorado 80134. As of December 31, 2024, there were 102 franchised and 29 affiliate-owned SafeSplash Swim School outlets (including 12 outlets that are dual-branded with SwimLabs), 11 franchised and licensed SwimLabs swim schools, 11 franchised Swimtastic swim schools, and one dual-branded Swimtastic and SwimLabs swim school operating in the United States.

**School of Rock** franchises businesses that operate performance-based music schools with a rock music program under the School of Rock® mark. School of Rock began offering franchises in September 2005. School of Rock has a principal place of business at 1 Wattles Street, Canton, MA 02021. As of December 31, 2024, there were 254 franchised and 49 affiliate-owned School of Rock schools in the United States and 92 franchised School of Rock schools outside the United States.

**Doctor’s Associates LLC** (“**Subway**”) franchises retail eating establishments which sell foot-long and other sandwiches, salads and other food items under the Subway® mark. Subway began offering franchises in 1974. Subway became an Affiliated Program through an acquisition in April 2024. Subway has its principal place of business at 1 Corporate Drive, Suite 1000, Shelton, Connecticut 06484. As of December 31, 2024, there were 19,502 Subway franchises and no company-owned locations operating in the United States and an estimated 16,120 franchises operating outside the United States. Subway has never offered franchises in any other line of business.

None of the affiliated franchisors are obligated to provide products or services to you; however, you may purchase products or services from these franchisors if you choose to do so.

Except as described above, we have no other parents, predecessors, or affiliates that must be included in this Item.

## **THE FRANCHISE PROGRAM**

If we offer a franchise to you, you will sign a franchise agreement (a “**Franchise Agreement**”) which will grant you the right to establish and operate a Clean Franchise under the ServiceMaster Clean<sup>®</sup> mark (the “**SM Clean Mark**”) within a territory specified in the Franchise Agreement (the “**Territory**”). We refer to the SM Clean Mark and any other trade names, trademarks, service marks, and logos that we specify in your Franchise Agreement or otherwise in writing from time to time as the “**Marks**”. A sample of the Franchise Agreement is provided as Exhibit A to this Disclosure Document.

In the past, we offered franchisees different licenses that permitted franchisees to offer certain types of services to only certain types of customers or markets, including, (i) small market services licenses, (ii) floor care services licenses, and (iii) small business services licenses (collectively, “**Former Licenses**”) and cleaning services licenses (“**Cleaning Services License**”). We now offer only a single license that allows franchisees to offer all approved services to all approved customers within the Territory, which is the equivalent of a Cleaning Services License. If you are an existing franchisee renewing, or a transferee acquiring, a Former License, your Former License will be transitioned to our current Clean Franchise license at no additional cost.

## **SERVICES**

A Clean Franchise is required to offer and provide the following Core Services and is permitted to offer and provide the following Optional Services:

“**Core Services**” currently include a full range of the following services, which must be delivered by you directly to customers (without the use of a Subcontractor): (a) facility maintenance services, which includes (i) cleaning services; (ii) sanitization; (iii) disinfection; (iv) sterilization; (v) trash removal; (vi) restroom cleaning; (vii) vacuuming; (viii) regular floor maintenance; (ix) dusting; (x) wiping flat surfaces; (xi) general maintenance of spaces and ground; (xii) tile and grout cleaning; (xiii) hard surface floor care/cleaning; (xiv) furniture/upholstery cleaning; (xv) window cleaning; and (xvi) power washing; (b) duct cleaning; (c) construction cleaning; (d) carpet cleaning; and (e) and other ancillary services provided in conjunction with the ongoing maintenance of facilities and the grounds for such facilities, and other services we may specify from time to time in our sole discretion. Core Services may be delivered through humans or autonomous equipment.

“**Optional Services**” currently include the following services, which may be delivered by Franchisee, at its option, directly or through a Subcontractor: (a) facility maintenance consulting; (b) repairs to wall/other flat surfaces/items; and (c) other ancillary services provided in conjunction with the ongoing maintenance of facilities and grounds (*i.e.* HVAC, handyman services, plumbing, painting, landscaping, pest control, and/or electrical work).

We have the right to add to, delete, modify, or further define any of the Core Services and Optional Services from time to time in our sole discretion and will include such changes in the Manual.

## CONVERSION FRANCHISES

If you currently operate a business offering the same or similar services as a Clean Franchise that we offer, you will be required to convert your existing business to a Clean Franchise (a “**Conversion Franchise**”) and to execute a Conversion Ramp-up Amendment in the form attached as Exhibit H to this Disclosure Document (the “**Conversion Amendment**”). The Conversion Franchise offer differs slightly from the start-up offering described in this Disclosure Document to the extent that certain considerations can be made to enable a smoother transition of the business’ operations to a Clean Franchise, which will be reflected in the Conversion Amendment. These considerations are described throughout this Disclosure Document.

## OPTIONAL PROGRAMS AND NATIONAL ACCOUNTS

We may offer you the opportunity to participate in certain additional programs, including national accounts programs, other sales ~~or lead~~-generation programs, or other programs that may be offered by us from time to time (“**Optional Programs**”). We (or our affiliates) may enter into agreements with customers that have locations in multiple markets who have access to consumers or commercial locations (“**National Accounts**”) and may offer ~~leads~~projects or recurring janitorial contracts from such National Accounts to Optional Program participants. We are not obligated to maintain or offer Optional Programs and there is no assurance that you will participate in Optional Programs or receive ~~leads~~projects or recurring janitorial contracts through Optional Programs.

In order to participate in any Optional Programs, you must be in good standing and meet the minimum program requirements, which are published in the confidential ServiceMaster Clean® Franchise Operations Manual (the “**Manual**”) and may change from time to time. The qualifications for each Optional Program may include, among others, years of experience, customer service records, insurance coverage, amount of liquidity, certifications, equipment, and size of business. We do not expect new franchisees to meet the minimum program requirements necessary to participate in the Optional Programs during their first six months of operation.

We may require participants in Optional Programs to sign and comply with program agreements, provider agreements, or other standards and requirements, which may be updated periodically and will be included in the Manual. Participation in the Optional Programs are voluntary, and Clean Franchises may be required to reapply annually to participate in such Optional Programs. We may modify the minimum requirements to participate in any Optional Programs, as well as the terms of the Optional Programs and any related agreements or standards, and you must comply with such modifications and enter into new agreements as a condition of continuing to participate in the applicable Optional Program.

Currently, we offer Clean Franchises that meet certain additional customer service standards that we specify the opportunity to participate in our Quality Cleaning Partner Program (the “**QCP Program**”), which is an Optional Program. QCP Program participants have the opportunity to be eligible to potentially receive additional ~~leads~~projects or recurring janitorial contracts from National Accounts and other customers. QCP Program participants may be required to license and use additional software, charge negotiated prices, provide additional reports, maintain additional equipment, and comply with specific customer requirements. Currently, to participate in the QCP Program, franchisees must sign the form of agreement that is included in the Manual (which is typically updated annually).

If you provide any goods or services to National Accounts or other customers generated from Optional Programs, you must adhere to the terms and conditions set out in any agreements that we or our affiliates have negotiated with the customers and any other program requirements specified in related

agreements, including any agreement between you, your affiliates, or owners and us, our affiliates, and our vendors, relating to the Clean Franchise, the SM License, or any other business or franchise (collectively the “**Related Agreements**”), the Manual, or otherwise in writing, all of which may be modified from time to time. Under our current Optional Program rules, as specified in the Manual, after being provided with a all relevant agreement terms, you have the option of declining a ~~sales lead, referral or work project or recurring janitorial contract~~ from an account associated with an Optional Program, but any ~~lead, referral or work projects or recurring janitorial contracts~~ you decline must be referred back to us. We have the right to require you to service ~~leads or jobs projects or recurring janitorial contracts~~ related to Optional Programs in the future.

## **COMPETITORS**

Your competitors are national and regional companies that operate similar businesses and their franchisees, and individuals, companies, and partnerships of varying sizes and scopes that offer janitorial and cleaning services, which, as further explained in Item 12, may include other franchisees or affiliates.

## **DISTRIBUTORS**

In portions of North Carolina, South Carolina, and Virginia, we have area representatives, which we refer to as “**Distributors**,” which serve as instructors for and liaisons with franchisees in certain territories. They are independent contractors. They may also act as recruiters on our behalf in connection with the original placement of a Clean Franchise. Our current Distributors and their salespersons are listed in state-specific addenda in Exhibit F to this Disclosure Document. You will sign a Partial Assignment of Rights (“**PAR**”) with your Franchise Agreement if you are in a Distributor’s territory. A PAR is included in Exhibit A-2 to this Disclosure Document.

## **INDUSTRY-SPECIFIC REGULATIONS**

We are not aware of any laws or regulations that are specifically applicable to the services offered in this Disclosure Document except as noted here. Franchisees should be mindful of environmental laws, such as NESHAP (National Emissions Standards for Hazardous Air Pollutants) and OSHA (Occupational Safety and Health Administration) regulations, as well as those laws and regulations surrounding work in buildings with lead paint. Some products used in our System contain ingredients regulated by the Environmental Protection Agency (EPA). We have registered our products that contain these ingredients with the EPA. Certain states may require licensing and certification requirements for applying disinfectants, sanitizers, and other microbials that are EPA registered. In addition, some local jurisdictions may have regulations or ordinances that apply to your Clean Franchise.

## **ITEM 2: BUSINESS EXPERIENCE**

Chief Executive Officer: Jon Nobis

Mr. Nobis has been the Chief Executive Officer for us, each of the other SM Franchisors, SM Manager, RW Purchaser, and a number of other related entities since September 2024. He has also been a Manager of RW Parent since September 2024. From November 2021 to September 2024, Mr. Nobis served as the Chief Information Officer for SM Manager in Atlanta, Georgia. From March 2018 to April 2022, he was the Chief Executive Officer for Two Men and a Truck/International, LLC in Lansing, Michigan. Mr. Nobis serves in his present capacities in Atlanta, Georgia.

Group President - ServiceMaster: John Tovar

Mr. Tovar has served as Group President – ServiceMaster, which encompasses ServiceMaster Clean®, ServiceMaster Restore®, and ServiceMaster Bio Clean™, since March 2023. From December 2020 to March 2023, he served as the President of ServiceMaster Restore. From December 2020 to January 2021, he served as the President of AmeriSpec SPE LLC and Furniture Medic SPE. From May 2018 to November 2020, Mr. Tovar was the Vice President Operations and New Business for Ace Hardware Corporation in Oak Brooke, Illinois. Mr. Tovar serves in his present capacities in Atlanta, Georgia.

President of Franchising: Kim Brooks

Mr. Brooks has served as our President of Franchising since January 2025. He served as our Senior Vice President of Operations from February 2024 to December 2024, our Vice President of Operations from January 2023 to January 2024, our Senior Director of Operations from February 2022 to December 2022, and our Director of Operations from March 2021 until February 2022. From June 2018 to March 2021, he was the Executive Vice President of Development of ServiceMaster DSI, a franchisee of the ServiceMaster Restore system. Mr. Brooks serves in his present capacities in Olathe, Kansas.

Chief Operating Officer: Austin Yoder

Mr. Yoder has been our Chief Operating Officer since March 2025. From February 2024 to March 2025, he served as President, North America of ServiceMaster Clean. From March 2023 to February 2024, he was the Vice President, Franchise Operations, North America of ServiceMaster Restore in Indianapolis, Indiana. From May 2021 to March 2023, he was the Senior Director, Franchise Operations, North America of ServiceMaster Restore in Indianapolis, Indiana. From March 2018 to May 2021, he was the Director, Franchise Operations, Central U.S. of ServiceMaster Restore in Indianapolis, Indiana. Mr. Yoder serves in his present capacities in Indianapolis, Indiana.

Chief Financial Officer & Treasurer: Sunil Doshi

Mr. Doshi has been the Chief Financial Officer & Treasurer for us, each of the other SM Franchisors, SM Manager, RW Parent, RW Purchaser, and a number of other related entities since August 2024. From March June 2020 to July 2024, he served in a variety of roles for Fossil Group, Inc. in Richardson, Texas, including Executive Vice President, Chief Financial Officer and Treasurer from March 2021 to June 2024 and Senior Vice President, Global Finance and Accounting and Chief Accounting Officer from June 2020 to March 2021. From February 2019 to May 2020, Mr. Doshi was the Chief Financial Officer for Mitra QSR KNE, LLC. Mr. Doshi serves in his present capacities in Dallas, Texas.

Chief Franchise Development Officer: Jeff Todd

Mr. Todd has served as Chief Franchise Development Officer for us and the other SM Franchisors since September 2025. He served as Chief Development Officer from March 2024 to September 2025 and Senior Vice President Business Development from June 2022 to March 2024 for Launch Franchising, LLC in Warwick, Rhode Island. From March 2020 to March 2022, he served as Vice President Development for Driven Brands, Inc. in Charlotte, North Carolina. Mr. Todd serves in his present capacities in Charlotte, North Carolina.

General Counsel and Chief Human Resources Officer: Josh Burnette

Mr. Burnette has been our General Counsel since July 2023. He has been the General Counsel for each of the other SM Franchisors, SM Manager, RW Parent, RW Purchaser and a number of other related

entities since July 2023. Since June 2024, he has served as the Chief Human Resources Officer for us, each of the other SM Franchisors, SM Manager, RW Parent, RW Purchaser and a number of other related entities. From May 2018 to July 2023, he served as General Counsel for North America for DS Smith Plc in Atlanta, Georgia. Mr. Burnette serves in his present capacities in Atlanta, Georgia.

Vice President of Operations: Steve Zimmerman

Mr. Zimmerman has been our Vice President of Operations since January 2025. From August 2023 to January 2025, he served as our Director of Operations. From May 2021 to August 2023, he was the Senior Director of Maintenance for Diversified Conveyors International in Memphis, Tennessee. From May 2017 to May 2021, he served as our Director of Healthcare in Memphis, Tennessee. Mr. Zimmerman serves in his present capacities in Memphis, Tennessee.

Director of Field Operations: Spencer Stevens

Mr. Stevens has been our Director of Field Operations since January 2025. From July 2023 to December 2024, he was an Area Manager for us in Phoenix, Arizona. From November 2021 to June 2023, he was a Business Development Consultant for us in Phoenix, Arizona. From March 2019 to October 2021, he was the Regional Director for Flagship Family Services in Phoenix, Arizona. Mr. Stevens serves in his present capacities in Phoenix, Arizona.

Franchise Development Manager: Ender Cobo

Mr. Cobo has been a Franchise Development Manager for us since November 2022. From January 2021 to October 2022, he was Director of Franchise Development for Veronicas Franchise, LLC in Houston, Texas. From January 2020 to January 2021, he was Regional Vice President for United Franchise Group in Houston, Texas. From June 2017 to January 2020, he was Regional Sales Manager for Fiesta Franchise Corporation in Houston, Texas. Mr. Cobo serves in his present capacities in Houston, Texas.

Franchise Development Manager: Amber James

Ms. James has been a Franchise Development Manager for us since February 2022. From February 2021 to February 2022, she was a Sr. Franchise Business Consultant for Another Broken Egg of America Franchising, LLC in Atlanta, Georgia. From January 2017 to February 2021, she was an Operations Service Manager for Double R Restaurant Group, LLC in Atlanta, Georgia. Ms. James serves in her present capacities in Atlanta, Georgia.

**ITEM 3:**  
**LITIGATION**

**DISCLOSURES RELATED TO US**

*Pending Actions*

H&L Enterprises, LLC v. ServiceMaster Clean/Restore SPE LLC d/b/a ServiceMaster Brands, Circuit Court of Shelby County for the State of Tennessee, Thirteenth Judicial District, Case No.: CT-4161-23, filed on October 5, 2023.

A lawsuit was filed by a former ServiceMaster Restore franchisee alleging that we improperly (a) removed the franchisee from an optional vendor program, (b) permitted another franchisee to operate in the franchisee's non-exclusive territory, and (c) terminated the franchisee's franchise agreement. The suit

includes claims alleging: (1) breach of contract; (2) breach of the implied duty covenant of good faith and fair dealing; (3) violation of the Tennessee Franchise Law (T.C.A. §47-25-1501, et. seq.); and (4) unjust enrichment. The plaintiff is seeking damages with interest, attorneys' fees, and reinstatement of its Franchise Agreement and its membership in the vendor program. On January 31, 2024, we filed an Answer to the Complaint in which we refuted such claims and denied any wrongdoing. At this time, the suit remains pending.

#### **PRIOR ACTIONS RELATED TO PREDECESSORS**

ServiceMaster by Jones, Inc. v. ServiceMaster Residential/Commercial Services Limited Partnership; Tennessee Chancery Court, 30UPU<sup>th</sup>UPU District, No. CH-14-1845, filed December 29, 2014.

Plaintiff was a franchisee that filed a lawsuit alleging misrepresentation and fraud in the inducement, and unfair and deceptive trade practices by Predecessor with regard to Predecessor's sale of a franchise to Plaintiff. Plaintiff requested rescission of the franchise agreement, payment of damages, and punitive damages. Predecessor denied any wrongdoing. On February 25, 2016, Predecessor filed a Motion to Stay the proceedings and Compel Arbitration under the terms of the party's Franchise Agreement, which was granted on April 1, 2016. The parties entered into a settlement agreement whereby (a) Predecessor agreed to pay \$20,000 but denied any wrongdoing; (b) the parties agreed to an early termination of the franchise agreement; and (c) Plaintiff agreed to comply with a post-termination non-compete and non-solicitation requirement as well as other customary post-termination obligations. On October 5, 2016, the lawsuit was Dismissed with Prejudice.

Mary Fernimos v. ServiceMaster Residential/Commercial Services Limited Partnership; United States District Court for the Eastern District of Michigan, Case No. 2:18-cv010083-SJM-EAS, filed January 9, 2018.

Plaintiff filed a lawsuit against Predecessor alleging breach of a settlement agreement relating to the sale and transfer of certain licenses and fraud by bad faith promise relating to the denial of proposed transfers of the licenses under the settlement agreement. On February 7, 2018, Predecessor filed an Answer denying any wrongdoing. On April 2, 2018, Predecessor filed a Motion to Dismiss the proceeding and Compel Arbitration under the terms of the parties' franchise agreements. On May 23, 2018, the parties reached a settlement by mediation whereby Predecessor agreed to pay Plaintiff \$17,500 and allow a one-year period to sell one former ServiceMaster franchise agreement to an approved buyer in a specific region in Michigan. On June 26, 2018, the lawsuit was Dismissed with Prejudice.

Express Restoration Corporation v. ServiceMaster Residential/Commercial Services Limited Partnership and SM Clean, LLC; United States District Court for the Central District of California, Case No. 18-cv-10569-JFW-MRW, filed December 20, 2018.

Plaintiff, who was a former franchisee, filed a Complaint against ServiceMaster Global Holdings Inc. for alleged damages of approximately \$1.5 million. The Complaint alleged (a) a violation of the California Franchise Relations Act, (b) a violation of the California Unfair Practices Act, (c) breach of contract, and (d) breach of the implied covenant of good faith and fair dealing. The claims arose out of Predecessor's termination of the franchise agreement after learning that Plaintiff failed to disclose that it was a current Servpro franchisee at the time it applied to become a ServiceMaster<sup>®</sup> franchisee. Predecessor immediately terminated the franchise agreement for making materially false statements relating to the acquisition of a franchise. On March 18, 2019, Plaintiff filed a Second Amended Complaint removing reference to ServiceMaster Global Holdings Inc. and identifying the defendants as Predecessor and SM Clean, LLC. After several months of discovery and motion practice, the parties agreed to a settlement whereby (a) Predecessor paid Plaintiff the sum of \$75,000 and (b) Plaintiff and its owners agreed that they

will never in any way own, operate, consult with, be employed by, or associated with any individual or entity that is associated with any ServiceMaster Franchise. On January 31, 2020, the case was Dismissed with Prejudice.

Faster Than Sound, Inc. v. ServiceMaster Residential/Commercial Services Limited Partnership, SM Clean LLC, ServiceMaster Clean/Restore SPE, LLC, and ServiceMaster Systems, LLC, American Arbitration Association, Case No. 01-20-0007-2597, filed June 3, 2021.

Claimant filed a claim against Respondents alleging (a) violations of the Florida Deceptive and Unfair Trade Practices Act, (b) violations of the Florida Franchise Act, (c) breach of contract, (d) breach of fiduciary duty, (e) breach of the covenant of good faith and fair dealing, and (f) various other civil claims arising out of the resale of a ServiceMaster franchise in Brevard County, Florida (the “**Claims**”). In 2019, Claimant explored the option of selling its franchise, and after receiving unsatisfactory offers, it alleged that Respondents had devalued its franchise and disclosed private financial records, among other things. Claimant sought rescission of the December 1, 2017 Franchise Agreement between the parties (the “**FTS Agreement**”) or, in the alternative, monetary damages.

On August 9, 2021, Respondents brought a cross-claim for breach of contract and breach of guaranty (the “**Cross-Claim**”) against Claimant and its guarantors (Edwin Todd Cleveland and Wendy K. Cleveland) to recover damages incurred from Claimant’s breach of the FTS Agreement. On February 14, 2022, the parties entered into a Confidential Settlement Agreement (the “**Settlement**”), whereby (a) neither party admitted any wrongdoing, (b) both parties released all known and unknown claims against the other party, (c) the parties agreed that Claimant would have ninety days following the execution of the Settlement to transfer its business. No payment was required to be made by Respondents nor was any payment made on their behalf. On February 22, 2022, an Order dismissing the proceedings with prejudice was entered as to both the Claim and the Cross-Claim.

#### **PRIOR ACTIONS RELATED TO AFFILIATED PROGRAMS**

The following affiliates who offer franchises resolved actions brought against them with settlements that involved their becoming subject to currently effective injunctive or restrictive orders or decrees. None of these actions have any impact on us or our brand nor allege any unlawful conduct by us.

The People of the State of California v. Arby’s Restaurant Group, Inc. California Superior Court, Los Angeles County, Case No. 19STCV09397, filed March 19, 2019.

On March 11, 2019, our affiliate, Arby’s Restaurant Group, Inc. (“**ARG**”), entered into a settlement agreement with the states of California, Illinois, Iowa, Maryland, Massachusetts, Minnesota, New Jersey, New York, North Carolina, Oregon, and Pennsylvania. The Attorney Generals in these states sought information from ARG on its use of franchise agreement provisions prohibiting the franchisor and franchisees from soliciting or employing each other’s employees. The states alleged that the use of these provisions violated the states’ antitrust, unfair competition, unfair or deceptive acts or practices, consumer protection and other state laws. ARG expressly denied these conclusions but entered into a settlement agreement to avoid litigation with the states. Under the settlement agreement ARG paid no money but agreed (a) to remove the disputed provision from its franchise agreements (which it had already done); (b) not to enforce the disputed provision in existing agreements or to intervene in any action by the Attorneys General if a franchisee seeks to enforce the provision; (c) to seek amendments of the existing franchise agreements in the applicable states to remove the disputed provision from the agreements; and (d) to post a notice and ask franchisees to post a notice to employees about the disputed provision. The applicable states instituted actions in their courts to enforce the settlement agreement through Final Judgments and Orders, Assurances of Discontinuance, Assurances of Voluntary Compliance, and similar methods.

The People of the State of California v. Dunkin' Brands, Inc., California Superior Court, Los Angeles County, Case No. 19STCV09597, filed on March 19, 2019.

On March 14, 2019, our affiliate, Dunkin Brands, Inc. (“**DBI**”), entered into a settlement agreement with the Attorney Generals of 13 states and jurisdictions concerning the inclusion of “no-poaching” provisions in Dunkin’ restaurant franchise agreements. The settling states and jurisdictions included California, Illinois, Iowa, Maryland, Massachusetts, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, Vermont, and the District of Columbia. A small number of franchise agreements in the Dunkin’ system prohibited Dunkin’ franchisees from hiring the employees of other Dunkin’ franchisees and/or DBI’s employees. A larger number of franchise agreements in the Dunkin’ system contained a no-poaching provision that prevented Dunkin’ franchisees and DBI from hiring each other’s employees. Under the terms of the settlement, (a) DBI agreed not to enforce either version of the no-poaching provision or assist Dunkin’s franchisees in enforcing that provision, (b) DBI agreed to seek the amendment of 128 franchise agreements that contain a no-poaching provision that bars a franchisee from hiring the employees of another Dunkin’ franchisee (the effect of the amendment would be to remove the no-poaching provision), and (c) DBI expressly denied in the settlement agreement that it had engaged in any conduct that had violated state or federal law, and, furthermore, the settlement agreement stated that such agreement should not be construed as an admission of law, fact, liability, misconduct, or wrongdoing on the part of DBI. The Attorney General of the State of California filed the above-reference lawsuit in order to place the settlement agreement in the public record, and the action was closed after the Court approved the parties’ stipulation of judgment.

New York v. Dunkin’ Brands, Inc., N.Y. Supreme Court for New York County, Case No. 451787/2019, filed September 26, 2019.

The New York Attorney General (“**NYAG**”) filed a lawsuit against our affiliate, DBI, related to credential-stuffing cyberattacks during 2015 and 2018. The NYAG alleged that the cyber attackers used individuals’ credentials obtained from elsewhere on the Internet to gain access to certain information for DD Perks customers and others who had registered a Dunkin’ gift card. The NYAG further alleged that DBI failed to adequately notify customers and to adequately investigate and disclose the security breaches, which the NYAG alleged violated the New York laws concerning data privacy as well as unfair trade practices. On September 21, 2020, without admitting or denying the NYAG’s allegations, DBI and the NYAG entered into a consent agreement to resolve the State’s complaint. Under consent order, DBI agreed to pay \$650,000 in penalties and costs, issue certain notices and other types of communications to New York customers, and maintain a comprehensive information security program through September 2026, including precautions and response measures for credential-stuffing attacks.

Other than these actions, no litigation is required to be disclosed in this Item.

#### **ITEM 4:** **BANKRUPTCY**

No bankruptcy information is required to be disclosed in this Item.

**ITEM 5:**  
**INITIAL FEES**

**INITIAL FRANCHISE FEE**

If you purchase a new Clean Franchise, you must pay us an initial franchise fee equal to \$32,500 (the “**Initial Franchise Fee**”) upon execution of the Franchise Agreement. The Initial Franchise Fees are considered fully earned and non-refundable upon execution of the Franchise Agreement, except that if we are unable, in our sole discretion, to accept the Franchise Agreement, your money will be refunded.

We may offer incentives of cash, equipment, materials, supplies or related items which will in effect lower the Initial Franchise Fee or investment to prospective franchisees. The availability of each incentive may be subject to a time limit. We reserve the right to offer, change or cancel an incentive at any time.

**INCENTIVE PROGRAMS AND DISCOUNTS**

You may be eligible for certain discounts to the Initial Franchise Fee if one or more individuals that will own 51% or more of the interests in your Clean Franchise (or in the entity that owns your Clean Franchise): (a) meet our qualifications for purchasing a Clean Franchise, (b) have full operational control of the Clean Franchise, and (c) meet one of the following qualifications:

<b>Discount and Qualifications</b>	<b>% Discount</b>
<b>Industry Experience Discount</b> – must have at least two years’ experience owning or being employed by any business offering the services franchised by us	5%
<b>Military Discount</b> – must be honorably discharged from the United States Armed Forces	20%
<b>Affiliate Discount</b> – must be an (a) existing franchisee or owner of a franchisee in the ServiceMaster Clean® or ServiceMaster Restore®, Merry Maids®, Two Men and a Truck®, or Two Men and a Junk Truck® systems, (b) an existing employee of us, Merry Maids, or Two Men and a Truck, or (c) an existing employee of a ServiceMaster® franchisee who has been referred to us by their employing franchisee (the employing franchisee will receive a \$5,000 referral fee if you purchase a franchise within one year of the referral).	15%
<b>Conversion Franchise Discount</b> – must be a Conversion Franchise	15%

You may only take advantage of one of the above discounts, even if you qualify for multiple discounts. The availability of each incentive may be subject to a time limit. We reserve the right to offer, change, or cancel an incentive at any time.

During 2024, we collected Initial Franchise Fees ranging from \$16,250 to \$32,500.

As part of the Initial Franchise Fee, we will arrange for our designated vendor to set up your accounting software account and provide you with access to an online e-learning tutorial on how to use the accounting software (which otherwise would cost \$600). In addition, the Initial Franchise Fee includes the registration fee for two of your representatives to attend our initial training program, which we refer to as the ServiceMaster Academy of Service (“**AOS Training**”) (which costs \$3,000 for each additional person, if you elect to have more than two attend AOS Training).

**ONLINE MARKETING FEE DEPOSIT**

In addition to the Initial Franchise Fee, if you are opening a new Clean Franchise, you must pay us in a lump sum an online marketing fund deposit of \$4,750 upon signing the Franchise Agreement (the “**Online Marketing Fund Deposit**”), which we will pay to a vendor to generate leads in your Territory through online marketing. Any portion of these monies not utilized during your first year of operation may be, at our sole discretion, applied to offset your accounts with us or our affiliates. If you are an existing franchisee or a transferee, you will not be required to pay the Online Marketing Fund Deposit.

**ALL FEES**

Except as disclosed above, you are not required to pay any other fees or payments to us or our affiliates for services or goods before your Clean Franchise begins operating. The initial fees must be paid by credit card, check, or ACH at the time you sign the Franchise Agreement. The initial fees are not refundable. We do not offer direct or indirect financing to franchisees for any of these fees.

**ITEM 6:  
OTHER FEES**

Type of Fee (See Note 1)	Amount	Due Date	Remarks
Royalties	The greater of (a) the Minimum Monthly Royalty or (b) (i) the Royalties for Contracted Recurring Services in such month (which will range from 7% to 4% of Gross Service Sales for Contracted Recurring Services as set forth in the Royalties Scale) <u>plus</u> (ii) the Royalties for Other Services in such month) (which will be Gross Service Sales for Other Services multiplied by 10%).	Monthly, by the 20 <sup>th</sup>	<p>See Note 2 for the definition of “<b>Gross Service Sales</b>”, Note 3 for the definitions of “<b>Minimum Monthly Royalty</b>” and “<b>Royalties Scale</b>.” The Royalties will be paid as specified in our then-current royalty policy as set forth in the Manual.</p> <p>“<b>Contracted Recurring Services</b>” include any services that Franchisee provides to a customer pursuant to a written annual contract that requires Franchisee to provide such services to such customer at least two times per month.</p> <p>“<b>Other Services</b>” includes any products or services other than Contracted Recurring Services, including (a) services performed on a one-time basis, (b) services performed less frequently than twice per month (e.g. once per month), or (c) services performed without an annual contract.</p> <p>The current Royalties Scale is described in Note 3.A. In addition, an example of the calculation of Royalties for both Contracted Recurring Services and Other Services is described in Note 3.D.</p> <p><u>Conversion Franchise:</u> If you are a Conversion Franchise, you may be eligible for adjusted royalties, as described in Note 4.</p>

Type of Fee (See Note 1)	Amount	Due Date	Remarks
			<p><b>Untimely Renewal:</b> If you are an existing franchisee that does not timely renew your Franchise Agreement, the Applicable Royalty Rate will be increased by 2.5% until you have completed the renewal process, as described in Note 5.</p>
Ad Fund Contribution	Currently, the greater of 0.5% of your monthly Gross Service Sales or \$25 per month.	Monthly by the 20 <sup>th</sup>	See Note 2 for the definition of “ <b>Gross Service Sales.</b> ” The National Advertising Fund Contribution (the “ <b>Ad Fund Contribution</b> ”) is contributed to the National Advertising Fund (the “ <b>Ad Fund</b> ”) applicable to your Clean Franchise, which is administered and controlled by us. We may change the Ad Fund Contribution, provided that the total Ad Fund Contribution and Local Advertising Commitment will not exceed 2.5% of Gross Service Sales. Subject to this cap, if we increase the Ad Fund Contribution, we may decrease or eliminate the Local Advertising Commitment.
Local Advertising Commitment	If you fail to spend the required Local Advertising Commitment in any month, you must pay us the difference between the amount you actually spent on Eligible Marketing in such month and the required Local Advertising Commitment for such month.	Upon demand	We may require you to spend a percentage of your Gross Service Sales each month on Eligible Local Marketing (the “ <b>Local Advertising Commitment</b> ”). We may, in our sole discretion, specify the types, methods, and specifications of local advertising that qualify as “ <b>Eligible Marketing.</b> ” If you fail to meet the Local Advertising Commitment in any month, in addition to other remedies, you must contribute the difference between your actual spend and required spend to the Ad Fund. Currently, the Local Advertising Commitment is 2% of monthly Gross Service Sales. We may change the Local Advertising Commitment, provided that total Ad Fund Contribution and Local Advertising Commitment will not exceed 2.5% of Gross Service Sales.
AOS Training for Additional Persons, Subsequent or Replacement Trainees, and for Transferees	Currently, \$5,000 per person for a 2-week program.	Due at closing for transfers; due upon demand for all other trainees	<p>The AOS Training fee for two people to attend the AOS Training is included in the Initial Franchise Fee.</p> <p>If you bring additional trainees or subsequent/replacement trainees to AOS Training, you must pay our then-current fee for such training, which will not exceed \$8,110 per person.</p> <p>If you are a transferee, the AOS Training is not included in the Transfer Fee and you must pay our then-current fee for such training, which will not exceed \$8,110 per person.</p> <p>All of the prices includes training, class materials, and some meals. In addition to the fees listed, you are responsible for all wages, travel, hotel costs, and some</p>

Type of Fee (See Note 1)	Amount	Due Date	Remarks
			meal costs that you or your trainees incur while attending training.
Ongoing Training Programs and Meetings	The then-current registration fees, which are currently \$300 to \$2,500 per attendee for training programs and \$1,000 per attendee for regional meetings.	Due upon registration	Payable if you or your representatives attend our Spring and Fall Regional Meetings and other training programs that we require or offer, provided that these fees will not exceed \$4,000 per training program, seminar, or workshop or \$2,000 per regional meeting. You (or an officer and owner if you are an entity) must attend at least three seminars, conventions, or meetings per year. You are responsible for all wages, travel, hotel costs, and some meal costs that you or your trainees incur while attending training, meetings, or conventions. See Item 11.
Annual Convention	Currently, \$1,000 per attendee.	Due upon registration	<p>You must send an owner, manager, or representative that we approve to our annual convention. If you own more than one Clean Franchise, then you must send at least one representative for one to two Clean Franchises, two representatives for three to four Clean Franchises, three representatives for five to six Clean Franchises, four representatives for seven to eight Clean Franchises, five representatives for nine to 10 Clean Franchises, six representatives for 11 to 12 Clean Franchises, and seven representatives for 13 or more Clean Franchises. If the minimum required number of representatives do not attend our annual convention, and there is not a valid business reason, then we have the right to charge you 150% of the current annual convention fee for each absent representative.</p> <p>The annual convention registration fee may change, provided it will not exceed \$2,000 per attendee. You are also responsible for all wages, travel, hotel costs, and some meal costs that you or your attendees incur while attending the annual convention.</p>

Type of Fee (See Note 1)	Amount	Due Date	Remarks
Certification Fees	Currently, \$1,500 to \$2,500 per person per License.	As incurred	<p>Payable to us or third parties. If we or our affiliates provide or procure certifications, the fee will not exceed 110% of our or our affiliates' actual costs and expenses.</p> <p>These fees are for certifications we may require you to obtain to participate in Optional Programs (such as servicing National Accounts, providing cleaning to specialized industries (such as IT and healthcare), and offering certain sales programs), as specified in the Manual. Currently, such certifications must be renewed and you must pay the then-current fee every two years. In addition, we may require Clean Franchises to obtain Cleaning Industry Management Standard (CIMS) certification after reaching certain sales levels.</p>
Technology Fee	<p>The then-current fee.</p> <p>Currently, for the Management Software, the fee is \$360 per month if annual Gross Service Sales are \$750,000 or less; \$430 per month if annual Gross Service Sales are \$750,001 to \$2,000,000; \$545 per month if annual Gross Service Sales are \$2,000,001 to \$7,000,000; and \$750 per month if annual Gross Service Sales are over \$7,000,000.</p>	Monthly, currently by the 20 <sup>th</sup>	<p>Payable to us for various technology-related products and services that we or our affiliates may provide or arrange for third parties to provide to you, as specified in the Manual. We may change the required products and services and related fees from time to time, provided that fees charged by us or our affiliates will not exceed 150% of our and our affiliates' costs and expenses related to developing, providing, licensing, maintaining, and/or procuring such products and services.</p> <p>Currently, the Technology Fee offsets some of the costs of the management software that we have designated (the "<b>Management Software</b>"). We may change the related products and services and the fee and method for calculating the fee from time to time, provided that the fee for the Management Software will not exceed \$1,500 per month. The applicable monthly fee due during each year will be determined by your Gross Service Sales in the prior calendar year. If you have not operated for a full calendar year, the applicable monthly fee due will change as you cross each sales threshold during your first year of operation and will be determined in your second year of operation (until you have completed one full calendar year of operation) by your total Gross Service Sales in your first 12 months of operation.</p>

Type of Fee (See Note 1)	Amount	Due Date	Remarks
Digital Platform Fee	Currently, \$250 per month per office location.	Monthly, currently by the 20 <sup>th</sup>	These fees, which are payable to us, are for social media, digital media, and the maintenance, protection, and operation of our then-current marketing and business intelligence platform(s) and website(s). We may change the related products and services and the fee from time to time, provided that the fee will not exceed \$500 per month per office location.
National Accounts Fees	Per job fee and referral fee, which will vary depending on National Account Program.	Monthly as incurred	Payable if you participate in our optional National Accounts Program, and we manage on your behalf a National Account that you have identified. National Accounts invoicing is carried out centrally, and we remit customer payments to you less job fees and referral fees as per the then-current program. The fees that we retain as part of this referral program will not exceed 10% of the total customer payments.
Optional Program Participation Fees	Currently, not charged. Will vary based on Optional Program.	Monthly as incurred	<del>If you participate in any Optional Programs, you may incur additional fees and expenses related to the operation of such programs. The amount and type of fees may vary by program, will be included in any related program agreement, may change</del> <u>be required to pay fees to participate in such program. The fees may be established or changed from time to time, and may be determined by and/or provided that any such fees payable to us, or our affiliates, insurance carriers, or program participants, depending on the terms of such will not exceed \$10,000 per year, per Optional Program. The fees may be paid weekly, monthly, or annually. See Note 6.</u>
<u>Optional Program Referral Fees</u>	<u>Currently, 5% of the total invoiced amount for such job.</u>	<u>Monthly as incurred</u>	<u>If you participate in any Optional Programs, you may be required to pay referral fees for each project or recurring janitorial contract referred to you through such program. The fees may be established or changed from time to time, provided that any such fees payable to us or our affiliates will not exceed 10% of the total invoiced amount for such job. See Note 6.</u>
<u>Optional Program Service Fees</u>	<u>Currently, not charged.</u>	<u>Monthly as incurred</u>	<u>If you participate in any Optional Programs, you may be required to pay service fees for certain specified services provided by us, our affiliates, or third parties related to jobs generated through such programs. The fees may be established or changed from time to time, provided that any such fees payable to us or our affiliates will not exceed 150% of our and our affiliates' costs and expenses related to providing products and/or services related to such job. See Note 6.</u>
Product or Equipment Evaluation Testing Fees	\$500 per cleaning product and \$1,000 per equipment product.	At time of submission of request	Payable if you request our approval of a non-approved product or equipment item that you want to use in your Clean Franchise. You also must pay for shipping and handling charges to ship the products to us and back to

Type of Fee (See Note 1)	Amount	Due Date	Remarks
			you. See Item 8 for a description of the approval process.
Renewal Fee	6% of the franchise fee charged to new franchisees at the time of renewal.	When Franchise Agreement is renewed	Payable for you to enter into a renewal term for each Franchise Agreement.
Lead Fee	\$10,000.	At closing of the transfer	Payable if we refer a qualified lead to an existing franchise owner and such lead purchases the franchise owner's interest within 18 months of our referral of such lead. See Note 67.
Transfer Fee	The sum of (a) \$12,000, except (i) \$3,500 if the transfer is to an owner's adult child who is at least 18 years of age or to a qualified manager of the franchise (as specified in the Manual), (ii) \$500 if the transfer is to a spouse of an existing owner, and (iii) \$500 if the transfer is to an existing owner of the franchise; <u>plus</u> (b) our and our affiliates' costs and expenses related to the transfer (including attorneys' fees).	At closing of the transfer	Payable by you or the buyer when you transfer 50% or more ownership of the Franchise Agreement or the ServiceMaster Franchise to one or more owners. You must pay a non-refundable application fee equal to 25% of the Transfer Fee when you submit your request for us to review such a proposed transfer, which will be credited towards the Transfer Fee. Transferees must also pay the cost of AOS Training and must purchase their own laptop and software.
Change Fee	Currently, \$500 per change per Franchise Agreement.	As incurred	<p>Payable if making a non-control transfer; changing business entity name; changing DBA (doing business as) name; changing form of entity; or modifying Franchise Agreement. No charge to change DBA name or form of entity during first year of initial term. The fee may change from time to time, provided that the fee will not exceed \$750.</p> <p>If any changes are being made in conjunction with a transfer of 50% or more ownership of the Clean Franchise, the Transfer Fee shall apply, instead of the Change Fee. For non-controlling transfers, the Change Fee shall apply per person, per transfer, and per Franchise Agreement.</p>
Interest and Late Fees	<p><u>For fees:</u> 2% per month in interest compounded daily or the maximum permitted by law, whichever is less.</p> <p><u>For fees, reports, and other</u></p>	When overdue amount is paid	<p>Payable if you are late making any payments or providing any sales reports or other documents or information required to be provided to us.</p> <p>Payable on, and in addition to, any overdue amounts from the date that the payment was originally due.</p>

Type of Fee (See Note 1)	Amount	Due Date	Remarks
	<u>information and materials:</u> \$200 weekly late fee for first four late weeks and \$500 weekly late fee thereafter; and all other costs incurred by us (including bank charges and attorneys' fees).		
Audit	\$5,000 <u>plus</u> the cost of audit, the amount of the underpayment, and interest on the underpayment.	Upon demand	Payable only if an audit shows an understatement of at least 1% of Gross Service Sales for any given month.
Inspection Fee	\$500 per representative per day, <u>plus</u> our actual costs and expenses, which include travel and living expenses for our representatives.	Upon demand	Payable if we conduct a follow-up inspection to confirm that you have corrected any deficiencies identified in another inspection.
Insurance Procurement Fee	Up to 150% of any costs and expenses that we and our affiliates incur to obtain and maintain insurance.	As incurred	If you fail to obtain or maintain the required insurance coverage, we may, in our sole discretion, procure insurance coverage on your behalf and charge you this fee.
Customer Complaint Management Fee	\$500, <u>plus</u> any costs and expenses that we and our affiliates incur to attempt to resolve such complaint.	As incurred	If we, in our sole discretion, intervene in a customer complaint or dispute to protect the brand or because you have not adequately or promptly resolved the complaint, we may manage or settle the dispute on your behalf and charge you this fee. We may increase the fixed portion of this fee, provided that it will not exceed \$750.
Performance After Default	Up to 120% of any costs and expenses that we and our affiliates incur to perform such obligation.	As incurred	If you fail to perform any obligation under the Franchise Agreement, we may, in our sole discretion, undertake or perform such obligation and charge you this fee.
Non-Compliance Fee	\$1,000, unless otherwise specified in the Manual	As incurred	Payable if you fail to comply with your Franchise Agreement or any standards within the Manual. The fee (i) shall be \$1,000 per single violation per day; (ii) may be modified from time to time, provided that it will not exceed \$2,000 per single violation per day; (iii) may be charged repeatedly (as frequently as daily) if the non-compliance is ongoing, and (iv) may vary based on the severity of the defaults, the number of the defaults, and whether the defaults have been repeated. See Note <u>78</u> for current fees.
Enforcement Expenses	Our and our affiliates' costs and expenses.	On invoice	You must pay us or our related parties any attorneys' fees and other related costs and expenses we and our related parties incur (a) to enforce the terms of the Franchise Agreement or any other agreement (whether

Type of Fee (See Note 1)	Amount	Due Date	Remarks
			or not we initiate a legal proceeding, unless we or our related parties fail to prevail in such a legal proceeding) or (b) in the defense of any claim you or your related parties brings against us or our related parties on which we or our related parties substantially prevail in such legal proceedings related to you, your Owners, or your related parties (other than those we incur in response to your efforts to enforce the Franchise Agreement or in the defense of any claim we assert against you on which you substantially prevail in court or other formal legal proceedings).
Tax Reimbursement Fees	Will vary under circumstances.	As incurred	These fees will be paid to us to reimburse us for certain sales, use, personal property and other taxes we or our affiliates incur related to the goods, services, and licenses that we provide to you.
Indemnification	Varies by nature of claims.	On demand	You must indemnify us and our affiliates in connection with your operation of the Clean Franchise, as well as our litigation costs in defending these claims.
Liquidated Damages	The average monthly amount of Royalties and Ad Fund Contributions that you owed us during the past 12 months times the lesser of remainder of term of Franchise Agreement or 24 months.	Within 7 days of termination of your Franchise Agreement	Payable if we terminate the Franchise Agreement due to your default (or if you purport to terminate the Franchise Agreement). If less than 12 months have passed since opening and termination, the amount will be the average monthly Royalties and Ad Fund Contributions during the time between opening and termination, times the lesser of the remainder of term of the Franchise Agreement or 24 months.
Appraiser's Fee	50% of appraiser's fee for the first appraiser; 100% of appraiser's fee for the second and third appraiser.	On invoice	Payable to us or third-party appraiser. You must pay this fee only if we elect to purchase your assets on termination or expiration of the Franchise Agreement, and we cannot agree with you on the purchase price.

### Notes to Item 6

1. Payment Due Dates and Payment Methods. All of the listed fees are payable to us or our affiliates. All fees paid to us or our affiliates are non-refundable. Except as otherwise noted, the fees are uniformly imposed. All payments of fees and charges must be made to us in the manner and at the times specified by us, which are subject to change. Currently we specify that (a) Royalties, Ad Fund Contributions, and Technology Fees (collectively the “**Operating Fees**”) and other fees due must be paid to us on the day of the month we specify in the Manual (currently, the 20<sup>th</sup> of each month) based on the Gross Service Sales reported to us (which reports are currently due by the 10<sup>th</sup> of each month); (b) miscellaneous fees and charges must be paid to us on the day of the month specified by us (currently, the last business day of the month) in which they are incurred, except as noted below for liquidated damages; and (c) liquidated damages assessed against you must be paid on seven days after the termination of the Franchise Agreement. Sometimes it may be necessary to electronically debit funds for miscellaneous fees before the last day of the month. In that case, the amount and date of deduction will be communicated to you.

You must make all payments to us by the method or methods that we specify from time to time in the Manual, which may include payment via wire transfer or electronic debit from your bank account (the “**Account**”). You must furnish us and our bank with all authorizations necessary to effect payment by the specified methods and must take all steps necessary to ensure that such authorizations remain valid. Currently, you must make all payments due under the Franchise Agreement (including payments for products or services purchased from us or our affiliates) by electronic debit from the Account, which we may initiate by auto draft. You must sign an electronic funds transfer authorization form and maintain sufficient funds in the Account.

If you have not reported Gross Service Sales to us for any reporting period, we will be authorized to debit your Account in an amount equal to the greater of the non-reported payment (if we can reasonably estimate or determine the owed amount) 120% of the average Operating Fees transferred during the previous 12 reporting periods in which such report was received (or the number of reporting periods for which such report was received). If at any time we determine that you have under reported the Gross Service Sales, underpaid Operating Fees, or underpaid any fees due to us under the Franchise Agreement, we will be authorized to immediately initiate a debit to the Account in the appropriate amount in accordance with the foregoing procedure, including interest as provided for in the Franchise Agreement. An overpayment will be credited to the Account through a credit effective as of the first reporting date after we and you determine that such credit is due. We may apply payments we receive to any of your past due indebtedness, in our sole discretion, regardless of how you designate a particular payment to be applied. In addition, we may offset any amount otherwise due to you against any amount owed to us. Finally, we may retain any amounts received for your or your affiliates’ account (such as rebates from suppliers, Optional Program work payments, or other payments) as payment against any amounts owed to us. We can exercise any of the foregoing rights in connection with amounts owed to or from us or our affiliates.

2. Definition of Gross Service Sales. “**Gross Service Sales**” means (X) all charges and/or revenues which are billed, received, or earned by you, your affiliates, your owners, any related parties (including your officers and family members), and/or your subcontractors:

- (a) by, at, or in connection with the Clean Franchise or the use of any of the Marks;
- (b) relating to the kinds of goods or services available now or in the future through the Clean Franchise and/or distributed in association with the Marks or the licensed system of operations;
- (c) relating to the operation of any similar businesses (that offers, is otherwise involved in, or deals with goods and services similar to those offered by Clean Franchises);
- (d) with respect to any co-branding activities (including goods or services provided under, or in conjunction with, a mark other than the Marks); and/or
- (e) with respect to any other revenues of any kind received from third parties related to the operation of the Clean Franchise, including any revenue received from us or our affiliates (such as revenue we or our affiliates collect directly from customers that is related to work performed by you) or from vendors (such as rebates or referral fees); **less**

(Y) any approved adjustments that may be deducted in accordance with the royalty remittance policy in the Manual, as such policy may be revised from time to time. Unless otherwise specified in the Manual or by us in writing, Gross Service Sales includes all revenue at the time billed and must be reported monthly on an accrual basis in the month the work was billed to the customer, regardless of when and if such revenue is collected by you. Unless otherwise specified in the Manual, any expenses related to goods or services provided to you or customers by any parties related to you (acting as a subcontractor, vendor, or otherwise) are not deductible as adjustments from Gross Service Sales.

3. Royalties. The Royalties in each month shall be equal to the greater of (1) the Minimum Monthly Royalty (as defined in Note 3.C.) or (2) (a) the Royalties for Contracted Recurring Services (as calculated in accordance with Note 3.A.) in such month plus (b) the Royalties for Other Services (as calculated in accordance with Note 3.B.)

- A. ROYALTIES FOR CONTRACTED RECURRING SERVICES. The Royalties for Contracted Recurring Services for each month shall be determined in accordance with the following graduated scale (the “**Royalties Scale**”):

ROYALTY TIER	RANGE OF GROSS SERVICE SALES FOR CONTRACTED RECURRING SERVICES ONLY IN EACH CALENDAR MONTH		AMOUNT OF ROYALTIES FOR CONTRACTED RECURRING SERVICES PAYABLE TO FRANCHISOR
	Minimum	Maximum	
1	\$1	\$11,140.99	7% of Gross Service Sales in Royalty Tier 1
2	\$11,141	\$27,053.99	\$779.87 plus 6% of Gross Service Sales in Royalty Tier 2
3	\$27,054	\$90,177.99	\$1,734.65 plus 5% of Gross Service Sales in Royalty Tier 3
4	\$90,178	No maximum	\$4,890.85 plus 4% of Gross Service Sales in Royalty Tier 4

The range of Gross Service Sales in the Royalties Scale will increase annually on April 1 of each year of this Agreement in accordance with the Consumer Price Index, or 3%, whichever is greater. The updated ranges in the Royalties Scale will be published in the Manual.

~~THE RANGES OF GROSS SERVICE SALES IN THE ROYALTIES SCALE IS IN NO WAY INTENDED TO IMPLY THAT FRANCHISEE WILL EXPERIENCE GROSS SERVICE SALES OF ANY PARTICULAR LEVEL.~~

- B. ROYALTIES FOR OTHER SERVICES. The Royalties for Other Services for each month shall be equal to the Gross Service Sales for only Other Services for such month multiplied by 10%.
- C. MINIMUM MONTHLY ROYALTY. The “**Minimum Monthly Royalty**” for a given month will be determined in accordance with the following chart:

MONTHS OF OPERATION OF THE FRANCHISED BUSINESS (INCLUDING ANY PREDECESSOR LICENSE THAT HAS BEEN RENEWED OR TRANSFERRED)	MINIMUM MONTHLY ROYALTY
0 to 4	\$0 per month
5 to 12	\$250 per month
13 to 24	\$455 per month
25 to 36	\$892 per month
37 to 48	\$1,671 per month
49 or above	\$2,982 per month

The months of operation of the Franchised Business will be calculated from the effective date of the first Franchise Agreement for the Franchised Business, rather than the date of renewal, the date of a transfer, or the effective date of a subsequent Franchise Agreement.

- D. ROYALTIES EXAMPLE. For example, if the Gross Service Sales for a month for a Franchised Business that has been in operation for 55 months are \$80,000 (including \$50,000 in Contracted Recurring Services and \$30,000 in Other Services), the Royalties due for such month would be \$5,881.95. This is calculated as follows:
- a. Determining Royalties for Contracted Recurring Services. The Royalties due for Contracted Recurring Services is calculated by the formula in Royalty Tier 3 of the Royalties Scale, because the Gross Service Sales for Contracted Recurring Services (which is \$50,000 in this example) is within the Royalty Tier 3 range. Thus, the Royalties for Contracted Recurring Services will be equal to (x) \$1,734.65 + (y) the amount of Gross Service Sales for Contracted Recurring Services in Royalty Tier 3 (which is the difference between \$27,054 [the minimum amount for Tier 3] and \$50,000 [the total Gross Service Sales for Contracted Recurring Services at the end of the month], which is \$22,946) multiplied by 5%, which equals \$1,147.30. The Royalties due for Contracted Recurring Services will be \$1,734.65 + \$1,147.30, which equals \$2,881.95.
  - b. Determining Royalties for Other Services. The Royalties due for Other Services is calculated by multiplying the Gross Service Sales for Other Services (which is \$30,000 in this example) by 10%, which equals \$3,000.
  - c. Determining Total Royalties Due. Finally, the Royalties due for Contracted Recurring Services (\$2,881.95) and for Other Services (\$3,000) are added together to reach the total Royalties due for the month, which is \$5,881.95. Because this figure is greater than the Minimum Monthly Royalty for a Franchised Business that has been in operation for 55 months (which is \$2,982 per month), the Minimum Monthly Royalty does not apply and \$5,881.95 is the total amount of Royalties owed for such month.
4. Royalties for Conversion Franchises. For a Conversion Franchise, as described in the Conversion Amendment, the Royalties will not initially be owed on total Gross Service Sales. We will take into account the level of existing sales for the Conversion Franchise before joining the System and we will, in our sole discretion, phase in the Royalties on an increasing percentage of total Gross Service Sales. For your existing accounts, you will pay the same mutually agreed upon Royalties for so long as you keep the existing account at the same location.
5. Royalties for Franchisees That Fail to Timely Renew. If you do not timely renew your Clean Franchise and we permit you to continue to operate the business on a month-to-month basis, after 60 days, the Royalty Fee will increase by an amount equal to 2.5% of Gross Service Sales and such higher Royalty Fee shall apply in each month until (i) the renewal process is completed (including execution of the renewal Franchise Agreement and a general release and payment of the renewal fee) or (ii) the Franchise Agreement is terminated.
6. Optional Program Fees. If you elect to participate in any Optional Programs, you may be required by us, our affiliates, or third parties to pay participation fees, referral fees, and/or service fees to us, our affiliates, third parties, and/or other program participants. Such Optional Program fees are in addition to all other fees specified in the Franchise Agreement, the Related Agreements, or other agreements, and the fee caps described in the table above for each of the Optional Program fees

shall not apply to, or impact, any other fees specified in the Franchise Agreement, the Related Agreements, or other agreements.

7. ~~6.~~ **Lead Fee.** A qualified lead is defined as someone who has passed our screening process, our background check, credit check, and at a minimum a phone interview of the prospective franchisee. We are not responsible for locating leads and do not represent that we will do so. The Lead Fee also covers our advertising and marketing costs and administrative costs of such information sharing and gathering. The Lead Fee is not a Transfer Fee.
8. ~~7.~~ **Non-Compliance Fee.** The Non-Compliance Fees may be charged if we determine that you have violated any of our obligations under the Franchise Agreement, including any failure to comply with any standards set forth in the Manual, including the Standards, in addition to any other remedies we may be entitled to, we reserve the right to charge you one or more non-compliance fees (each, a “**Non-Compliance Fee**”) upon written notice to you. The Non-Compliance Fees (a) shall be \$1,000 per single violation per day, unless otherwise specified in the Manual or otherwise in writing, (b) may be modified from time to time upon written notice to you, provided that it will not exceed \$2,000 (c) may be charged repeatedly (as frequently as daily) if the non-compliance is ongoing, and (d) may vary based on the severity of the violations, the number of violations, and whether the violations have been repeated.

**ITEM 7:  
ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT**

Type of Expenditure	Amount of Expenditure (Note 1)		Method of Payment	When Due	To Whom Payment is Made
	Low	High			
Initial Franchise Fee (Note 2)	\$32,500	\$32,500	Lump sum	Upon signing Franchise Agreement	Us
Equipment and Supplies (Note 3)	\$10,000	\$40,000	As incurred	Before opening	Vendors
Vehicles (Note 4)	\$8,000	\$12,500	As incurred	Before opening	Vendors
Technology System (Note 5)	\$1,800	\$3,000	As incurred	Before opening	Vendors
Travel and Other Expenses During AOS Training (Note 6)	\$4,000	\$7,000	As incurred	Before opening	Vendors
Insurance (Note 7)	\$3,750	\$6,500	As arranged	Before opening	Insurance provider(s)
Local Advertising (Note 8)	\$500	\$1,500	As arranged	As incurred	Vendors

Type of Expenditure	Amount of Expenditure (Note 1)		Method of Payment	When Due	To Whom Payment is Made
	Low	High			
Online Marketing Fund Deposit (Note 9)	\$4,750	\$4,750	Lump sum	Upon signing Franchise Agreement	Us
Miscellaneous Opening and Real Estate Expenses (Note 10)	\$4,000	\$7,000	As incurred	As incurred	Vendors
Professional Fees (Note 11)	\$5,000	\$15,000	As incurred	As incurred	Lawyer and CPA
Additional Funds – first 3 months (Note 12)	\$30,000	\$50,000	As incurred	As incurred	Employees, Us, Suppliers, Utilities, and Government Agencies
<b>Total (Note 13)</b>	<b>\$104,300</b>	<b>\$179,750</b>			

**Notes to Item 7:**

1. **General Item 7 Notes.** Except as otherwise noted, each of the fees in the chart and notes below relate to all Clean Franchises. As we do not expect that new franchisees will qualify to participate in Optional Programs in their first six months of operation, the estimates do not include any additional investments that may be necessary to participate in such Optional Programs.
2. **Initial Franchise Fee.** The Initial Franchise Fee is refundable only if we, in our sole discretion, do not accept the Franchise Agreement. The Initial Franchise Fee may vary depending upon whether you are eligible for any of the discounts listed in Item 5 or if you are a Conversion Franchise. The Initial Franchise Fee includes the AOS Training for two people.
3. **Equipment and Supplies.** You must purchase an initial inventory of equipment and supplies. We will specify in the Manual a recommended list of items that you should purchase. Currently, you must purchase carpet cleaning, floor, and vacuum cleaning equipment and miscellaneous tools and cleaning supplies. We have made arrangements with a supplier to offer our franchisees various optional equipment packages. While you are required to purchase certain items from this supplier or other approved or designated vendors, you may purchase most other items from any source.
4. **Vehicles.** You may purchase or lease used or new vehicles for use in your Clean Franchise. All vehicles that you use must be mechanically sound, in good repair, clean and neat in appearance without any dents or rust, and in compliance with your state’s safety requirements. All vehicles used in this Clean Franchise must display the applicable ServiceMaster® colors and decals according to our guidelines contained in the Manual. We do not mandate a specific vehicle or type of vehicle, but the vehicle you choose must accommodate the equipment necessary to operate your Clean Franchise.

You will be required to own at startup one truck. A single truck is estimated to cost approximately \$30,000 to \$70,000. If you finance the truck, we estimate that you will be required to pay approximately 10% down (\$3,000 to \$7,000 per truck) and will be able to finance the balance over a four to six-year period with monthly payments of between \$1,000 to \$1,500 per truck. Your monthly payments will vary depending on the cost of the trucks, the time period of the financing, your creditworthiness, the amount of down payment, and the interest rate. In addition, once you

purchase the trucks, it will cost approximately \$4,000 to wrap and install the required signage on each truck, depending on your market. The estimate includes the down payment, the first months' payment, and vehicle identification work for a \$30,000 truck (which is the low estimate) and a \$70,000 truck (which is the high estimate).

5. **Technology System.** You must obtain a business-class high-speed Internet connection and a single static IP address. This estimate includes the cost of one month of such service. You must also purchase a laptop computer and must license and use QuickBooks Premier, Microsoft Office Home and Business, and/or any other software we may require.
6. **Travel and Other Expense During Training.** This estimate is the cost for one to two people to attend AOS Training. AOS Training will be held in Memphis Tennessee, or any other location designated by us. The cost of the training for two people, as well as some meals, are included in the Initial Franchise Fee, but you must pay an additional per person fee if you would like additional trainees to attend. You are responsible for the travel and living expenses, wages, and other expenses incurred by any of your representatives during the program, which is reflected in the estimate. The low estimate is for one person, and the high estimate is for two people, to travel to AOS Training for 12 days. Your actual cost will depend on your trainees' point of origin, method of travel, class of accommodations, and dining choices. In certain periods of time, we may require you to attend our AOS Training remotely online via videoconference. In such periods, you will not incur travel expenses.
7. **Insurance.** You must obtain the types and amounts of insurance that we specify from time to time. The current minimum requirements are specified in Item 8. This figure is an estimate of the cost for a down payment for the annual premium payments necessary to maintain the insurance required by the Franchise Agreement. Your cost of coverage will vary based on your claims history, market, service offerings, and number and type of trucks.
8. **Local Advertising Commitment.** Your advertising costs will likely include such items as promotional materials and advertisements used to generate sales before opening. This estimate does not include Ad Fund Contributions, which will vary based on your Gross Service Sales.
9. **Online Marketing Fund Deposit.** This amount will be collected from you and paid by us to vendors to be used to attempt to generate leads in your Territory through online marketing. If you are an existing franchisee purchasing another territory or a transferee, you will not pay this fee. See Item 5.
10. **Miscellaneous Opening and Real Estate Expenses.** You will incur various miscellaneous costs to open your business. You must satisfy all requirements of applicable law for operating a Clean Franchise within the state and area for which you intend to operate. These costs include your business license, security deposits, utility deposits, and registration fees for your entity. You should review the legal requirements of operating in the area in which you anticipate you will be licensed and obtain an estimate of the costs you will incur before you enter into the Franchise Agreement. While we do not require you to rent office space outside of your home, we have included in the estimate the cost of security and utility deposits for a small office. Your rent will depend on the site's size, condition, accessibility, and location, local market conditions, and demand for the premises among prospective lessees. You should consult with a local commercial real estate broker to get a more accurate estimate of costs in your market.
11. **Professional Fees.** You may incur costs in seeking legal and accounting advice to assist you with the formation of your entity, your lease negotiation, your review of this Disclosure Document and

related agreements, the development of your business plan, and your employee or independent contractor hiring practices. ~~We strongly recommend that you have your attorney and accountant review all of the franchise documents and advise you on the purchase, development, and operation of the franchise and the formation of your entity.~~

12. **Additional Funds – First 3 Months.** This estimates the additional funds you may need to cover additional expenses you will incur before your Clean Franchise opens and in its first three months of operation. These expenses may include, without limitation, employee salaries, wages, benefits, employee uniforms, payroll taxes, various licenses, telephone/Internet and utility bills, ongoing vehicle payments, taxes and licensing of vehicles, bank charges, taxes, additional advertising expenses, three months of Technology Fees, business licenses, credit card processing fees, miscellaneous supplies and equipment, and other miscellaneous items. In preparing this estimate, we have assumed you will have three employees in your start-up stage. Your costs will vary depending on how rapidly your business grows. We have based these figures on our experience franchising Clean Franchises and includes the categories of expenses incurred by a typical Clean Franchise.
13. **Total Initial Investment.** In developing these estimates, we relied on our experience and the experience of franchisees (as reported to us) in developing and owning Clean Franchises, as well as our management’s business acumen and experience, including estimates from contractors and vendors. If you choose to purchase additional equipment, products, supplies, and vehicles, your expenses may be higher.

The initial investment described in this Item relates to the development of a new franchise. If you are renewing your existing franchise, you will not incur most of the expenses referenced in this Item. However, you may be responsible for upgrading your franchise and any related expenses. You will not pay an initial franchise fee on renewal, but you will pay a renewal fee. If you are acquiring an existing franchise by transfer, in addition to the price you negotiate for the purchase of the franchise, you will be responsible for the transfer fee, and you may be responsible for upgrading the franchise and any related expenses. If you are converting an existing commercial cleaning business to become a Clean Franchise, your costs may be different.

We do not offer financing for your initial investment.

Except as may be noted, none of the payments to us are refundable. The refundability of payments to other parties are determined by your agreements with those parties.

## **ITEM 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

### **GENERAL**

We have the right to require that products, supplies, furniture, fixtures, equipment, and services (collectively, “**Goods**”) that you purchase for resale or purchase or lease for use in your Clean Franchise: (i) meet specifications that we establish from time to time; (ii) be a specific brand, kind, or model; (iii) be purchased or leased only from suppliers approved by us; (iv) be purchased or leased only from a single source that we designate (which may include us or our affiliates or a buying cooperative organized by us or our affiliates); and/or (v) be purchased as part of a purchasing program, arrangement, or contract that we negotiate or specify. To the extent that we establish specifications, require approval of suppliers, or designate approved suppliers for particular Goods, we will publish such requirements in the Manual or otherwise in writing.

## **OBLIGATIONS TO PURCHASE FROM DESIGNATED OR APPROVED SUPPLIERS**

Currently, we require you to purchase certain cleaning solutions, specialty items, equipment, vehicle graphics, insurance, printed materials, and uniforms from suppliers that we have designated or approved. We have made arrangements with a single approved supplier to make available to you some of the Goods (including products, supplies, and equipment) that you will need to establish and operate your Clean Franchise, but you are only required to purchase certain Goods described in the previous sentence from such supplier.

Currently, our affiliate operates a digital advertising agency, known as Blueprint, which is a preferred supplier of digital marketing services that you may choose to engage. Otherwise, we and our affiliates are not approved suppliers of any Goods, but we reserve the right to become an approved or designated supplier in the future.

If there are non-approved Goods in a Conversion Franchise or a transferred Clean Franchise, the products should be discontinued immediately and the equipment depleted and replaced through attrition with approved equipment.

## **OBLIGATIONS TO PURCHASE UNDER SPECIFICATIONS**

### **VEHICLES**

You are required to lease or purchase a van or pick-up truck for the operation of your Clean Franchise, to transport equipment, cleaning solutions, products, and employees. We do not mandate a specific vehicle or type of vehicle. We do require that the vehicle you choose must accommodate the equipment of your business type, that the vehicle passes or meets your state's safety requirements, and that the vehicle is clean, neat in appearance without any dents or rust, and displays the ServiceMaster® Clean colors and decals in accordance with the Manual.

### **INSURANCE**

You must, at your expense, acquire by the deadline that we specify and maintain the insurance coverage in the amounts, covering the risks, and containing only the exceptions and exclusions that we specify from time to time in the Manual or otherwise in writing. All of your insurance carriers must be rated A or higher by A.M. Best and Company, Inc. (or such similar criteria as we may specify from time to time). All coverage must be on an "occurrence" basis, except for the employment practices liability insurance coverage, which is on a "claims made" basis. All policies shall apply on a primary and non-contributory basis to any other insurance or self-insurance that we or our affiliates maintain. We may periodically increase the amounts of coverage required and/or require different or additional insurance coverage 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.

All such liability insurance policies shall name us and our affiliates as additional insureds and shall provide that we receive 30 days' prior written notice of termination, expiration, or cancellation of any such policy. You must submit to us annually a copy of the certificate of or other evidence of the renewal or extension of each such insurance policy. If you at any time fail or refuse to maintain in effect any insurance coverage required by us or to provide evidence of such insurance, we may, at our option, obtain such insurance coverage on your behalf, and you must reimburse us for 150% of the actual costs and expenses we incur to procure such insurance.

Currently, we require the following coverage:

- (1) Commercial General Liability with limits of \$1,000,000 per occurrence, \$1,000,000 personal and advertising injury, and \$2,000,000 aggregate. Coverage must provide for waiver of subrogation in favor of us and must not have exclusions for workmanship or work performed by subs.
- (2) Business Automobile Liability with \$1,000,000 in coverage for owned, hired, and non-owned vehicles or coverage for any auto.
- (3) Umbrella Liability with a \$1,000,000 limit for \$0 to \$3 million in Gross Service Sales and a \$2,000,000 limit for \$3 million or more in Gross Service Sales. Gross Service Sales is aggregated for all franchises in your ServiceMaster® enterprise.
- (4) Workers' Compensation and Other State-Required Insurance with a \$500,000 minimum for employer's liability. You must have stop gap coverage required if you or your employees are in OH, ND, WA, and WY and must provide for waiver of subrogation in favor of us and our affiliates. You also must acquire any other coverage required by your state.

In addition to the above requirements, we strongly recommend that you obtain the following insurance coverage:

- (1) Care, Custody and Control Insurance to insure damage to customer property caused directly by your work with a \$150,000 minimum as needed based on the value of contents held.
- (2) Property Insurance with limits as needed for property coverage for building, contents and equipment breakdown; business income; equipment that leaves premise; property of others; business income/dependent properties, warehouse legal liability; electronic data processing/computer coverage; flood/earthquake; lost key/replacement lock coverage (\$10,000 limit); utility interruption; and property coverage enhancement.
- (3) Umbrella Coverage (in addition to the required coverage listed above) with a \$5,000,000 limit for \$5 million to \$10 million in revenue and an additional \$1,000,000 in coverage for each additional \$5 million in revenue.
- (4) Crime Policy with a recommended \$25,000 limit. You may elect to have mysterious disappearance coverage in lieu of theft of client property coverage.
- (5) Employment Practices Liability Insurance with third party and wage and hour coverage. We recommend coverage for a stand-alone EPLI policy ranging from \$250,000 to \$1,000,000 depending on the number of employees that you have.
- (6) Sexual Abuse and Molestation Coverage with a \$1,000,000 per occurrence limit.
- (7) Cybersecurity/Privacy Policy with a \$250,000 limit for \$0 to \$5 million in revenue; \$500,000 limit for \$5 million to \$10 million in revenue; and \$1,000,000 limit for more than \$10 million in revenue.
- (8) Lost Key Coverage with at least a \$5,000 per occurrence limit.

- (9) Pollution Liability Coverage with a \$1,000,000 limit.
- (10) Directors & Officers Coverage with a \$1,000,000 limit.

The liability policies must provide coverage for your contractual indemnity obligations to us. We may create a policy that requires franchisees exceeding a specified revenue threshold or operating a certain number of trucks to maintain additional insurance policies.

In connection with the required insurance: (a) the required insurance coverage and limits will not necessarily be adequate to protect you for all events, nor will it be deemed as a limitation on your liability to us; (b) you may meet the required insurance coverages and limits with any combination of primary and umbrella/excess liability insurance; (c) you are solely responsible for any deductible or self-insured retention; and (d) if we receive any proceeds from any claim under your policies, we may retain any such amount to offset any monies you owe to us or any of our affiliates.

You should check the cost of Worker's Compensation and all other insurances within the state in which you intend to operate before signing the Franchise Agreement. We strongly recommend that you meet with your insurance agent at least annually to review the coverage required under the Franchise Agreement and also to consider additional optional coverage that protects you.

You must not satisfy your insurance obligations through the use of self-insurance, retroactive insurance, high-deductible insurance, insurance through a captive insurance program, or other non-traditional insurance without our prior written approval. If we, in our sole discretion, approve any non-traditional coverage, we may specify the broker or any providers that may be used and any other requirements and standards for such coverage.

### **OFFICER INTERESTS**

As of the date of this Disclosure Document, our officers do not have any ownership in any approved suppliers.

### **APPROVAL PROCESS**

If we have established sourcing requirements or required specifications for a certain Good or category of Goods and you would like to deviate from such requirements by using a different supplier or a Good that does not meet such specifications, prior to using such non-conforming Goods or suppliers, you must submit to us a written request for approval and a representative sample sufficient for end-use evaluation, together with the manufacturer's product identification and specifications and other information that we reasonably require. The criteria that we consider in evaluating suppliers or distributors or Goods include product quality, prices, consistency, warranty, reliability, financial capability, labor relations, customer relations, frequency of delivery, concentration of purchases, standards of service (including prompt attention to complaints), any adverse economic impact on us, our affiliates, or the franchise network, and/or other criteria. We will notify you within a reasonable time (which typically ranges between 20 and 150 days, depending on the type of Good) whether we approve such products, supplier, and/or distributor. If you do not receive our approval within 150 days after submitting all of the information that we request, our failure to respond will be deemed a disapproval of the request. You must pay us \$500 to test each cleaning product and \$1,000 to test each equipment product that you propose to use. We may periodically re-inspect the products and services of any approved or designated supplier or distributor, and we may revoke our approval of any supplier, distributor, product or service that does not continue to meet our then-current criteria.

## **REVENUE FROM PURCHASES**

We and our affiliates are entitled to derive revenue based on your and other franchisees' purchases and leases, including from charging you for products and services that we or our affiliates provide as well as from promotional allowances, volume discounts, commissions, rebates, and other payments made to us or our affiliates by manufacturers, suppliers, and/or distributors that we designate or approve. We and our affiliates may use all such amounts without restriction for any purposes that we or they deem appropriate.

Currently, some approved vendors provide our affiliates with revenue based on sales made to you. This revenue ranges from 1% to 8% of the total revenue they receive from sales to you. We do not provide any special benefit or incentive to you for your purchases from these vendors.

In the year ending on December 31, 2024, SM Systems derived \$170,724 in revenue from its direct sale and its vendors' sales of supplies to Clean Franchises, including cleaning solutions and compounds, equipment and specialty items. This revenue figure has been sourced from SM Systems' unaudited financial statements.

In the year ending on December 31, 2024, we did not receive any revenue from the required purchases of goods or services by our franchisees.

## **PERCENTAGE SUBJECT TO SOURCING RESTRICTIONS OR SPECIFICATIONS**

You must purchase approximately 10% to 15% of your total purchases to establish your Clean Franchise and 2% to 5% of your total purchases to operate your Clean Franchise from suppliers that we have designated or approved or in accordance with our specifications.

## **PURCHASING OR DISTRIBUTION COOPERATIVES**

As of December 31, 2024, we did not have any purchasing or distribution cooperatives.

## **PURCHASE ARRANGEMENTS**

We negotiate purchase arrangements with our suppliers, including price terms, for the benefit of our franchisees. For some purchases, we and you may receive volume discounts in the form of manufacturer and wholesaler rebates, based on the total purchases by the ServiceMaster® system.

## **MATERIAL BENEFITS OR INCENTIVES**

We do not provide any material benefits or incentives (for example, renewal or granting additional franchises) to you for your purchases of certain products or services or your use of certain suppliers.

## **USE OF AFFILIATED ENTITIES BY FRANCHISEE**

Your use of affiliated entities in connection with the operation of your franchise may interfere with our reporting systems and analysis of your franchise. Consequently, you must not use affiliated entities in connection with the operation of your franchise (including, but not limited to, use of affiliated entities to sell, lease, loan, or allow to use personal property or services, such as vehicles, to the franchise) without our prior written consent, which we may withhold in our sole discretion. As a condition to obtaining our consent, we may require your affiliates to guaranty your obligations to us, provide a business plan, and provide periodic reporting of financial and other information.

**ITEM 9:  
FRANCHISEE'S OBLIGATIONS**

**FRANCHISEE'S OBLIGATIONS**

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

<b>Obligation</b>	<b>Section in Franchise Agreement</b>	<b>Disclosure Document Item</b>
a. Site selection and acquisition/lease	1.1 and Exhibit A	11
b. Pre-opening purchases/leases	3.6, 5.2, 5.3, 5.4.1, 5.18, and Exhibit A	7 and 8
c. Site development and other pre-opening requirements	1.1, 3.1, 3.6, 5.1, 5.15, 5.18, and Exhibit A	7 and 11
d. Initial and ongoing training	3.1, 3.2, 5.1, 5.13, and Exhibit A	11
e. Opening	N/A	11
f. Fees	3.1.1, 3.5, 4, 5.1, 5.3, 5.13, 5.18.2, 11.3, 12.2.4.9, 14.12, 24.1.3, 24.10, and Exhibit A	5 and 6
g. Compliance with standards and policies/operating manual	5, 6, and 7	11
h. Trademarks and proprietary information	6.1 and 8	13 and 14
i. Restrictions on products/services offered	1.2, 5.2, and 5.3 and Exhibit A	8, 9, and 16
j. Warranty and customer service requirements	5.2 and 5.4	11
k. Territorial development and sales quotas	1.1, 5.2.10, and 5.17	12
l. Ongoing product/service purchases	5.2 and 5.3	8
m. Maintenance, appearance and remodeling requirements	5.4	11
n. Insurance	11	6 and 7
o. Advertising	10	6, 7, and 11
p. Indemnification	17.3	N/A
q. Owner's participation/management/staffing	5.4.4 and 15.1	15
r. Records and reports	9	6
s. Inspections and audits	3.5 and 9.6	6 and 11
t. Transfer	12	17
u. Renewal	2.2	17
v. Post-termination obligations	14	17
w. Non-competition covenants	15	17
x. Dispute resolution	24	N/A
y. Personal Guaranty	5.5.1 and Personal Guaranty Attachment	15

**ITEM 10:**  
**FINANCING**

We and our affiliates do not offer direct or indirect financing arrangements for any purpose in establishing or operating your Clean Franchise. We and our affiliates do not guarantee your promissory note, lease, or any other obligation you may make to others.

We have relationships with certain banks and third-party lenders in different regions and may be able to refer you to a preferred source of financing for Initial Franchise Fees and franchise growth initiatives, but we do not have any arrangements with such lenders and do not receive any benefits from such lenders if you obtain financing from them.

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

As noted in Item 1, we have entered into a management agreement with SM Manager for the provision of support and services to Clean Franchises. SM Manager may provide the training, support, marketing, and other services described in this Item 11 to you on our behalf and will have the authority to exercise many of our rights and perform many of our obligations under the Franchise Agreement. Though we may delegate any of our rights or responsibilities to SM Manager, we remain ultimately responsible for all of the support and services required under the Franchise Agreement.

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

**PRE-OPENING ASSISTANCE**

Before you open your business, we will:

1. Designate your non-exclusive Territory. (Franchise Agreement – Section 1.1 and Exhibit A);
2. Approve your office locations. You must maintain as many office locations within the Territory as are necessary to ensure that all addresses in the Territory are located within a 60-minute drive from one of the offices of the Clean Franchise, as measured by the drive times during normal business hours that are estimated by Google Maps (or such other third-party source specified by us from time to time). We may modify this policy from time to time in the Manual. We will not participate in site selection, other than reviewing your proposed office locations to ensure compliance with our policies. In evaluating your proposed site, we consider proximity to other offices and customers and the drive times necessary to service the Territory. There is no deadline by which we and you must agree to a location, but you will not be able to begin operating your Clean Franchise until we have approved a location. We do not review your construction, remodeling or decorating plans and will not lease any premises to you. (Franchise Agreement – Section 1.1 and Exhibit A);
3. ~~Provide to you, at your expense,~~ with access to approved vendors from which you can obtain certain approved materials, supplies, equipment, products, forms, etc. once you are ready to commence business. We will provide written specifications for certain items, including designating approved vendors. (Franchise Agreement – Section 3.6);

4. Provide you with AOS Training preparation materials and train you at the AOS Training, which you must attend when scheduled (Franchise Agreement – Section 3.1). Training support will be provided to you in English;

5. Give you access to ServiceConnection to access the Manual which contains both mandatory and suggested specifications, standards, and procedures. Access to ServiceConnection is password-protected and must be limited to franchisees and their key employees only. We will modify ServiceConnection and the Manual, and you will be required to conduct the Clean Franchise in accordance with any modifications. The Manual Table of Contents is listed in Exhibit G to this Disclosure Document. The Manual contains a total of 148 pages. (Franchise Agreement – Section 3.4);

6. Arrange for a vendor to generate leads in your Territory through online marketing, if you are opening your first Clean Franchise. You must pay us the Online Marketing Fund Deposit for such services. (Franchise Agreement –Exhibit A); and

7. If we require you to use any proprietary software, such as the Management Software, we will provide you with the opportunity to obtain such software from us, our affiliate, or a designated vendor. (Franchise Agreement – Section 5.18).

8. Review and, if acceptable to us, approve your initial sales and marketing plan and budget. (Franchise Agreement – Section 10.1.1).

#### **ASSISTANCE DURING OPERATION**

During the operation of the Clean Franchise, we will:

1. Continue to provide advisory assistance in person, virtually, by telephone, or in writing in English in the operation of the Clean Franchise. (Franchise Agreement – Section 3.2);

2. Make available any training programs that we deem appropriate. We may charge a fee for such additional training. (Franchise Agreement – Section 3.1.2);

3. Give you access to our learning management system, ServiceMaster Brands University (known as “SMBU”), which contains various training modules for you and your employees. Access to SMBU is password-protected and must be limited to your employees only.

4. Through your Distributor or ServiceMaster Business Development Consultant, provide instructions regarding improvements and developments for your business, pricing, administrative, bookkeeping, accounting, inventory control procedures, and operating problems. We may provide recommended pricing policies, but you are free to set your own prices and discounts. (Franchise Agreement – Sections 3.2 , 3.3, and 26);

5. Review any Goods or suppliers that do not conform to our specifications or sourcing requirements. To the extent that we establish specifications, require approval of suppliers, or designate approved suppliers for particular Goods, we will publish our requirements in the Manual or otherwise in writing. (Franchise Agreement – Section 5.3);

6. If you participate in an Optional Program (Franchise Agreement – Section 5.16):

a. distribute ~~leads~~projects or recurring janitorial contracts, in our sole discretion, to

participating Clean Franchises; there is no guarantee that you will receive any leads under these programs; and

b. make payments to you, upon receipt of payment for services from participating ~~insurers~~ referral sources or program participants in accordance with program guidelines;

7. Provide you with access to the Management Software, which will assist you in operations of your Clean Franchise. We may provide recommended pricing policies, but you are free to set your own prices and discounts. (Franchise Agreement – Sections 5.18 and 26);

8. In our discretion, assist you in resolving disputes with customers or resolve the dispute directly at your expense (Franchise Agreement – Section 4.3.1).

9. Review your annual marketing plan and budget. You must obtain our written approval for such plan and implement it. (Franchise Agreement – Section 10.1.1);

10. Review all advertising and promotional plans and materials that you desire to use that have not been prepared or previously-approved by us. (Franchise Agreement – Section 8.1.2);

11. Administer the Ad Fund, which is further described below. (Franchise Agreement – Section 10.3); and

12. Review proposed transferees of your franchise for approval of any proposed transfers and train approved transferees after payment of the transfer fee. (Franchise Agreement – Section 12).

## **PRICING**

We are not obligated to assist you in establishing pricing for services, but we may specify in our Manual recommended or required pricing policies to the extent permitted by law.

## **ADVERTISING AND PROMOTION**

### **OUR ADVERTISING**

We or our designee will from time to time formulate, develop, produce, and conduct marketing and promotional programs in the form and types of media as we or our designee determines to be most effective. ServiceMaster® services may, from time to time, be advertised nationally, regionally, and locally on various types of media, including television, radio, newspaper, magazine, and digital and social media. Our in-house marketing department produces advertising literature, brochures, etc. for your use; however, we may, from time to time, employ an outside agency to produce our national, regional and local advertising. We are not obligated to spend any amount on advertising in your market or Territory.

### **NATIONAL AD FUND**

We have established the Ad Fund for Clean Franchises. You must contribute the Ad Fund Contribution, which is currently the greater of 0.5% of your monthly Gross Service Sales or \$25 per month. We may change the Ad Fund Contribution, provided that the total Ad Fund Contribution and Local Advertising Commitment will not exceed 2.5% of Gross Service Sales.

We may use the Ad Fund to meet any and all costs of maintaining, administering, directing, and preparing advertising (media and production), branding, marketing, public relations and/or promotional

programs and materials, and any other activities that we believe would benefit the brand and Clean Franchises and/or will promote the programs, products, and services offered by Clean Franchises, including, without limitation, the cost of (i) preparing and conducting digital and social marketing activities, television, radio, magazine, direct mail, and newspaper advertising campaigns and other sales, marketing, sponsorships, promotional, and public relations activities; (ii) producing and maintaining marketing systems and tools; (iii) employing advertising agencies and public relations firms; (iv) paying employee salaries, salesperson commissions, benefits, and other related costs and expenses for our and our affiliates' employees that devote time to and render services related to the Ad Fund; (v) soliciting the granting of franchises to expand the franchise system; (vi) the costs relating to any toll-free number maintained by us and used in advertising and marketing campaigns; (vii) producing advertising and sales support materials for use by franchisees; (viii) conducting programs that are meant to promote positive customer experiences, including programs to incentivize franchisees and/or their frontline personnel to achieve high customer satisfaction/referral rates; (ix) providing certain phone services, such as purchasing call tracking lines and producing on-hold marketing messages; (x) providing promotional brochures and other marketing materials to franchisees; (xi) developing and place online display and retargeting advertising; (xii) developing dashboards for interactive marketing, planning, customer service analysis and sales/marketing decision-making; (xiii) paying the expenses of the Ad Fund; (xiv) monitoring and/or managing social media relating to the brand; (xv) conducting market research and surveys related to marketing and branding; (xvi) purchasing naming rights and sponsorships; (xvii) participating in trade shows and similar industry events; and (xviii) such other costs and expenses as we, in our sole discretion, deem appropriate and in the best interests of all or any of our franchisees.

All sums paid by franchisees to the Ad Fund shall be maintained in one of our accounts and tracked on a separate profit and loss statement. The Ad Fund shall not be used to defray any of our general operating expenses, except for such reasonable administrative costs and overhead, if any, as we may incur in activities reasonably related to the administration or direction of the Ad Fund and advertising programs including, without limitation, conducting market research, preparing marketing, promotional and advertising materials, and collecting and accounting for assessments for the Ad Fund. The proportionate compensation of our and our affiliates' employees who devote time and render services in the formulation, development and production of such marketing and promotion programs or the administration of the Ad Fund, will be paid from the Ad Fund.

In 2024, the Ad Fund was allocated towards the Ad Fund was allocated towards digital platform (34%); digital advertising (4%); non-digital advertising (4%); creative development (2%); cooperative advertising (15%); events (11%); research (10%), and administrative costs (20%).

We have established the National Advertising Council (the "NAC"), which provides guidance, counsel and communication as it relates to the creation and administration of advertising programs funded through the Ad Fund. The NAC serves in advisory role, as these advertising programs are subject to our final approval. The NAC is comprised of franchisees that we select. We may change or dissolve the NAC in our sole discretion.

If all the advertising contributions in the Ad Fund are not spent in the year they are accrued, the remaining accounts are carried over to the next year. We do not receive payment for providing goods to the Ad Fund but may be reimbursed for the services of certain employees who provide services exclusively benefiting the Ad Fund and its goals. We are not required to spend any Ad Fund amounts on advertising in your Territory. None of the Ad Fund is used for the solicitation for the sale of Clean Franchises. If we operate any company-owned businesses, they will also contribute to the Ad Fund on the same basis as franchisees.

A financial review of the operation of the Ad Fund will be prepared annually by us, and the cost of preparing such a financial review will be paid by the Ad Fund. Upon your written reasonable request, a

copy of the financial review will be sent to you. The National Franchise Council (“NFC”) may request an audit of the Ad Fund by an independent certified public accountant. The cost of such an audit will be charged to the Ad Fund.

#### ONLINE MARKETING FUND

If you operate a new Clean Franchise, in your first year of operation, if you are a new franchisee, we will collect from you the Online Marketing Fund Deposit (which is \$4,750) that we will pay to a vendor to generate leads in your Territory through online marketing. We will assist you in using these funds during the first year of operation of your Clean Franchise, at times mutually agreed upon. Any portion of this fund not utilized during your first year of operation may be, at our sole discretion, applied to offset your accounts with us or our affiliates. If you are an existing franchisee or a transferee, you will not be required to pay the Online Marketing Fund Deposit.

#### LOCAL ADVERTISING

Only those advertising and promotional materials or items which are authorized by us in writing before use shall be used, sold, or distributed, and no display or use of the Marks shall be made without our prior written approval.

You must provide us with an annual marketing plan and budget (the “**Marketing Plan**”) and obtain our written approval of such Marketing Plan, which must be revised to incorporate any changes that we require. You must diligently implement the approved Marketing Plan. The Marketing Plan must contain the information specified by us, which may include initial and ongoing marketing, digital marketing, cooperative advertising arrangements, participation in our programs, media buys, use of our endorsed referral programs, grass roots marketing, and other sales and marketing efforts. You are required to implement your Marketing Plan and a failure to do so is a material default under your Franchise Agreement.

From time to time, we may specify, in our sole discretion, in the Manual and otherwise in writing the types, methods, and specifications of local advertising that will qualify as Eligible Local Marketing. You must participate in all marketing and promotions as we determine to be appropriate for the benefit of the System. Local advertising, sales activity, and other marketing activities are subject to our approval and must be consistent with the then-current sales and marketing guidelines (which will be updated from time to time, as we deem necessary). Our advertising policies include general guidelines and cover Internet marketing, social media, broadcast advertising, print advertising, phone books, telephone numbers, publisher errors, marketing in unawarded marketing areas, formal co-operative marketing, local advertising requirements, advertising and marketing methods, marketing programs, and liquidated damages. You must submit to us for approval samples of all advertising and promotional plans and materials that you desire to use. You must conduct all such local advertising in a dignified manner and must conform to our requirements as set forth in the Manual or otherwise in writing.

Each of your trucks and other business vehicles must display the ServiceMaster Clean service mark and any other of our Marks we specify. You are prohibited from displaying any other information on your vehicles except as specified by us in the Manuals or otherwise.

You are required to spend the Local Advertising Commitment on Eligible Local Marketing in each month. Currently, the Local Advertising Commitment is 2% of monthly Gross Service Sales. We may change the Local Advertising Commitment, provided that the total Ad Fund Contribution and Local Advertising Commitment will not exceed 2.5% of Gross Service Sales.

Upon our request, you must provide an accounting of your monthly and/or annual local advertising expenditures and provide any evidence necessary to demonstrate your compliance with the Local Advertising Commitment. If you fail to meet your Local Advertising Commitment in any month, in addition to our other remedies, you must contribute to the Ad Fund the difference between the amount spent on Eligible Marketing in such month and the Local Advertising Commitment in such month.

You are not required to participate in a local or regional advertising cooperative.

## DIGITAL MARKETING

We will reference your Clean Franchise on the website we develop for the System so long as you are in full compliance with the Franchise Agreement. You will subscribe to all current digital marketing programs from time to time as set out in the Manual and must pay any related fees. Unless we consent otherwise, you may not establish a separate website or social media account to advertise, market, or promote the Clean Franchise, conduct commerce, or directly or indirectly offer or sell any products or services in connection with the Clean Franchise. You may not use the Marks or any words or designations similar to the Marks in a domain name, search engine keyword, or metatag in connection with the Clean Franchise.

We or our affiliates may, in our or their sole discretion, establish, operate, and/or participate in websites, social media accounts (such as Facebook, X, Instagram, Pinterest, etc.), applications, online advertising purchasing programs, accounts with websites featuring gift certificates or discounted coupons, mobile applications, podcasts, blogs, vlogs, video and photo-sharing sites (such as TikTok, YouTube, etc.), chat rooms, virtual worlds, review sites, or other means of digital advertising on the Internet or any electronic communications network that may be used to promote the Marks, Clean Franchises, and/or the entire network (collectively, “**Digital Marketing**”). We will have the sole right to control all aspects of any Digital Marketing, including those related to your Clean Franchise. Unless we consent otherwise in writing, you, your employees, and your agents may not, directly or indirectly, (a) conduct or be involved in any Digital Marketing that use the Marks or that relate to any Clean Franchise or the network, (b) use the Marks, or any words or designations similar to the Marks, in any domain name, search engine keyword, social media account, or metatag, and (c) use a form of Digital Marketing to conduct commerce or directly or indirectly offer or sell any products or services in connection with your Clean Franchise. If we permit you or your representatives to conduct any Digital Marketing, you and your representatives must comply with any policies, standards, guidelines, or content requirements that we establish periodically and must immediately modify or delete any Digital Marketing that we determine, in our sole discretion, is not compliant with such policies, standards, guidelines, or requirements. If you or your representatives conduct any Digital Marketing, we will have the right to retain full control over all websites, social media accounts, mobile applications, or other means of digital advertising that are used. We may withdraw our approval for any Digital Marketing or suspend or terminate your use of any Digital Marketing platforms at any time.

## COMPUTER HARDWARE AND SOFTWARE SYSTEM REQUIREMENTS

You must, at your expense, acquire and use the computer systems, hardware, tablets, mobile devices, printers, software, apps, websites, network connections, and firewall services (collectively, “**System Components**”) that we specify for the operation of the Clean Franchise, including software used to manage the Clean Franchise, provide products and services in accordance with the Standards, and/or interact with our accounting, customer relationship, or other technology systems. We may require you to obtain, update, and use specified System Components from vendors that we designate.

We have designated a specific Management Software that you must use in the operation of your Clean Franchise. The Management Software currently includes timekeeping, profitability management, job budgeting, inspections, and operational management components. Currently, we provide the Management Software to you as part of the services provided through your payment of the Technology Fee. As described

in Item 6, the Technology Fee will vary from \$275 to \$750 per month based on your annual Gross Service Sales, but we may increase the Technology Fee from time to time and additional other variable fees may apply, provided that such fees will not exceed \$1,500.

Other than providing you with access to the Management Software, we have no obligation to provide or to assist you in obtaining any System Components. We will publish in the Manual our minimum recommendations for any System Components.

Currently, we recommend that you use a modern laptop (with Microsoft Windows® and adequate memory, speed, storage, and internet connectivity), a laser printer, a high-speed Internet service provider, and an iPad®. You must install and maintain a software connection to enable accurate and complete transmittal of accounting data from you to us at the times and in the manner specified by us. We must have independent access to the information generated and stored in your computer systems. You are responsible for installing anti-virus software on all your Clean Franchise computers and mobile equipment, and you must enable firewalls on all internet modems accessed by the Clean Franchise computer and mobile equipment.

In the future, we may require you to acquire a replacement to the current Management Software and may require you to purchase the Management Software or its replacement directly from the software licensor at your expense. If we require you to use any proprietary software or to purchase any software from a designated vendor, you must execute, and pay any fees associated with, any software license agreements that we or the licensor of the software require.

In addition, we require you to use the accounting application software prescribed by us for your Clean Franchise and any other related entities, which we may change from time to time. The software we currently specify is owned and developed by a third party and allows you to invoice jobs, pay vendors, run payroll, do job costing, and prepare financial statements. We lease the software from an authorized hosting provider, which you are required to use. You must pay a monthly fee to the vendor for such software. As part of the Initial Franchise Fee, we will provide you with access to an online e-learning tutorial on how to use the accounting software. You must update master file records to comply with changes to the accounting practices as prescribed by us. You must electronically transmit to us all data stored on your accounting application daily. The technical support for the software will be provided by the accounting application hosting vendor.

We may develop or designate new or modified System Components in the future and may deauthorize the use of certain System Components. You may be required incur costs to purchase, lease, and/or license new or modified System Components and to obtain service and support for the System Components. All System Components must be updated, maintained, and used in compliance with our specifications. There are no contractual limitations on the frequency or cost of such upgrades; however, we currently do not require you to enter into any maintenance or upgrade contracts.

We have no obligation to upgrade your System Components. In addition to any changes that we may require, we recommend upgrade your individual systems if you wish to take full advantage of the speed and improvements of the software packages. If you choose to run hardware that does not meet our minimum standards for running software that causes conflicts, we will not be able to provide you with support.

We may require you to electronically upload or transmit information to us or the System Components on a periodic basis (including daily). We have the right to independently access sales information, including customer information, and other data produced by and stored on the System Components and Management Software. There are no contractual limitations on our right to access and use

any information and data on the System Components, even if the data is maintained by a third party.

## OPENING

If you are opening a new Clean Franchise, you typically will open your Clean Franchise 60 to 120 days after you sign the Franchise Agreement or 15 days after you successfully complete the AOS Training. Factors that affect the length of this time period usually include obtaining a satisfactory office location, financing arrangements, completion of the AOS Training program, and hiring and training employees.

If you have acquired your Clean Franchise through a transfer of an existing franchise, your business is already open and operating by trained employees and, depending upon the agreement you have with the former owner, you may have received some assistance from the former owner.

If you are a Conversion Franchise, your business is already open and operating. However, you will need to complete AOS Training in one of the next three scheduled sessions of the AOS Training after the purchase of your Clean Franchise.

## TRAINING PROGRAMS

### AOS TRAINING

Before you are allowed to operate your franchise, you must attend and successfully complete our training program. AOS Training is a school of intensified training and is two weeks long (which may not be consecutive and may include evenings and weekends). AOS Training is offered approximately quarterly and is held in Memphis, Tennessee or any other site designated by us. At any time, we may provide all or part of the AOS Training, or any other training programs, virtually via videoconference or another online platform. Currently, AOS Training is held in-person for two full weeks, which cannot be split between sessions. Attendees are required to complete some initial coursework online in our learning management system, which we refer to as ServiceMaster Brands University (“SMBU”), at least 14 days prior to attending AOS Training.

#### New Franchisees

The tuition and some meals for your Designated Trainees to attend the AOS Training are included in the Initial Franchise Fee. Your “**Designated Trainees**” include up to two trainees, which may include you (if you are not an entity), your owners, or, if approved by us, your managers. We may charge a training fee for AOS Training for (i) each person in excess of two trainees, (ii) each person who is repeating the course or replacing a person who did not pass, and (iii) each subsequent owner or manager who attends the course. You must pay for travel and living expenses for any of your representatives attending in-person AOS Training. Your employees must be covered by your workers compensation insurance before we start any training, and you must certify to us in writing that the coverage is in effect.

#### Transfer Franchisees

In the case of a transfer, the tuition for your Designated Trainee to attend the AOS Training is not included in the Transfer Fee, and the fee to attend AOS Training is currently \$5,000. Your Designated Trainee includes one trainee, which may include you (if you are not an entity), your owner, or, if approved by us, your manager. We may charge an additional training fee for AOS Training for (i) each person in excess of one trainee, (ii) each person who is repeating the course or replacing a person who did not pass, and (iii) each subsequent owner or manager who attends the course.

All Franchisees

You must pay for travel and living expenses for any of your representatives attending in-person AOS Training. Your employees must be covered by your workers' compensation insurance before we start any training, and you must certify to us in writing that the coverage is in effect.

At least one Designated Trainee must attend and successfully complete AOS Training to our satisfaction (as determined by us in our sole discretion) (i) within the next three scheduled sessions of the AOS Training that take place after the signing of the Franchise Agreement and (ii) prior to opening the Clean Franchise. All training must be completed by your Designated Trainees within six months of your Designated Trainees first attending AOS Training. If you have two Designated Trainees, the Designated Trainees may split AOS Training, provided that one Designated Trainee successfully completes part of AOS Training and the other Designated Trainee successfully completes the remainder of AOS Training. If your Designated Trainees do not successfully complete all required training within this six-month period, in addition to any other remedies, you will pay the then-current AOS Training fee when they attend and complete AOS Training.

AOS Training is led by Pete Duncanson, our Vice President of Training and Development. Mr. Duncanson has worked with us or our affiliates for over 40 years in a variety of roles, including as a ServiceMaster® franchise owner, and has been involved in various aspects of our training program for over two decades. In addition, he has served on the Board of Directors of the Institute of Inspection Cleaning and Restoration Certification from 2009 to 2020, including four years as Chairman. The individuals listed in Item 2, as well as other trainers and subject matter experts, including some certified IICRC instructors, also participate in portions of the training program. Our other trainers have between one and over 30 years of experience in the cleaning and restoration industries.

Our AOS Training consists of the following:

**TRAINING PROGRAM**

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Introduction to ServiceMaster Clean; Organization; Patented Cleaning Processes	8	0	Prewrite Assignment is completed online via SMBU and in-person sessions are at the Training Center in Memphis, TN or another location that we designate
General Business Start-up; Office Development; Scoping and Bidding a Job	23	0	
Marketing and Sales	9	0	
Financial; Accounting	8	0	
Technical-Including Hands-On Training of Equipment	16	0	
Staffing & Recruiting/Training	6	0	
Business Verticals & Strategy	8	0	
Certification Test	2	0	
<b>TOTAL</b>	<b>80</b>	<b>0</b>	

### Notes to Training Program Chart:

1. Required training for Clean Franchises is provided in English.
2. The hours of classroom training include the following required self-study hours: (a) Introduction to ServiceMaster Clean; Getting Started (1 hour); (b) General Business Start-up; Office Development (2 hours); (c) Marketing and Sales (2 hours); and (d) Financial; Accounting (1 hour).
3. At any time, we may provide all or part of the AOS Training, or any other training programs via videoconference or another online platform.

As discussed above, our training program will include advice and modules that address suggested or recommended staffing for the efficient operation of the Clean Franchise, and for delivering services in accordance with our customer service standards and other brand standards. Even though we may offer suggestions, advice, guidelines, or programs, you will have sole responsibility for all employment decisions and functions related to your Clean Franchise, including hiring, firing, promoting, demoting, compensation, benefits, scheduling of employee work hours and shifts, work rules, record-keeping, supervision, and discipline of employees.

### ADDITIONAL TRAINING

We shall provide other training programs as each is developed and we deem appropriate. You (and, if you are an entity, an officer and at least one of your owners) are required, at your expense, to attend at least three of the seminars, workshops, conventions, or meetings offered by us for our franchisees (including the annual convention). Currently, we provide regional workshops, several training sessions, and breakouts at our annual convention; specific certification training sessions on various topics throughout the year; other training courses available online through SMBU; and regional workshops from time to time in various regions. You must pay any registration fees that we specify for such events, which are currently approximately \$500 per attendee for regional workshops (and will not exceed \$4,000 per attendee per training program, seminar, or workshop) and \$1,000 per attendee for our annual convention (which will not exceed \$2,000 per attendee).

In each year in which we hold an annual convention, you are required to register and pay the then-current registration fee for at least one of your representatives, who must be either (i) an owner, (ii) manager, or (iii) another person who has been approved by us. If you own more than one Clean Franchise, then you must send at least one representative for one to two Clean Franchises, two representatives for three to four Clean Franchises, three representatives for five to six Clean Franchises, four representatives for seven to eight Clean Franchises, five representatives for nine to 10 Clean Franchises, six representatives for 11 to 12 Clean Franchises, and seven representatives for 13 or more Clean Franchises. You may send to the annual convention more than the minimum number of representatives, provided you pay the registration fees and other costs and expenses associated with such representatives attending convention. If you fail to have the minimum number of representatives attend the required annual convention, and there is no valid business reason, as determined by us, in our sole discretion, then you must pay us for each absent representative up to 150% of the then-current convention registration fee.

### VARIATIONS IN TRAINING

The initial and ongoing training that a franchisee may be required to attend may not be uniformly imposed on all franchisees. Differences in required initial and ongoing training may be based on the franchisee's experience, the demographics of the franchisee's Territory, the density of the population, whether the area is a metro area and other reasonable factors.

If you sign an agreement for a second or subsequent franchise, you or a manager representative approved by us must attend and successfully complete an approved training class as specified by us within 12 months of signing the Franchise Agreement. If you or your manager representative, as applicable, is unable to attend the required training class specified by us within the 12-month period for a valid business reason approved by us, then we may, in our discretion, require you to attend different classes or training programs at your expense, in lieu of the required class. In addition, if you sign an agreement for a second or subsequent franchise, the individual who will be actively managing the new franchise must attend and successfully complete our Initial training program before the new franchise opens for business.

#### CONSULTATION

We will provide, in accordance with the terms we specify, continuing advisory assistance in person, virtually (by videoconference, webinar, recorded media, or other means that we designate), by telephone or in writing on the operation of the Clean Franchise at no additional charge.

### **ITEM 12:** **TERRITORY**

#### FRANCHISE LOCATION

We will designate the Territory within which you will perform services and must locate your offices. We consider total population and relative affluence to determine your Territory; we do not offer a minimum territory. Currently, we determine territories using zip codes. You may not alter your Territory and must receive written permission from us before relocating your office within the Territory. In evaluating a proposed relocation, we consider proximity to other offices and customers and the drive times necessary to service the Territory.

We will require you to maintain as many office locations within the Territory as are necessary to ensure that all addresses in the Territory are located within a 60-minute drive from one of the offices of the Clean Franchise, as measured by the drive times during normal business hours that are estimated by Google Maps (or such other third-party source specified by us from time to time). We may modify this policy from time to time in the Manual.

#### PROTECTED RIGHTS

You will not receive an exclusive territory. You may face competition from other franchisees, from company-owned businesses, or from other channels of distribution or competitive brands that we control.

You may market and solicit outside your Territory (including, subject to our marketing approval rights, through the Internet, telemarketing, or other direct marketing) only when (i) marketing commercial or janitorial services to a property manager, group, or company whose office is located outside your Territory, but whose commercial facility is within your Territory or (ii) marketing commercial or janitorial services to a property manager, group, or company whose office is located outside your Territory, but whose commercial facility is within your Territory. You are allowed to service a customer outside your Territory when the customer initiates the request. Except as provided in this paragraph, you do not have the right to use any channels of distribution, such as the Internet, telemarketing, or other direct marketing, to make sales outside your Territory.

We may not modify your Territory during the term, as long as you are in compliance with your Franchise Agreement and Related Agreements. If we have the right to terminate the Franchise Agreement

as a result of your default, we may, among other things, reduce the size of your Territory as an alternative remedy.

#### OUR RESERVED RIGHTS

Nothing in the Franchise Agreement prevents us from establishing or operating or granting any other person or entity the right to establish or operate businesses using the System or a similar system anywhere outside of your Territory, or marketing services or products that are not a part of the System licensed by the Franchise Agreement under the Marks within your Territory. The System licensed by the Franchise Agreement relates to the Core Services, Optional Services, and other services that we may designate as part of the System in the future.

We or our affiliates may conduct, or grant others the right to conduct, any business activities, under any name or trademark, using any system of operations, in any geographic area, and at any location, regardless of the proximity to or effect of such activities on the Clean Franchise. For example, we and our affiliates may, among other things: (i) operate, and grant to others the right to operate, anywhere (including inside and outside the Territory) ServiceMaster® businesses, including any other ServiceMaster Clean® or ServiceMaster Restore® businesses; (ii) operate, and grant to others the right to operate, anywhere (including inside and outside the Territory) any retail or other businesses, including those offering the same, similar, or different products or services using the System or elements of the System under the Marks or any other trademarks, service marks, or trade dress; (iii) solicit and sell any products or services to customers and prospective customers residing anywhere (including inside and outside the Territory), including by direct advertising over the Internet or other electronic means; and (iv) merge with, acquire, establish, or become associated with any businesses or locations of any kind under other systems and/or other trademarks, which businesses and locations may offer or sell items, products, and services that are the same as or similar to the services and products offered at or from the Clean Franchise and which may be located anywhere (including inside and outside the Territory).

#### COMPETING BUSINESS

Except as described in Item 1, we do not operate or franchise, or currently plan to operate or franchise, any business under a different trademark that sells or will sell goods or services similar to those that our franchisees sell. However, our affiliates, including the Affiliated Programs described in Item 1 and other portfolio companies that currently are or in the future may be owned by private equity funds managed by Roark Capital Management, LLC, may operate and/or franchise businesses that sell similar goods or services to those that our franchisees sell.

Item 1 describes our current Affiliated Programs that offer franchises, their principal business addresses, the goods and services they sell, whether their businesses are franchised and/or company-owned, and their trademarks. All of these other brands (with limited exceptions) maintain offices and training facilities that are physically separate from the offices and training facilities of our franchise network. Most of the Affiliated Programs are not direct competitors of our franchise network given the products or services they sell, although some are, as described in Item 1 and in the next paragraph. All of the businesses that our affiliates and their franchisees operate may solicit and accept orders from customers near your business. Because they are separate companies, we do not expect any conflicts between our franchisees and our affiliates' franchisees regarding territory, customers, and support, and we have no obligation to resolve any perceived conflicts that might arise.

You must maintain minimum monthly Gross Service Sales levels to continue to operate your Clean Franchise in accordance with the following chart (the “**Minimum Monthly Sales Requirement**”):

<b>MONTHS OF OPERATION OF THE CLEAN FRANCHISE (INCLUDING ANY PREDECESSOR LICENSE THAT HAS BEEN RENEWED OR TRANSFERRED)</b>	<b>MINIMUM MONTHLY SALES REQUIREMENT</b>
0 to 12	\$0 per month
13 to 24	\$6,500 per month
25 to 36	\$13,000 per month
37 to 48	\$26,000 per month
49 or above	\$52,000 per month

In any subsequent renewal agreements, the Minimum Monthly Sales Requirement may be increased. We may terminate the Franchise Agreement if you fail to meet the Minimum Monthly Sales Requirement three times in any nine-month period (except if local economic conditions and/or extenuating circumstances materially affect sales potential which, in our sole discretion, affects your ability to meet such sales levels). If you fail to achieve any of the Minimum Monthly Sales Requirements for a measuring month, in addition to any other remedies we may elect to exercise, you must pay us the Minimum Royalties specified in Item 6.

#### ADDITIONAL FRANCHISES

You will not have any options, rights of first refusal, or similar rights to acquire additional Clean Franchises within any specified territory or any contiguous territories. We may, in our sole discretion, allow you to acquire additional Clean Franchises if you meet our qualifications in place at that time for acquiring a franchise and ownership of multiple franchises. These qualifications may include standards of character, business experience, financial strength, credit standing, reputation, business ability, experience, availability of management personnel, etc. If you or your affiliate requests an additional Clean Franchise, we will consider all aspects of the operation of the existing franchise or franchises, including those items described as renewal conditions in Section 2.2.2 of the Franchise Agreement.

### **ITEM 13:** **TRADEMARKS**

If we grant you a franchise, we will grant you the right to operate such franchise under the SM Clean Mark, and any other Marks that we specify in your Franchise Agreement or otherwise in writing from time to time. We may add to, change, or remove Marks from time to time.

We currently own all of the trademarks listed in the table below, all of which are registered on the Principal Register of the United States Patent and Trademark Office (the “USPTO”). All necessary affidavits and renewals for such Marks have been filed.

<b>Principal Marks</b>	<b>Registration No.</b>	<b>Date of Registration</b>
SERVICEMASTER (word mark)	782,584	December 29, 1964
Color Yellow As Applied To A Vehicle	2,085,318	August 5, 1997
SERVICEMASTER CLEAN (word mark)	2,254,065	June 15, 1999
SERVICEMASTER CLEAN (word mark)	2,414,270	December 19, 2000
 <b>SERVICEMASTER CLEAN</b>	2,503,865	November 6, 2001

Principal Marks	Registration No.	Date of Registration
 SERVICEMASTER CLEAN	3,418,024	April 29, 2008
SERVICEMASTER CLEAN (word mark)	3,444,272	June 10, 2008
SERVICEMASTER CLEAN (word mark)	3,469,170	July 15, 2008

There are no effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court involving our principal trademarks. There is no pending infringement, opposition, or cancellation proceeding. We have not been involved in any infringement, opposition, or cancellation proceedings in which we unsuccessfully sought to prevent registration of a trademark to protect a trademark licensed by us.

There are no agreements currently in effect which significantly limit our right to use or license franchisees to use the Marks. There are no infringing uses actually known to us which could materially affect your use of such Marks.

You must use the Marks as the sole service mark identification of the Clean Franchise. You may not use any Mark or any words confusingly similar to any Mark (i) as part of any corporate name, (ii) with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos licensed to you by us), (iii) in any modified form, (iv) in connection with the sale of any unauthorized product or service, (v) on forms, uniforms, materials, and supplies not approved by us, (vi) in any domain names, or (vii) in any other manner not explicitly authorized in writing by us. You must observe all requirements with respect to service mark, trademark, and copyright notices, fictitious name registrations, and the display of the legal name or other identification of your Clean Franchise as we may direct in writing from time to time.

Your non-exclusive licensed use of the Marks under the Franchise Agreement does not give you any ownership interest or other interest in and/or to the Marks. Any and all goodwill associated with the Marks inures exclusively to our benefit without any compensation to you. Any unauthorized use of the Marks by you shall constitute an infringement of the Marks and our rights. You must not commit or aid in committing any act of infringement or misuse of the Marks, either during or after the term of the Franchise Agreement.

You must not directly or indirectly contest our right to our Marks, trade secrets, or business techniques that are part of our business. You must notify us immediately if you learn about an apparent infringement of, challenge to, or claim by any person related to your use of our Marks. We have no contractual obligation to defend you or to prosecute any legal action against others with respect to any infringement, unfair competition or other claim in any way related to your use of our trade name or trademark. We and our affiliates will take whatever action, if any, we deem appropriate and have the right to exclusively control any litigation or proceeding arising out of any such infringement, challenge, or claim or otherwise relating to any Marks.

You must execute any and all instruments and documents, and to do such acts and things as may, in the opinion of our counsel, be necessary or advisable to obtain protection for the Marks, protect and maintain the continued validity or enforceability of the Marks, and protect the interests of us or our affiliates in any litigation or proceeding. If it becomes advisable or desirable at any time in our judgment for you to modify or discontinue use of any Mark, and/or use one or more additional or substitute Marks, including the primary Mark and/or color scheme under which the Clean Franchise is operating, you must do so at your expense.

We will indemnify you against and reimburse you for all damages for which you are held liable in any proceeding arising out of your use of any Mark pursuant to and in compliance with the Franchise Agreement, provided (i) you provide us with prompt written notice of any potential claim, (ii) allow us to control the defense and settlement of the indemnified proceeding, and (iii) continue to comply with the terms and conditions of the Franchise Agreement. You and your owners may not settle any claim that could result in such an indemnified claim without our prior written consent.

**ITEM 14**  
**PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION**

We own the following patent that has been registered with the USPTO and is material to Clean Franchises:

<b>Registration No.</b>	<b>Patent</b>	<b>Date Registered</b>
8,083,860	Capture and Removal Cleaning System	December 27, 2011

We do not own any other patents or have any pending patent applications that are material to Clean Franchises.

We or our affiliates claim copyright protection of the information in the Manual and all of the manuals, advertising and promotional materials, forms, and related materials that we produce, although these materials may not have been registered with the Copyright Office of the Library of Congress. The materials are proprietary and confidential and are considered our property. You may use them only as long as you are a franchisee and are authorized by us to do so and only as provided in the Manual or the Franchise Agreement.

There are currently no effective determinations of the Copyright Office of the Library of Congress or any court regarding any of our copyrighted materials. There are no agreements in effect that significantly limit our right to use or license the copyrighted materials. We are not aware of any infringing uses of these materials that could materially affect your use of these materials. We are not required by any agreement to protect or defend our copyrights.

We will be disclosing to you certain information we believe to be confidential or proprietary information and trade secrets, including (i) the Manual; (ii) pricing information; (iii) materials describing the franchise network and System; (iv) the sources (or prospective sources) of supply and all information related to or concerning the same, including the identity and pricing structures with suppliers; (v) the training materials; (vi) our marketing plans and development strategies; (vii) customer information; (viii) Standards and specifications issued by us; (ix) knowledge or know-how regarding the development and operation of Clean Franchises; and (ix) all other information we give to you in confidence (collectively, the “**Confidential Information**”).

You may use the Confidential Information, in the manner we approve, in the operation of your business during the term of the Franchise Agreement. You may not, nor may you permit any person or entity to, (a) use any Confidential Information in any other business or for any purpose other than developing and operating your Clean Franchise and/or (b) communicate or disclose any Confidential Information to any person or entity, except to your employees and professional advisors to the extent necessary for them to perform their functions related to the operation of your Clean Franchise.

You must exercise the highest degree of diligence in protecting the secrecy of the Confidential Information. You must adopt and implement reasonable procedures, including any that we designate, to prevent unauthorized use or disclosure of this information to others. You are responsible for restricting

your employees from improperly using or disclosing the Confidential Information and are responsible if they fail to do so.

You must promptly inform us if you become aware of any unauthorized use or disclosure of the Confidential Information. We are not obligated to take any action but will respond to this information as we think appropriate. You must also agree not to contest our interest in these or our other trade secrets. We may require you to, at your expense, remediate such breach or unauthorized access.

If you fail to comply with the requirements of the Franchise Agreement concerning confidentiality, it will cause us irreparable injury and you are required to pay all court costs and reasonable attorneys' fees incurred by us in obtaining specific performance of, or an injunction against any violation of, the requirements of the Franchise Agreement concerning confidentiality.

There are no currently effective material determinations of the copyright office or any court regarding any of our copyrighted or proprietary materials. There are no agreements currently in effect that limit our rights to use or license the copyrighted or proprietary materials or any of our confidential information. We do not know of any superior prior right or infringing uses of our copyrighted materials or our proprietary information that could materially affect your use of those materials or information. We are not required by any agreement to protect or defend our copyrights or proprietary information or you, although we intend to protect our System.

We are not required by any agreement to (a) protect or defend any patents, patent applications, copyrights, or proprietary information that we currently or in the future may own, (b) defend you against (or participate in your defense of) any claims relating to your use of patented or copyrighted items, including our proprietary information, (c) indemnify you for expenses or damages you incur in a proceeding involving a patent, patent application, copyright, or proprietary information licensed to you, or (d) take any action when notified of any infringement of patented or copyrighted items. As the owner of the intellectual property, we have the right to control any litigation related to patents, copyrights, and proprietary information.

If we require you to modify or discontinue using any patented or copyrighted materials, including our proprietary information, you must make such changes at your expense, and the Franchise Agreement provides you with no other rights or remedies related to the change.

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

You, your owners, officers, and/or managers must devote full-time energy and best efforts to the management and operation of the Clean Franchise. If you do not personally supervise the business, or if you are a corporation, partnership, or limited liability company, you must employ a manager who will be responsible for direct, on-premises supervision of the business. You must monitor and be responsible for the performance of any managers you employ. The manager must have successfully completed the AOS Training program but need not have an ownership interest in your entity. You or one of your owners, however, may be a manager. You are responsible for restricting your managers from improperly using or disclosing our confidential information.

We will not provide any assistance in the hiring of any employees that you may hire. You are an independent owner and operator of the Clean Franchise, and you are responsible for the day-to-day operations of the Clean Franchise. You will have sole responsibility for all employment decisions and functions related to your Clean Franchise, including hiring, firing, promoting, demoting, compensation,

benefits, scheduling of employee work hours and shifts, work rules, record-keeping, supervision, and discipline of employees.

Unless we specify otherwise in writing, you must require anyone who may have access to the Confidential Information to execute non-disclosure agreements in a form satisfactory to us, the current form of which is attached to the Franchise Agreement. If you are a corporation, partnership, or limited liability company, we will require any owners that own directly or indirectly 15% or more of the ownership interests in your entity to sign the “Personal Guaranty and Agreement to be Bound Personally by the Terms and Conditions of the Franchise Agreement” attached to the Franchise Agreement, including the confidentiality provisions.

**ITEM 16:**  
**RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You must offer and provide the services we require. You may not offer or provide services that we have not approved. Currently, we require you to offer and provide the Core Services, and we permit you to offer and provide the Optional Services. We have the right to add to, delete, modify, or further define any of the Core Services and Optional Services from time to time in our sole discretion and will include such changes in the Manual.

We may develop or acquire other services that are improvements to the System or are compatible services with the System. At our sole discretion, we will determine if they will be incorporated into the System. If we incorporate new services into the System, we will provide you with a reasonable period of time to incorporate such services into your Clean Franchise.

You must only service the types of customers (i.e. commercial and/or residential customers) that are authorized under the Franchise Agreement. You must not actively solicit sales from customers outside of your defined territory. If you would like to service customers outside of your defined territory, you must submit the documentation required and may not provide such services if we reject such request.

Further, we have the right to put limitations on leads, projects and recurring janitorial contracts that we may develop for our franchisees. We assign these leads, projects and/or recurring janitorial contracts at our discretion. Procedures, policies, and standards regarding Optional Programs are provided in the Manual.

If permitted by law, we may require you to charge certain prices for goods or services, certain minimum prices for goods or services, or certain maximum prices for goods or services, as set forth in the Manual or otherwise in writing from time to time. If we set a suggested retail price for a good or service, we prohibit you from advertising any other prices for such goods or services. Where no price or maximum or minimum price has been specified or established by us, you may sell such goods or services at any reasonable price you choose. Advertised prices and specified maximum and minimum prices for goods or services may vary from region to region to the extent deemed necessary by us in order to reflect differences in costs and other factors applicable to such regions.

**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 franchise term	2.1	Five years for both new Clean Franchise and Conversion Franchises.
b. Renewal or extension of the term	2.2	<p>If you satisfy the conditions for renewal in Row “c”, you will have the option of entering into a renewal agreement for one additional, consecutive five-year term.</p> <p>If you do not sign our then-current form of Franchise Agreement and general release and complete the renewal process before the end of the term and continue operating your Clean Franchise and we do not provide you with a non-renewal notice, the Franchise Agreement will extend on a month-to-month basis, but we will have the right to terminate it at any time and, if you do not sign the agreements and complete the process within 60 days after the end of the term, your Royalties will be increased by 2.5% of Gross Service Sales. This provision may be subject to applicable state law.</p>
c. Requirements for you to renew or extend	2.2	<p>You must (i) provide us with written notice of your election to renew not less than six months, nor more than nine months, prior to the end of the then-existing term of the Franchise Agreement; (ii) not be (and your affiliates and owners must not be) in default under the Franchise Agreement or any Related Agreement and have not received three default notices during the term of any such agreement; (iii) not be in default under any loan agreement or lease related to the Clean Franchise (iv) be in compliance with the Minimum Monthly Sales Requirement and may not have missed the requirement more than two times in the last 18 months of the term; (v) have actively implemented the System and acted appropriately; (vi) have satisfied your reporting requirements and monetary obligations throughout the term; (vii) meet our then-current requirements for new franchisees and demonstrate financial ability; (viii) obtain our approval for a business plan; (ix) complete all required training; (x) sign our then-current form of Franchise Agreement which may have materially different terms and conditions than your original agreement; (xi) sign (and have your owners sign) a general release; (xii) pay the then-current renewal fee; and (xiii) satisfy any other reasonable conditions that we specify. We can refuse to allow you to renew or extend if you fail or refuse (or, in some cases, if during the term of the Franchise Agreement you have failed or refused) to meet each and every of these required conditions.</p>
d. Termination by you	Not Applicable	Not applicable, unless otherwise specified under applicable state laws.
e. Termination by us without cause	Not Applicable	Not Applicable
f. Termination by us with cause	13.1, 13.2, and 13.3	We can terminate only upon uncured or noncurable events of default. This provision may be subject to applicable state law.
g. “Cause” defined – defaults which can be cured	13.1	The following defaults are curable after written notice: (i) seven days to cure a payment default or default related to use of the Marks; (ii) 30 days to cure any breach of any provision of the Franchise Agreement or any Related Agreement, any software license agreement, or any

Provision	Section in Franchise Agreement	Summary
		Standard in the Manual or Standard relating to image or customer service or treatment, other than those specified in Row “h” below; and (iii) 24 hours to cure any act or conduct that materially impairs the goodwill associated with the Marks or our business operations.
h. “Cause” defined – non- curable defaults	13.3	The Franchise Agreement does not permit you to cure a default except as stated in Row “g” above. Non-curable defaults include (i) insolvency or inability to pay debts; (ii) filing of bankruptcy; (iii) abandonment; (iv) failure to permit access to financial information; (v) failing to comply with the Franchise Agreement (including non-payment of fees due), Standards, or Manual three times within 12 months; (vi) materially impairs the goodwill of the Marks or us; (vii) failing to remedy violation of any laws or regulations; (viii) conviction of a felony, crime involving moral turpitude, or any other crime or offense that may harm the Marks and the Clean Franchise; (ix) failure to maintain the required insurance; (x) an unauthorized transfer by you or your owners; (xi) an unauthorized grant of a security interest; (xii) breach of any confidentiality; (xiii) default by you, your owners, or your affiliates under any Related Agreement that would permit termination of such agreement; or (xiv) failure to meet the Minimum Monthly Sales Requirement three times in any nine-month period.
i. Your obligations on termination/ non-renewal	14	Obligations include (i) cease performing services and advertising; (ii) complete de-identification of vehicles and office location; (iii) cease using the Marks or colorable imitations of the Marks; (iv) transfer phone number(s), listings, email addresses, and social media accounts to us or our assignee; (v) return of Manual, all material bearing the Marks, and other materials related to the Clean Franchise; (vi) agreeing not to use any reproductions, counterfeit, copy, or colorable imitation of the Marks or System; (vii) delete and/or return all copies of proprietary software and transfer certain data to us; (viii) cancel assumed names; (ix) offer option to purchase assets; (x) comply with non-compete; and (xi) pay amounts due and liquidated damages.
j. Assignment of contract by us	12.1	We have the right to sell or assign the Franchise Agreement in whole or in part.
k. “Transfer” by you – defined	28	Includes a voluntary, involuntary, direct, or indirect assignment, sale, gift, pledge, mortgage, encumbrance, or other disposition of any interest in the Franchise Agreement; you; the Clean Franchise or substantially all of its assets; any of your owners (if such owner is a legal entity); or any right to receive all or a portion of the Clean Franchise’s, your, or an owner’s profits or losses or any capital appreciation relating to the Clean Franchise, you or any owner.
l. Our approval of transfer by franchisee	12.2	With limited exceptions for transfers to affiliated entities or trusts, we have the right to approve any (A) transfer of (i) the Franchise Agreement (or any interest in the Franchise Agreement), (ii) the Clean Franchise or all or substantially all of its assets, (iii) a controlling ownership interest in you, whether in one transaction or a series of related transactions, or (iv) a controlling ownership interest in any owners that controls you (if such owner is a legal entity), whether in

Provision	Section in Franchise Agreement	Summary
		<p>one transaction or a series of related transactions (collectively, a “<b>Control Transfer</b>”) and (B) transfer of (i) a non-controlling interest in you, (ii) a non-controlling interest in an owner that controls you (if such owner is a legal entity), or (iii) a controlling ownership interest in an owner that does not have a controlling ownership interest in you (collectively, a “<b>Non-Control Transfer</b>”). We will not unreasonably withhold our consent to a transfer if you satisfy our conditions, and you are substantially complying with the Franchise Agreement.</p>
<p>m. Conditions for our approval of transfer</p>	<p>12.2.4</p>	<p><u>For a Control Transfer</u>, you must (i) provide us with notice 10 days prior to listing the interest for sale along, (ii) submit an application and application fee for a proposed transferee, (iii) pay all amounts owed, (iv) not breach the Franchise Agreement or Related Agreement in the period before the transfer or your request for consent, (v) sign a termination agreement remaining liable for liability pre-transfer, (vi) commit, along with your owners, to not using our intellectual property, (vii) sign, along with your owners, a general release, and (viii) pay our then-current transfer fee. Your transferee must (a) meet our qualifications, (b) complete training at their expense, (c) either sign our then-current franchise agreement and related documents, which may include materially different terms and conditions, or assume your existing agreement, (d) have its applicable owners sign a guaranty, (e) have sufficient finances to not adversely affect the operation of the Clean Franchise, (f) prepare a business plan that we approve, and (g) not be involved in, or have any owners involved in, a competing business.</p> <p><u>For a Non-Control Transfer</u>, you must (i) provide us with advance notice of such transfer and any information we require, (ii) pay the then-current Change Fee, (iii) have all parties and their owners sign a general release and any other documents we require, and (iv) be (and your guarantors must be) in substantial compliance with the Franchise Agreement. Your transferee must (a) meet our qualifications, (b) not obtain a controlling interest through such transfer, and (c) not be involved in, or have any owners involved in, a competing business.</p> <p>We reserve the right to conduct an audit as a pre-condition to any transfer.</p>
<p>n. Our right of first refusal to acquire your business</p>	<p>12.2.12</p>	<p>If you or your owners would like to make a Control Transfer, you must give us a copy of the proposed offer, and we will have 45 days to match such offer. If there are material changes in the terms of the sale, we will have additional rights of first refusal. Our rights under this provision are fully transferable.</p>
<p>o. Our option to purchase franchisee’s business</p>	<p>14.9</p>	<p>We have the option to purchase from you certain assets used in the Clean Franchise within 60 days after the termination or expiration of the Franchise Agreement at the greater of your cost or fair market value. Our rights under this provision are fully transferable.</p>

Provision	Section in Franchise Agreement	Summary
p. Your death or disability	12.2.8	Within 6 months of the death or mental incapacity of a person with a controlling ownership interest in you or one of your controlling owners, the person's executor, administrator, or personal representative must transfer the owner's interest to a third party. In the case of a transfer by devise or inheritance, if the heirs or beneficiaries of such franchisee are unable to meet the transfer conditions, the personal representative has 9 months from the death or incapacity to complete a transfer, subject to all the conditions of transfers.
q. Non-competition covenants during the term of the franchise	15.2	You, your owners, and any spouse who is in any way involved in the Clean Franchise may not (i) divert any business or customer to any competitor or own, (ii) perform any act injurious to the Marks or the System, (iii) engage in any other business which performs any of the services provided by Clean Franchises, or (iv) use any vendor relationship for any other purpose. This provision may be subject to applicable state law.
r. Non-competition covenants after the franchise is terminated or expires	15.3	For one year after termination or expiration, you, your owners, and any spouse who is in any way involved in the Clean Franchise may not within the Territory or 25 miles of your Territory (i) divert any business or customer to any competitor or own or (ii) engage in any other business which performs any of the services provided by Clean Franchises and may not (a) perform any act injurious to the Marks or the System or (b) use any vendor relationship for any purpose. This provision may be subject to applicable state law.
s. Modification of the Franchise Agreement	21.2	The Franchise Agreement may be amended by mutual written consent, in which case we will require you and your owners and guarantors to sign the General Release. We may unilaterally modify the Manual from time to time.
t. Integration/ merger clause	21.1	The Franchise Agreement is the entire agreement and it supersedes all prior negotiations, commitments, representations, and undertakings; however, nothing in the Franchise Agreement or in any Related Agreement is intended to disclaim the representations we make in the Disclosure Document. Only the terms of the Franchise Agreement and other Related Agreements are binding (subject to state law). Any representations or promises outside of the Disclosure Documents and the Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	24.1	Disputes must be informally negotiated before being submitted to non-binding mediation. If mediation does not resolve the dispute, except for certain disputes listed in the Franchise Agreement and as may be prohibited by applicable state law, all disputes must be resolved by arbitration in the city in which our principal place of business is located (currently, Atlanta, Georgia).
v. Choice of forum	24.1.3 and 24.2.3	Subject to applicable state laws, all claims must be arbitrated or litigated in the city in which our principal place of business is located (currently, Atlanta, Georgia).
w. Choice of law	25	Subject to applicable state laws, Georgia law applies.

**ITEM 18:**  
**PUBLIC FIGURES**

We do not have any public figures serving as a spokesperson for any of the ServiceMaster® brands.

**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 Units, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing Unit 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.

This Item 19 presents information about the financial performance during the fiscal year ended December 31, 2024 (“**Fiscal Year 2024**”) for Franchise Ownership Groups. A “**Franchise Ownership Group**” or “**FOG**” consists of one or more Clean Franchises that are owned by one or more entities that are affiliated with each other by common ownership. 59.5% of our Franchise Ownership Groups have only one Clean Franchise (a “**Single-Franchise Ownership Group**”). If you are a new franchisee purchasing a single Clean Franchise, you will be a Single-Franchise Ownership Group. 40.5% of our Franchise Ownership Groups consist of one or more entities that own more than one Clean Franchise (a “**Multi-Franchise Ownership Group**”). We believe Franchise Operating Groups are the best measurement of our franchisee’s actual business operations.

In this Item 19, we have included data from Franchise Ownership Groups that owned at least one Active Franchise throughout Fiscal Year 2024. An “**Active Franchise**” is a Clean Franchise that (i) opened their business prior to Fiscal Year 2024 and had an active Franchise Agreement throughout all of Fiscal Year 2024, (ii) reported Gross Service Sales in at least six of the 12 months of Fiscal Year 2024, and (iii) was owned by the same Franchise Ownership Group throughout Fiscal Year 2024. Some Active Franchises that had active Franchise Agreements throughout Fiscal Year 2024 did not report Gross Service Sales in all 12 months of the year because they (a) did not have any sales in certain months despite being in operation, (b) allocated sales to other Clean Franchises owned by the same Franchise Ownership Group (for example, if a Franchise Ownership Group owned five Clean Franchises, they allocated all sales in a month to one of the five Clean Franchises), (c) failed to timely report sales in a given month, or (d) temporarily suspended operations for certain months for personal or other reasons.

This Item 19 does not include data related to (i) company-owned units (there were not any that operated in Fiscal Year 2024) and (ii) Franchise Operating Groups that did not have at least one Active Franchise operating throughout all of Fiscal Year 2024 because (a) they did not have any Clean Franchises that reported Gross Service Sales for at least six months of Fiscal Year 2024, (b) they transferred ownership of all of their franchises in Fiscal Year 2024, (c) they opened their first franchise during Fiscal Year 2024, or (d) they ceased operating all of their franchises in Fiscal Year 2024.

In the tables below, we have presented Gross Service Sales data for Single-Franchise Ownership Groups with one Active Franchise operating throughout Fiscal Year 2024 and for all Franchise Ownership Groups that had any Active Franchises operating throughout Fiscal Year 2024.

**TABLE 1:**  
**GROSS SERVICE SALES BY QUARTILES**  
**SINGLE-FRANCHISE OWNERSHIP GROUPS**  
**WITH ONE ACTIVE FRANCHISE**  
**FOR FISCAL YEAR 2024**

Quartiles	Number of Single-FOGs	Average Gross Service Sales	Number and Percentage of Single-FOGs Attaining or Exceeding Average Gross Service Sales	Median Gross Service Sales	Lowest Gross Service Sales	Highest Gross Service Sales
Top Quartile	42	\$2,102,105	12 / 28.6%	\$1,580,337	\$837,216	\$11,305,878
2 <sup>nd</sup> Quartile	41	\$553,158	17 / 41.5%	\$515,137	\$360,877	\$796,340
3 <sup>rd</sup> Quartile	42	\$255,195	23 / 54.8%	\$259,836	\$154,390	\$354,546
Bottom Quartile	41	\$81,345	23 / 56.1%	\$93,067	\$2,696	\$152,514
Total	166	\$753,140	48 / 28.9%	\$357,712	\$2,696	\$11,305,878

**Notes to Table 1:**

- (f) As of December 31, 2024, there were 330 Franchise Ownership Groups that owned 621 Clean Franchises. Of those 330 Franchise Ownership Groups, there were 184 Single-Franchise Ownership Groups. Of those 184 Single-Franchise Franchise Ownership Groups, 166 Single-Franchise Ownership Groups had one Active Franchise throughout Fiscal Year 2024 and are represented in this table. This table does not include (i) four Single-Franchise Ownership Groups that operated throughout Fiscal Year 2024 but failed to report revenue in all 12 months, (ii) six Single-Franchise Ownership Groups that transferred ownership of their franchise in Fiscal Year 2024, and (iii) eight Single-Franchise Ownership Group that opened their franchise during Fiscal Year 2024. This table also does not include 12 Single-Franchise Ownership Groups that ceased operating their franchises in Fiscal Year 2024 (none of which opened their franchise within the 12 months prior to the date such franchises closed).
- (g) The 166 Single-Franchise Ownership Groups represented in this table include 108 Cleaning Services Licenses and 58 Former Licenses (including 52 contract services licenses, one small market license, two floor care licenses, one commercial license, and two small business licenses). As described in Note 3 in the Notes to Table 19 below, we believe that the Former Licenses are substantially similar to the Cleaning Services Licenses that we offer to new franchisees.

**TABLE 2:**  
**GROSS SERVICE SALES BY QUARTILES**  
**ALL FRANCHISE OWNERSHIP GROUPS**  
**WITH AT LEAST ONE ACTIVE FRANCHISE**  
**FOR FISCAL YEAR 2024**

	Top Quartile	2 <sup>nd</sup> Quartile	3 <sup>rd</sup> Quartile	Bottom Quartile	Total
# of FOGs	78	77	77	77	309
# of Active Franchises	200	134	133	98	565
Average # of Active Franchises	2.56	1.74	1.73	1.27	1.83
# and % of FOGs at or above Average # of Active Franchises	30 / 38.5%	39 / 50.6%	27 / 35.1%	14 / 18.2%	133 / 43.0%
Median # of Active Franchises	2	2	1	1	1
Lowest # of Active Franchises	1	1	1	1	1
Highest # of Active Franchises	9	4	10	6	10
Average Gross Service Sales	\$4,391,262	\$971,325	\$414,279	\$119,090	\$1,483,430
# and % of FOGs at or above Average Gross Sales	24 / 30.1%	31 / 40.3%	34 / 44.2%	36 / 46.8%	78 / 25.2%
Median Gross Service Sales	\$2,807,171	\$895,309	\$402,376	\$106,750	\$621,261
Lowest Gross Service Sales	\$1,484,581	\$621,261	\$262,519	\$2,696	\$2,696
Highest Gross Service Sales	\$26,644,988	\$1,482,458	\$619,122	\$257,154	\$26,644,988

**Notes to Table 2:**

1. The data in Table 2 discloses the performance of Franchise Ownership Groups that operated one or more Active Franchises throughout Fiscal Year 2024. We have also included data about the number of Active Franchises operated by the Franchise Ownership Groups in each quartile. The table includes data from (a) 166 Single-Franchise Ownership Groups that operated one Active Franchise in a single territory (which are the Active Franchises represented in Table 1) and (b) 143 Multi-Franchise Ownership Groups that operated (i) multiple types of SM Licenses (e.g., Cleaning Services License and Former Licenses) that offer similar or identical services in one territory, (ii) one type of SM License (e.g., a Cleaning Services License) in multiple territories, or (iii) multiple types of SM Licenses in multiple territories. As explained in Note 4 in the Notes to Item 19 below, Clean Franchises are typically operated as a single Franchise Ownership Group business and report aggregated revenue by Franchise Ownership Group, rather than by territory or franchise type.
2. As of December 31, 2024, there were 330 Franchise Ownership Groups. Of those 330 Franchise Ownership Groups, 309 Franchise Ownership Groups had at least one Active Franchise throughout Fiscal Year 2024 and are represented in this table. This table does not include (i) four Franchise Ownership Groups that operated throughout Fiscal Year 2024 failed to report in all 12 months, (ii) eight Franchise Ownership Groups that transferred ownership of all of their franchises in Fiscal Year 2024, and (iii) nine Franchise Ownership Groups that opened their first franchise during Fiscal Year 2024. This table also does not include 12 Franchise Ownership Groups that ceased operating all of their franchises in Fiscal Year 2024 (none of which opened their franchise within the 12 months prior to closing it).
3. As of December 31, 2024, the 309 Franchise Ownership Groups that are represented in this table owned 565 Active Franchises throughout all of Fiscal Year 2024 (out of 621 total Clean Franchises that were in operation as of December 31, 2024). Thus, 56 Clean Franchises are not represented in

the data in this table, including (i) 17 Clean Franchises that operated throughout Fiscal Year 2024 but failed to report revenue in all 12 months, (ii) 17 Clean Franchises that transferred ownership in Fiscal Year 2024, and (iii) 22 Clean Franchises that opened during Fiscal Year 2024. This table also does not include data from 18 Clean Franchises that ceased operating their franchises in Fiscal Year 2024 (none of which opened their franchises within the 12 months prior to the date such franchises closed).

4. The 565 Active Franchises operated by the 309 Franchise Ownership Groups represented in this table include 329 Cleaning Services Licenses and 236 Former Licenses (including 155 contract services licenses, six small market licenses, 51 floor care licenses, 18 commercial licenses, and six small business licenses. As described in Note 3 in the Notes to Table 19 below, we believe that these Former Licenses are substantially similar to the Cleaning Services License that we offer to new franchisees.
5. If a Franchise Ownership Group owned multiple Clean Franchises in Fiscal Year 2024, but some were not Active Franchises throughout all of Fiscal Year 2024, only the revenue from the Clean Franchises that were Active Franchises throughout all of Fiscal Year 2024 have been included in this table.
6. Out of the 309 Franchise Operating Groups included in the table, 166 Franchise Operating Groups owned one Clean Franchise, 110 owned two to three Clean Franchises, 20 owned four to five Clean Franchises, and 13 owned six to ten Clean Franchises.

#### NOTES TO ITEM 19:

1. **Some franchises have sold or earned this amount. Your individual results may differ. There is no assurance that you'll sell or earn as much.**
2. **“Gross Service Sales”** means (X) all charges and/or revenues which are billed, received, or earned by you, your affiliates, your owners, any related parties (including your officers and family members), and/or your subcontractors:
  - i) by, at, or in connection with the Clean Franchise or the use of any of the Marks;
  - ii) relating to the kinds of goods or services available now or in the future through the Clean Franchise and/or distributed in association with the Marks or the licensed system of operations;
  - iii) relating to the operation of any similar businesses (that offers, is otherwise involved in, or deals with goods and services similar to those offered by Clean Franchises);
  - iv) with respect to any co-branding activities (including goods or services provided under, or in conjunction with, a mark other than the Marks); and/or
  - v) with respect to any other revenues of any kind received from third parties related to the operation of the Clean Franchise, including any revenue received from us or our affiliates (such as revenue we or our affiliates collect directly from customers that is related to work performed by you) or from vendors (such as rebates or referral fees); **less**

(Y) any approved adjustments that may be deducted in accordance with the royalty remittance policy in the Manual, as such policy may be revised from time to time. Currently, approved deductions include (i) bad debt, (ii) coupons, (iii) certain subcontracted services, including specialty blind cleaning requiring special equipment, debris removal/hauling, drapery cleaning, driveway blacktop maintenance, duct cleaning, internal electronics cleaning, moving services, marble floor grinding, hazmat disposal, high-rise window cleaning, ice removal, industrial

equipment cleaning that requires special equipment, lab analysis of samples, laundry cleaning, lawn maintenance, general maintenance services, media blasting, microbial testing/sampling, painting, plumbing, storage PODs, ride-on scrubbers, roof cleaning, specialty rug cleaning, security services, snow removal, soda blasting, tree removal, and wood finishing, (iv) dumpster services and fuel provided at job sites, (v) equipment rented from other franchisees, (vi) rental equipment, provided it is not offered by us for purchase, including mat rental, scaffolding, and scissor lifts, (vii) off-site storage and on-site storage PODs, (viii) paper products requested by and separately billed to customer, (ix) certain permits, (x) referral fees paid to other franchisees, and (xi) sales tax. Unless otherwise specified in the Manual or by us in writing, Gross Service Sales includes all revenue at the time billed and must be reported monthly on an accrual basis in the month the work was billed to the customer, regardless of when and if such revenue is collected by you. Unless otherwise specified in the Manual, any expenses related to goods or services provided to you or customers by any parties related to you (acting as a subcontractor, vendor, or otherwise) are not deductible as adjustments from Gross Service Sales.

3. Clean Franchises included in this Item 19 operate under Cleaning Services Licenses and Former Licenses. While we no longer offer Former Licenses to new franchisees, a Clean Franchise that operates under a Cleaning Services License is authorized to offer all of the services that are offered by Clean Franchises that operate under the Former Licenses. Though Clean Franchises operated under the Former Licenses are not all authorized to offer all of the services that are offered by Clean Franchises operated under Cleaning Services Licenses, they are otherwise substantially similar to Clean Franchises operated under Cleaning Services Licenses, since they offer similar services under the SM Clean Mark. Accordingly, we have not distinguished between the various types of SM Licenses in this Item 19, even though some of the Former Licenses earn revenue from fewer service offerings than a new Clean Franchise operating under a Cleaning Services License will offer.
4. In practice, many Multi-Franchise Ownership Groups consolidate the revenue earned by all of their Clean Franchises and report such revenue under one or more of their Clean Franchises, causing their other Clean Franchises to report little or no revenue. In addition, Multi-Franchise Ownership Groups often own (a) multiple Clean Franchises operating under multiple types of SM Licenses in the same Territory (such as a Cleaning Services License and a Former License) that offer identical services and (b) multiple Clean Franchises in the same category of SM License (i.e., multiple Cleaning Services Licenses) that may have overlapping territorial rights (as Territories are not exclusive, some Territories overlap). As a result of this, Franchise Operating Groups do not consistently allocate revenue to individual Clean Franchises in the same manner, since the same revenue could reasonably be allocated to multiple Clean Franchises that they own.

As a result, we are unable to reasonably present Gross Service Sales data that is organized by the number of Active Franchises owned (except for Single-Franchise Ownership Groups, since they have only one franchise to which such sales can be allocated) or by category of SM Licenses, because the average, median, low, and high figures for such data subsets would be unreliable and dissimilar. As the Clean Franchises are typically operated as a single Franchise Ownership Group business and the revenue for such Clean Franchises are aggregated by Franchise Ownership Group, we believe it is more reasonable to present data by Franchise Ownership Group.

5. These sales figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the Gross Service Sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will

incur in operating your Clean Franchise. Franchisees or former franchisees, listed in this disclosure document, may be one source of information.

6. We calculated the figures in the tables in these financial performance representations using financial reports submitted by franchisees.
7. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

Other than in this Item 19, 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 receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting the Legal Department, ServiceMaster Clean/Restore SPE LLC, One Glenlake Parkway, 14<sup>th</sup> Floor, Atlanta, Georgia 30328, Telephone 800-756-5656, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20:  
OUTLETS AND FRANCHISEE INFORMATION**

For the purposes of the tables in this Item 20, an outlet is defined as Clean Franchise operated under a Franchise Agreement. All year-end numbers appearing in the tables below are as of December 31.

**Table No. 1  
Systemwide Outlet Summary for Years 2022 to 2024**

<b>Outlet Type</b>	<b>Year</b>	<b>Outlets at the Start of the Year</b>	<b>Outlets at the End of the Year</b>	<b>Net Change</b>
<b>Franchised</b>	<b>2022</b>	714	673	-41
	<b>2023</b>	673	617	-56
	<b>2024</b>	617	621	4
<b>Company Owned</b>	<b>2022</b>	0	0	0
	<b>2023</b>	0	0	0
	<b>2024</b>	0	0	0
<b>Total Outlets</b>	<b>2022</b>	714	673	-41
	<b>2023</b>	673	617	-56
	<b>2024</b>	617	621	4

1. The franchised outlets are based on the number of SM Licenses that remain active. Previously, franchisees were granted Former Licenses and Cleaning Services Licenses to offer certain services to certain types of customers within the same territory. As a result, some franchisees owned multiple Former Licenses and a Cleaning Services License in same or similar Territories. As discussed in Item 1, we are in the process of transitioning the Former Licenses to a single Cleaning Service License upon renewal or transfer of each license. As of December 31, 2024, the 621 Clean Franchises were comprised of 370 Cleaning Services Licenses and 251 Former Licenses.

**Table No. 2  
Transfer of Franchised Outlets for Years 2022 to 2024**

<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
<b>AL</b>	<b>2022</b>	0
	<b>2023</b>	1
	<b>2024</b>	0
<b>AR</b>	<b>2022</b>	0
	<b>2023</b>	0
	<b>2024</b>	1
<b>AZ</b>	<b>2022</b>	0
	<b>2023</b>	0
	<b>2024</b>	0
<b>CA</b>	<b>2022</b>	1
	<b>2023</b>	0
	<b>2024</b>	0
<b>CO</b>	<b>2022</b>	0
	<b>2023</b>	0
	<b>2024</b>	0
<b>CT</b>	<b>2022</b>	2
	<b>2023</b>	0
	<b>2024</b>	0
<b>DE</b>	<b>2022</b>	0
	<b>2023</b>	0
	<b>2024</b>	0
<b>FL</b>	<b>2022</b>	2
	<b>2023</b>	1
	<b>2024</b>	1
<b>GA</b>	<b>2022</b>	1
	<b>2023</b>	3
	<b>2024</b>	1
<b>IA</b>	<b>2022</b>	1
	<b>2023</b>	2
	<b>2024</b>	1
<b>ID</b>	<b>2022</b>	4
	<b>2023</b>	2
	<b>2024</b>	0

<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
<b>IL</b>	<b>2022</b>	2
	<b>2023</b>	2
	<b>2024</b>	0
<b>IN</b>	<b>2022</b>	2
	<b>2023</b>	0
	<b>2024</b>	2
<b>KS</b>	<b>2022</b>	0
	<b>2023</b>	0
	<b>2024</b>	1
<b>KY</b>	<b>2022</b>	0
	<b>2023</b>	0
	<b>2024</b>	2
<b>LA</b>	<b>2022</b>	0
	<b>2023</b>	0
	<b>2024</b>	0
<b>MA</b>	<b>2022</b>	0
	<b>2023</b>	0
	<b>2024</b>	0
<b>MD</b>	<b>2022</b>	2
	<b>2023</b>	2
	<b>2024</b>	0
<b>MI</b>	<b>2022</b>	0
	<b>2023</b>	2
	<b>2024</b>	0
<b>MN</b>	<b>2022</b>	1
	<b>2023</b>	0
	<b>2024</b>	0
<b>MO</b>	<b>2022</b>	2
	<b>2023</b>	0
	<b>2024</b>	0
<b>MS</b>	<b>2022</b>	0
	<b>2023</b>	0
	<b>2024</b>	1
<b>MT</b>	<b>2022</b>	1
	<b>2023</b>	0
	<b>2024</b>	1

<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
<b>NC</b>	<b>2022</b>	0
	<b>2023</b>	0
	<b>2024</b>	0
<b>ND</b>	<b>2022</b>	1
	<b>2023</b>	0
	<b>2024</b>	0
<b>NE</b>	<b>2022</b>	1
	<b>2023</b>	0
	<b>2024</b>	0
<b>NJ</b>	<b>2022</b>	0
	<b>2023</b>	0
	<b>2024</b>	0
<b>NV</b>	<b>2022</b>	0
	<b>2023</b>	0
	<b>2024</b>	0
<b>NY</b>	<b>2022</b>	0
	<b>2023</b>	3
	<b>2024</b>	0
<b>OH</b>	<b>2022</b>	4
	<b>2023</b>	0
	<b>2024</b>	2
<b>OK</b>	<b>2022</b>	2
	<b>2023</b>	0
	<b>2024</b>	1
<b>OR</b>	<b>2022</b>	1
	<b>2023</b>	0
	<b>2024</b>	0
<b>PA</b>	<b>2022</b>	2
	<b>2023</b>	1
	<b>2024</b>	1
<b>SD</b>	<b>2022</b>	2
	<b>2023</b>	0
	<b>2024</b>	0
<b>TN</b>	<b>2022</b>	0
	<b>2023</b>	0
	<b>2024</b>	1

State	Year	Number of Transfers
TX	2022	0
	2023	1
	2024	0
UT	2022	1
	2023	0
	2024	0
VA	2022	3
	2023	2
	2024	1
WA	2022	1
	2023	0
	2024	0
Total	2022	39
	2023	22
	2024	17

**Table No. 3  
Status of Franchised Outlets for Years 2022 to 2024**

State	Year	Outlets at the Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at the End of the Year
AK	2022	3	0	0	0	0	0	3
	2023	3	0	0	2	0	0	1
	2024	1	0	0	0	0	0	1
AL	2022	6	0	0	0	0	0	6
	2023	6	0	0	0	0	1	5
	2024	5	1	1	0	0	1	4
AR	2022	7	0	0	0	0	0	7
	2023	7	0	0	1	0	0	6
	2024	6	0	0	0	0	0	6
AZ	2022	6	0	1	0	0	0	5
	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5

State	Year	Outlets at the Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at the End of the Year
CA	2022	34	1	1	1	0	0	33
	2023	33	1	1	3	0	0	30
	2024	30	0	0	2	0	0	28
CO	2022	19	0	0	1	0	0	18
	2023	18	0	1	0	0	2	15
	2024	15	0	0	0	0	0	15
CT	2022	6	0	0	1	0	0	5
	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
FL	2022	17	0	2	0	0	0	15
	2023	15	1	0	0	0	0	16
	2024	16	2	0	0	0	0	18
GA	2022	19	0	0	0	0	1	18
	2023	18	1	0	0	0	0	19
	2024	19	1	0	0	0	0	20
HI	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
IA	2022	19	0	2	0	0	0	17
	2023	17	0	0	0	0	2	15
	2024	15	0	0	0	0	0	15
ID	2022	10	0	0	0	0	0	10
	2023	10	0	1	0	0	0	9
	2024	9	0	0	0	0	0	9
IL	2022	36	1	0	3	0	0	34
	2023	34	0	2	5	0	0	27
	2024	27	5	0	0	0	0	32
IN	2022	15	0	0	0	0	0	15
	2023	15	0	0	0	0	1	14
	2024	14	0	0	1	0	0	13
KS	2022	17	0	1	0	0	0	16
	2023	16	0	0	0	0	0	16
	2024	16	0	0	0	0	1	15
KY	2022	7	0	0	0	0	0	7
	2023	7	0	0	0	0	0	7
	2024	7	0	0	0	0	0	7

State	Year	Outlets at the Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at the End of the Year
LA	2022	9	0	0	0	0	0	9
	2023	9	0	0	1	0	0	8
	2024	8	0	0	0	0	0	8
MA	2022	9	0	0	1	0	0	8
	2023	8	0	0	0	0	0	8
	2024	8	0	0	0	0	0	8
MD	2022	16	0	0	0	0	0	16
	2023	16	0	0	1	0	0	15
	2024	15	0	0	0	0	0	15
ME	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	1	4
	2024	4	0	0	0	0	0	4
MI	2022	28	0	0	1	0	0	27
	2023	27	0	0	1	0	1	25
	2024	25	2	0	0	0	0	27
MN	2022	34	0	1	0	0	0	33
	2023	33	0	0	2	0	0	31
	2024	31	0	0	0	0	0	31
MO	2022	17	0	0	0	0	0	17
	2023	17	1	0	0	0	1	17
	2024	17	0	1	0	0	0	16
MS	2022	20	0	1	0	0	0	19
	2023	19	0	0	2	0	0	17
	2024	17	0	0	0	0	1	16
MT	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	1	3
NC	2022	26	0	4	0	0	0	22
	2023	22	1	1	2	0	0	20
	2024	20	0	0	0	0	0	20
ND	2022	11	0	1	0	0	0	10
	2023	10	0	1	0	0	0	9
	2024	9	0	0	0	0	0	9
NE	2022	9	0	1	0	0	0	8
	2023	8	0	0	0	0	0	8
	2024	8	0	0	0	0	0	8

State	Year	Outlets at the Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at the End of the Year
NH	2022	1	0	0	0	0	1	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
NJ	2022	25	1	1	0	0	0	25
	2023	25	1	1	3	0	0	22
	2024	22	1	0	0	0	0	23
NM	2022	6	0	0	0	0	0	6
	2023	6	0	0	0	0	0	6
	2024	6	0	0	0	0	0	6
NV	2022	3	0	1	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
NY	2022	18	0	2	1	0	0	15
	2023	15	0	0	2	0	1	12
	2024	12	0	0	1	0	0	11
OH	2022	34	0	2	2	0	2	28
	2023	28	0	1	1	0	0	26
	2024	26	2	0	1	0	0	27
OK	2022	8	0	1	0	0	0	7
	2023	7	0	0	1	0	0	6
	2024	6	0	0	0	0	0	6
OR	2022	24	0	1	0	0	0	23
	2023	23	0	0	3	0	5	15
	2024	15	0	0	0	0	1	14
PA	2022	36	0	0	0	0	0	36
	2023	36	0	1	2	0	1	32
	2024	32	0	0	1	0	1	30
SC	2022	9	0	2	0	0	0	7
	2023	7	0	0	0	0	0	7
	2024	7	1	0	0	0	0	8
SD	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
TN	2022	32	0	0	0	0	0	32
	2023	32	1	0	2	0	0	31
	2024	31	1	0	0	0	1	31

State	Year	Outlets at the Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations - Other Reasons	Outlets at the End of the Year
TX	2022	25	1	1	0	0	0	25
	2023	25	3	0	0	0	2	26
	2024	26	4	0	1	0	0	29
UT	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
VA	2022	23	0	0	0	0	0	23
	2023	23	0	0	1	0	0	22
	2024	22	0	0	0	0	0	22
WA	2022	13	0	0	0	0	0	13
	2023	13	0	0	0	0	1	12
	2024	12	1	0	0	0	0	13
WI	2022	32	0	1	2	0	0	29
	2023	29	0	2	0	0	0	27
	2024	27	1	0	1	0	0	27
WV	2022	6	0	0	1	0	0	5
	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	1	4
Total	2022	714	4	27	14	0	4	673
	2023	673	10	12	35 <sup>(1)</sup>	0	19 <sup>(1)</sup>	617
	2024	617	22	2	8 <sup>(1)</sup>	0	8 <sup>(1)</sup>	621

**Notes to Table No. 3:**

1. Some of the non-renewals and ceased operations in 2023 and 2024 were attributable to an effort to consolidate Former Licenses and Cleaning Services Licenses owned by existing franchisees into a single Clean Franchise. Thus, while the number of licenses owned by such consolidated franchisees changed (as reflected in this table), such franchisees continued to operate their businesses, offering the same services within the same territories, through their consolidated Clean Franchise.

**Table No. 4**  
**Status of Company-Owned for Years 2022 to 2024**

State	Year	Outlets at the Start of the Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at the End of the Year
<b>Totals</b>	<b>2022</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>2023</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>2024</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table No. 5**  
**Projected Openings As of December 31, 2023**  
**For Fiscal Year Ending on December 31, 2024**

State	Franchise Agreement Signed but Outlet Not Open	Projected New Franchised Outlets in the Next Fiscal Year	Projected Company-Owned Outlets in the Next Fiscal Year
<b>Arizona</b>	0	2	0
<b>Florida</b>	0	1	0
<b>Kansas</b>	0	1	0
<b>North Carolina</b>	0	2	0
<b>Virginia</b>	0	1	0
<b>Washington</b>	0	1	0
<b>Total</b>	<b>0</b>	<b>8</b>	<b>0</b>

For all charts presented in this Item 20, states not listed in a chart had no franchised, company-owned or affiliate-owned Clean Franchises or activity during the relevant period.

**CURRENT AND FORMER FRANCHISEES**

The name, business address, and business telephone number of each current franchisee as of December 31, 2024, is attached to this Disclosure Document as Exhibit D. The name, last known address, and telephone number of every franchisee who has had a franchise terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during the most recent fiscal year or has not communicated with us or our affiliates within 10 weeks of the issuance date of this Franchise Disclosure Document, is attached as Exhibit E. Please note, if you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

We are not currently offering and do not anticipate offering any existing franchised outlets to prospective franchisees, including those that either have been reacquired by us or are still being operated by current franchisees pending a transfer. In the event that we begin to offer any such outlet, specific information about the outlet will be provided to you in a separate Addendum to this Disclosure Document.

**CONFIDENTIALITY AGREEMENTS**

We have entered into confidentiality clauses with former franchisees during the past three years. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experiences with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

**TRADEMARK-SPECIFIC FRANCHISE ORGANIZATIONS**

We have not created, sponsored, or endorsed any trademark-specific franchisee organization associated with our franchise system. The following independent franchisee organization has asked to be included in this Disclosure Document:

SMFOA  
 Board of Directors  
 American Association of Franchisees & Dealers  
 P. O. Box 10158  
 Palm Desert, California 92255-1058  
 Phone: 619-209-3775  
 Email: smfoa@aafdchapters.org

**ITEM 21:  
 FINANCIAL STATEMENTS**

Attached to this Disclosure Document as Exhibit B are: (i) the audited financial statements of our direct parent, SM Systems, as of December 31, 2022, December 31, 2023, and December 31, 2024 and (ii) SM Systems’ Guaranty of our obligations to you under the Franchise Agreement.

As reflected in Item 1, SM Manager will be providing required support and services to franchisees under a management agreement with us. Also attached to this Disclosure Document as Exhibit B are the audited financial statements of our indirect parent, SM Manager, as of December 31, 2022, December 31, 2023, and December 31, 2024. These financial statements are being provided for disclosure purposes only. SM Manager is not a party to the Franchise Agreement or other agreement we sign with franchisees nor does it guarantee our obligations under the Franchise Agreement or other agreements we sign with franchisees.

Also attached to this Disclosure Document as Exhibit B are the unaudited balance sheets and income statements of SM Systems and SM Manager as of March 31, 2025. These financial statements are unaudited and include, in the opinion of management, normal recurring adjustments necessary to fairly state each company’s financial condition as of that date. These financial statements have not been reviewed by an accountant and do not contain any financial statement notes.

**ITEM 22:  
 CONTRACTS**

The following contracts are attached to this Disclosure Document:

<b>Agreement</b>	<b>Exhibit</b>
ServiceMaster Franchise Agreement	A-1
Cleaning Services License	A-1 – Exh. A
General Release	A-1 – Exh. B

<b>Agreement</b>	<b>Exhibit</b>
Electronic Funds Transfer Authorization Form	A-1 – Exh. C
Personal Guaranty	A-1 – Exh. D
Distributor PAR Agreement	A-2
State-Specific Addenda to the Franchise Agreement	F
Conversion Franchise – Core Service Ramp-up	H

**ITEM 23:  
RECEIPTS**

Two copies of an acknowledgement of your receipt of this Disclosure Document are included at the end of this Disclosure Document (Exhibit I). You should keep one copy for your file and return the second copy to us.

**Exhibit A to the FDD**

**SERVICEMASTER CLEAN FRANCHISE AGREEMENT  
AND RELATED AGREEMENTS**

**Exhibit A-1 to the FDD**

**SERVICEMASTER CLEAN FRANCHISE AGREEMENT**

## SERVICEMASTER CLEAN® FRANCHISE AGREEMENT

**THIS SERVICEMASTER CLEAN® FRANCHISE AGREEMENT** (this “**Agreement**”) is made and entered into as of \_\_\_\_\_ (the “**Effective Date**”) between SERVICEMASTER CLEAN/RESTORE SPE LLC, a Delaware limited liability company with its principal place of business located at One Glenlake Parkway, 14<sup>th</sup> Floor, Atlanta, Georgia 30328 (“**Franchisor**”) and \_\_\_\_\_, a \_\_\_\_\_ (“**Franchisee**”) doing business as \_\_\_\_\_.

### RECITALS:

WHEREAS, Franchisor, as the result of the investment of significant time, skill, effort and money, has developed a program, method and system (the “**System**”) for providing certain services. The distinguishing characteristics of the System include, without limitation, Standards and specifications for products, equipment and processes; and methods and techniques for inventory and cost controls, record keeping and reporting, sales, promotion, and advertising; all of which may be changed, improved and further developed by Franchisor from time to time and disseminated to Franchisee in the Manual (as defined in Section 7.1 (Compliance with the Manual)), or otherwise in writing;

WHEREAS, Franchisor has the right in connection with the System to sublicense the right to use certain Marks as are now designated in Exhibit A and may be designated by Franchisor in the Manual or otherwise in writing as part of the System, and Franchisor continues to develop and use the Marks for the benefit of itself and its respective franchisees in order for the public to identify the source of goods and services marketed under the System and to represent the System’s high standards of quality and service;

WHEREAS, in the course of operations under the System, Franchisor has developed for licensing to franchisees the ServiceMaster Clean® license (collectively, with any other such license(s) specified by Franchisor from time to time, the “**SM Licenses**”). The ServiceMaster Clean® license being licensed to Franchisee pursuant to this Agreement is set forth and more fully described in Section 1 of Exhibit A, which is attached to and made a part of this Agreement (the “**License**”);

WHEREAS, a business that is primarily identified by the ServiceMaster Clean® Marks and operates under the System is referred to in this Agreement as a “**System Business**”;

WHEREAS, Franchisee desires to operate a System Business and desires to obtain a non-exclusive license from Franchisor to use the License, the System, and the Marks, as well as to receive the training and other assistance provided by Franchisor in connection with the License and the System; and

WHEREAS, Franchisee understands and acknowledges the importance of Franchisor’s high and uniform standards of quality and service and the necessity of performing services in conformity with Franchisor’s standards and specifications for the License and the System.

**NOW, THEREFORE**, in consideration of the undertakings and commitments of each party to the other party set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby mutually agree as follows:

### 1. APPOINTMENT

1.1 Non-Exclusive Appointment; Territory. Franchisor hereby grants to Franchisee, and Franchisee hereby undertakes the obligation, upon the terms and conditions contained in this Agreement, a non-exclusive right and license to use the System solely to operate a System Business that offers and provides the services specified in the License (the “**Franchised Business**”) within the territory described

in **Exhibit A** (the “Territory”). Franchisee shall market to and solicit customers within the Territory; however, Franchisee may perform services for a customer outside the Territory if the customer initiates the request. Franchisee may market and solicit outside the Territory only when marketing to a company whose office is physically located outside the Territory, but whose customers are located within the Territory; or when marketing authorized services to a property manager, group, or company whose office is located outside the Territory, but whose commercial facility is within the Territory. Franchisee will operate the Franchised Business within the Territory from one or more office locations approved by Franchisor. Franchisee must obtain Franchisor’s written approval for each office location (including any relocations of any office) prior to entering into a lease for such location and at least 30 days prior to opening such office.

1.2 **License Granted.** Franchisee expressly acknowledges and agrees that this License relates solely to the Territory and solely to the type of SM License specified in **Exhibit A** and does not grant Franchisee any rights under any other SM Licenses offered or supported by Franchisor. The SM Licenses set forth in the recitals, as well as any other licenses that may be developed, offered, or supported by Franchisor from time to time as specified in the Manual (which are considered part of the SM Licenses), are specifically excluded if not identified in **Exhibit A**. Also excluded are other licenses, programs, or concepts performed under the Marks by Franchisor and its Affiliates including management services programs and such other programs or concepts as may be developed or acquired by Franchisor in the future. Franchisee understands and agrees that System Businesses operating under other types of SM License may utilize the same System and Manual that is used by the Franchised Business under the License, but some components or requirements of the System or Manual may be specific to, or not applicable to, the License granted to Franchisee.

1.3 **No Territorial Protection.** Franchisee acknowledges and agrees that (a) Franchisor and its Affiliates retain all rights not expressly granted to Franchisee under this Agreement; and (b) Franchisor or its Affiliates may conduct, or grant others the right to conduct, any business activities, under any name or trademark, using any system of operations, in any geographic area, and at any location, regardless of the proximity to or effect of such activities on the Franchised Business. For example, Franchisor or its Affiliates may, among other things, on any terms and conditions Franchisor and its Affiliates deem advisable: (i) operate, and grant to others the right to operate, anywhere (including inside and outside the Territory) ServiceMaster® businesses, including System Businesses operating under any SM License and any other ServiceMaster Clean® or ServiceMaster Restore® businesses; (ii) operate, and grant to others the right to operate, anywhere (including inside and outside the Territory) any retail or other businesses, including those offering the same, similar, or different products or services using the System or elements of the System under the Marks or any other trademarks, service marks or trade dress; (iii) solicit and sell any products or services to customers and prospective customers residing anywhere (including inside and outside the Territory), including by direct advertising over the Internet or other electronic means; and (iv) merge with, acquire, establish or become associated with any businesses or locations of any kind under other systems and/or other trademarks, which businesses and locations may offer or sell items, products and services that are the same as or similar to the services and products offered at or from the Franchised Business and which may be located anywhere (including inside and outside the Territory).

## **2. TERM AND RENEWAL**

2.1 **Term of Agreement.** Except as otherwise provided in this Agreement, the initial term of this Agreement shall commence on the Effective Date and end five years from the Effective Date (the “Term”).

### **2.2 Renewal.**

2.2.1 **Renewal Term.** Franchisee may elect to renew Franchisee’s right to operate the Franchised Business for one additional five-year term, if Franchisee, in Franchisor’s sole discretion, satisfies the renewal conditions set forth in **Section 2.2.2 (Renewal Conditions)**.

2.2.2 **Renewal Conditions.** Franchisee must satisfy the following conditions in order to be eligible for, and as a condition for entering into, a renewal term:

2.2.2.1. Franchisee must provide written notice of its election to enter into a renewal term not less than six months, nor more than nine months, prior to the end of the Term;

2.2.2.2. Franchisee, its Affiliates, and its Owners must be in Good Standing (as defined in Section 28 (Definitions)) at the time Franchisee requests renewal and through the ending date of the then-current term and must have complied during the Term with the terms and conditions of this Agreement and Related Agreements (as defined in Section 28);

2.2.2.3. Franchisee is not in default under any loan agreement or lease related to the Franchised Business;

2.2.2.4. Franchisee must be then meeting or exceeding the Minimum Monthly Sales Requirement and must not have failed to meet the Minimum Monthly Sales Requirement (as outlined in Section 5.17 (Minimum Monthly Sales Requirement)) two or more times during the last 18 months of the Term;

2.2.2.5. Franchisee has not, in Franchisor's sole discretion, (i) failed to use and cooperate in the use of operating systems and tools provided by Franchisor to improve the Franchised Business and/or the franchise system as a whole; (ii) failed to regularly attend and actively participate in conference calls, meetings, conventions, and other events sponsored or suggested by Franchisor to increase the chance of success and/or maximize the performance of the Franchised Business and/or the franchise system as a whole; (iii) failed to implement new programs and business building initiatives developed for the enhancement of the performance of the Franchised Business; (iv) regularly acted in a combative, inappropriate, or confrontational manner with Franchisor, vendors, customers, or other franchisees; or (v) had an excessive number of customer complaints and/or has not acted reasonably and in the best interests of the franchise system in resolving customer complaints;

2.2.2.6. Franchisee, throughout the term of this Agreement, has satisfied all material reporting requirements and all monetary obligations to Franchisor and any Affiliates of Franchisor, suppliers and creditors (excepting reasonable disputes that Franchisee is attempting in good faith to resolve) within the amount of time specified for satisfaction or cure of default with respect to such obligation.

2.2.2.7. Franchisee meets Franchisor's then-current requirements for franchisees qualifying to become franchisees in the network and demonstrates that (a) it, Controlling Owner, and its Guarantors (as defined in Section 5.5.1 (Corporate Franchisee)) are not insolvent (meaning that it and they can meet all of their obligations as they come due and have not sold, pledged, transferred, or assigned any future proceeds or receivables under this Agreement to a creditor) and (b) it has the financial ability to continue to invest in and grow the Franchised Business and the brand in the Territory;

2.2.2.8. Franchisee must prepare a business plan (containing the information and in the format specified by Franchisor) for the Franchised Business for the renewal term and obtain Franchisor's written approval of such business plan;

2.2.2.9. Franchisee and its trainees satisfactorily complete all additional training Franchisor requires at that time, at Franchisee's expense;

2.2.2.10. Franchisee must execute Franchisor's then-current Franchise Agreement which shall supersede this Agreement when accepted and executed by Franchisor (a "**Renewal Franchise Agreement**") and which may contain terms and conditions different from those set forth in this Agreement, including different or increased fees, a different Territory or territorial rights, or different

authorized services. Franchisor may change the Territory granted in the Renewal Franchise Agreement to comply with Franchisor's then-current manner of designating Territories, to correct overlapping territories or other issues, and for other valid business reasons, including an assessment of Franchisee's performance;

2.2.2.11. Franchisee and its Owners must execute a general release (in a form then prescribed by Franchisor, which shall be substantially similar to the form attached hereto as Exhibit B, which is incorporated by reference into this Agreement) of any claims against Franchisor and its Affiliates, and their respective owners, officers, directors, managers, agents, representatives, employees, successors, and assigns (a "**General Release**");

2.2.2.12. Franchisee shall pay a renewal fee in the amount specified in Exhibit A; and

2.2.2.13. Franchisee meets any additional conditions reasonably specified by Franchisor.

2.2.3 Non-renewal. If either (a) Franchisee provides written notice between six and nine months prior to the end of either the Term that Franchisee does not intend to enter into a renewal term, (b) Franchisor determines, in its sole discretion, that Franchisee cannot satisfy the renewal conditions and provides Franchisee with a notice of non-renewal (the "**Non-Renewal Notice**"), or (c) Franchisee does not have any remaining renewal terms, this Agreement will automatically expire on the last day of the Term.

2.2.4 Temporary Extension. If Franchisee fails to execute the Renewal Franchise Agreement and General Release and complete the renewal process by the expiration of the then-current term and Franchisee continues operating the Franchised Business, then, unless Franchisor has provided Franchisee with a Non-Renewal Notice, the term shall continue on a month-to-month basis provided, however, that Franchisor shall have the right at any time to terminate this Agreement upon its issuance of a written Notice of Termination (the "**Termination Notice**") to Franchisee, which termination shall be effective immediately upon Franchisee's receipt of, or refusal to accept, such Termination Notice (or on the termination date specified in the Termination Notice, if different). If Franchisee fails to fully and completely execute the Renewal Franchise Agreement and General Release and complete the renewal process within 60 days of the commencement of the temporary extension, then, effective immediately thereafter, the monthly Royalties payable under Section 4.1.2 (Royalties) shall increase by an amount equal to 2.5% of Gross Service Sales (as referenced in Section 4.1.3 (Gross Service Sales) and defined in Section 28 (Definitions)) and such higher Royalties shall apply during each month until (i) the renewal process is completed (including execution of the Renewal Franchise Agreement and General Release and payment of the renewal fee) or (ii) this Agreement is terminated. By accepting any increased Royalties, Franchisor does not waive any of its rights and remedies under this Agreement including, without limitation, the right to terminate this Agreement pursuant to its terms and all such rights and remedies shall be cumulative of every other right or remedy.

### **3. DUTIES OF FRANCHISOR**

#### **3.1 Training**

3.1.1 Initial AOS Training. Unless otherwise specified in Exhibit A, Franchisor shall provide to the Designated Trainees Franchisor's then-current initial training program, which is referred to as the ServiceMaster Academy of Service ("**AOS Training**") at no additional cost. The "**Designated Trainees**" include up to two trainees, which may include Franchisee (if Franchisee is not an entity), Owners, or, if approved by Franchisor, Franchisee's managers. AOS Training may consist of independent study, classroom training, and/or on-the-job training and may be conducted at the times and in the manner designated by Franchisor including all or in part being held virtually (via recorded media, teleconference, videoconference, webinar, or other means that Franchisor designates) or in person at locations designated

by Franchisor. Franchisor shall give Franchisee access, via a confidential password, to Franchisor's learning management system, ServiceMaster Brands University ("SMBU"), to access various training modules. Fourteen days prior to attending AOS Training, Franchisee is required to complete the initial coursework detailed within various training modules contained within SMBU. In addition, Franchisor will also provide AOS Training to any replacements of the Designated Trainees (including any subsequent Owners or managers). Franchisor reserves the right to charge a training fee for AOS Training, which will not exceed \$8,110 per trainee per program, that it designates from time to time for (i) each person in excess of two trainees, (ii) each person who is repeating the course or replacing a person who did not pass, and (iii) each subsequent Owner or manager who attends the course.

3.1.2 Additional Training. Franchisor shall make available such other training programs to Franchisee, or its managers or other employees, as Franchisor deems appropriate. Franchisor may charge Franchisee a reasonable training fee for such additional training programs, which will not exceed \$4,000 per trainee per program. All training provided by Franchisor shall be subject to the terms set forth in Section 5.1 (Training) of this Agreement.

3.2 Advisory Assistance. Franchisor shall, upon such terms as it deems advisable, provide continuing advisory assistance in person, virtually (by videoconference, webinar, recorded media, or other means that Franchisor designates), by telephone or in writing on the operation of the Franchised Business.

3.3 Research and Development. Franchisor shall perform continuing research and shall, at its discretion, provide to Franchisee the benefits of such research and development which fall within the scope of the services to be rendered by Franchisee under the License pursuant to this Agreement.

3.4 Service Connection and the Manual; Software. Franchisor shall give to Franchisee access, via a confidential password, to Franchisor's intranet site (referred to as "**Service Connection**") to access the Manual, as more fully described in Section 7.1 (Compliance with the Manual) of this Agreement. If Franchisor requires Franchisee to use any proprietary software, Franchisor shall provide Franchisee with the opportunity to obtain such software from Franchisor, its Affiliates, or a designated vendor, subject to the requirements set forth in Section 5.18 (Required Hardware and Software) of this Agreement.

3.5 Inspections. Franchisor shall continue its efforts to maintain the high standards of quality and service of the System and to that end shall conduct, as and when it deems advisable, inspections, observations and monitoring of the Franchised Business and evaluations of the services provided by the Franchised Business, including the use of mystery calls, phone screen and test operation/sales scripts of personnel at the Franchised Business, by Franchisor to Franchisee. Franchisor will utilize these inspections for, among other things, the purpose of evaluating the "Quality Assured" status of the Franchised Business. Without limiting Franchisor's other rights and remedies under this Agreement, if an inspection reveals that the Franchised Business fails to meet Franchisor's requirements for maintaining the designation as a "Quality Assured" Franchised Business, Franchisee will have 90 days within which to correct, at its own expense, the deficiencies specified by Franchisor and to take the actions necessary to meet Franchisor's Quality Assured requirements. Franchisor then may conduct one or more follow-up inspections to confirm that Franchisee has corrected these deficiencies and otherwise is complying with this Agreement and all its standards and specifications. The failure of Franchisee to meet these requirements within such 90-day period and to pass the Quality Assured inspection when the Franchised Business is re-inspected by Franchisor shall constitute grounds for the termination of this Agreement by Franchisor. If Franchisor exercises any of these inspection rights, Franchisor will use commercially reasonable efforts not to interfere unreasonably with the operation of the Franchised Business. Additionally, for any follow-up inspection, Franchisor may charge Franchisee a fee equal to \$500 per representative per day, plus Franchisor and its Affiliates' actual costs and expenses.

3.6 Sale of Products. Franchisor or its Affiliates shall sell to Franchisee materials, supplies, equipment, products, forms, promotional materials, and printed materials approved by Franchisor, as

Franchisee, in its discretion, may from time to time desire to order from Franchisor or its Affiliates. Franchisee shall purchase approved products and materials or comply with Franchisor's then-current approval process as described in Section 5.3 (Approved Goods and Approved Suppliers) and in the Manual from time to time.

3.7 Violations by Other Franchisees. In connection with Franchisor's duties under this Agreement, Franchisee understands and agrees that Franchisor shall not be responsible to Franchisee for violations by another franchisee of Franchisor of any agreement between Franchisor and such other franchisee.

3.8 Franchise Council. Franchisor shall convene the National Franchise Council (the "**Franchise Council**") no less than twice each calendar year. The Franchise Council shall be made up of Franchisees in Good Standing under their ServiceMaster Franchise Agreements. The Chairman and members shall be appointed by the then-current members of the Franchise Council, with Franchisor only able to reject such appointments because of the proposed appointee's lack of Good Standing under its Franchise Agreement. The Franchise Council shall serve in an advisory role with no power to override Franchisor's operation of the System or to veto any action by Franchisor.

#### 4. FEES

4.1 Fees Payable by Franchisee. In consideration of the license granted in this Agreement, Franchisee shall pay to Franchisor the following fees:

4.1.1 Initial License Fee. Upon submission of this Agreement for execution by Franchisor, Franchisee shall pay to Franchisor the Initial License Fee set forth in Exhibit A. Upon the execution of this Agreement by Franchisor, the Initial License Fee shall be deemed fully earned and non-refundable.

4.1.2 Royalties. Franchisee shall pay to Franchisor continuing monthly royalties during the term of this Agreement in an amount specified in Exhibit A on all types of services sold under the Marks by Franchisee or its employees in accordance with Franchisor's then-current royalty policy as set forth in the Manual ("**Royalties**"). The Royalties are paid in consideration of the license to use the System and Marks.

4.1.3 Gross Service Sales. "**Gross Service Sales**" is defined in Section 28 (Definitions).

#### 4.2 Marketing and Technology Fees.

4.2.1 Ad Fund Contribution. Franchisor has established an Ad Fund, as provided under Section 10.3 (Advertising Fund) of this Agreement. Franchisee shall pay into the Ad Fund, on a monthly basis, the amount specified in Exhibit A (the "**Ad Fund Contribution**").

4.2.2 Technology Fees. Franchisor may require Franchisee to pay a monthly fee for various technology-related products and services (the "**Technology Fees**"). Franchisor will specify the Technology Fees and the related products and services in the Manual. Franchisor may increase the Technology Fees and change the related products and services from time to time, provided that the fee will not exceed 150% of Franchisor's and its Affiliates' costs and expenses related to developing, providing, licensing, maintaining, and/or procuring such products and services.

#### 4.3 Other Fees.

4.3.1 Complaint Resolution Fee. If Franchisor, in its sole discretion, attempts to resolve any customer or third-party complaints or disputes relating to the Franchised Business in accordance with

Section 5.4.3 (Franchisor Intervention) of this Agreement, Franchisee must pay Franchisor the sum of \$500 (which may be increased by Franchisor, provided that it will not exceed \$750) plus any costs and expenses that Franchisor and its Affiliates incur resolving or attempting to resolve such complaint (the “**Complaint Resolution Fee**”).

4.3.2 Insurance Procurement Fee. If Franchisee fails to obtain required insurance and Franchisor, in its sole discretion, procures insurance coverage on Franchisee’s behalf, Franchisee must pay Franchisor up to 150% of any costs and expenses that Franchisor and its Affiliates incur procuring such insurance (the “**Insurance Procurement Fee**”).

4.3.3 Transfer Fee. If a Control Transfer occurs, Franchisee must pay Franchisor a transfer fee (the “**Transfer Fee**”). The Transfer Fee shall be equal to (i) \$12,000, except the Transfer Fee shall be (a) \$3,500 if the Transfer is to an Owner’s child who is at least 18 years of age or to an approved manager of the Franchised Business for at least five years that is current on all Franchisor-required training and certifications, (b) \$500 if the Transfer is to an existing Owner, and (c) \$500 if the Transfer is to a spouse of an existing Owner; plus (ii) Franchisor’s and its Affiliates’ costs and expenses incurred in connection with the Transfer, including attorneys’ fees.

4.3.4 Change Fee. When (a) notifying Franchisor of a Non-Control Transfer, including adding, deleting, or changing an Owner’s name; (b) changing Franchisee’s entity name; (c) changing Franchisee’s DBA (doing business as) name; (d) changing Franchisee’s form of entity; or (e) making any mutually agreed modifications to this Agreement, Franchisee must pay to Franchisor the then-current change fee (currently, \$500 per change), as specified in the Manual from time to time (the “**Change Fee**”). The Change Fee may be increased from time to time, provided that it will not exceed \$750. For Non-Control Transfers, the Change Fee will be charged per person, per transfer, and per franchise agreement. There is no charge to change Franchisee’s DBA name or form of entity during the first year of operation of the Franchised Business. If any changes are being made in conjunction with a Control Transfer, the Transfer Fee shall apply, instead of the Change Fee.

4.3.5 Non-Compliance Fee. If Franchisor determines that Franchisee has violated any of its obligations under this Agreement, including any failure to comply with any standards set forth in the Manual, including the Standards, in addition to any other remedies Franchisor may be entitled to, Franchisor reserves the right to charge Franchisee one or more non-compliance fees (each, a “**Non-Compliance Fee**”) upon written notice to Franchisee. The Non-Compliance Fees (a) shall be \$1,000 per single violation per day, unless otherwise specified in the Manual or otherwise in writing, (b) may be modified from time to time upon written notice to Franchisee, provided that it will not exceed \$2,000 per single violation per day, (c) may be charged repeatedly (as frequently as daily) if the non-compliance is ongoing, and (d) may vary based on the severity of the violations, the number of violations, and whether the violations have been repeated.

4.3.6 Tax Reimbursements. Franchisee must pay Franchisor, or its Affiliate or designee, promptly when due, all sales taxes, use taxes, personal property taxes, and other taxes imposed upon Franchisor or its Affiliates or collected from Franchisor or its Affiliates on account of goods and services Franchisor or its Affiliates furnish to Franchisee through sale, lease, or otherwise, or on account of Franchisor’s collection of the initial license fee or other fees, Royalties, or other payments required under this Agreement or any Related Agreement.

4.3.7 Lead Fee. If Franchisor refers a qualified lead to Franchisee or an existing Owner and such qualified lead purchases Franchisee’s or such Owner’s interests in this Agreement, Franchisee, or the Franchised Business within 18 months of Franchisor’s referral of such lead, Franchisee shall pay Franchisor a lead fee equal to \$10,000, which shall be in addition to any applicable Transfer Fee. A “**qualified lead**” is defined as someone who has passed Franchisor’s screening process, national

background check, a credit check, and a phone interview. Franchisor is not responsible for locating leads and does not represent that it will do so.

4.4 Due Dates and Reports. The Royalties, Ad Fund Contribution, and Technology Fees (collectively, the “**Operating Fees**”) shall be paid to Franchisor, and any monthly reports required under Section 9.2 (Monthly Gross Service Sales Reports) of this Agreement shall be reported to Franchisor, by the days of each month specified by Franchisor in the Manual or otherwise in writing for the preceding calendar month. Franchisee will report monthly Gross Service Sales (as well as any fees due based on Gross Service Sales, such as Royalties and Ad Fund Contributions) via online reporting, or in any other manner as designated by Franchisor. Any payment or report not actually received by Franchisor on or before such date shall be deemed overdue.

4.5 Payment Method; Automatic Debit; Interest.

4.5.1 Payment Method. Franchisee must make all payments to Franchisor by the method or methods that Franchisor specifies from time to time in the Manual, which may include payment via wire transfer or electronic debit from Franchisee’s bank account (the “**Account**”). Franchisee must furnish Franchisor and its bank with all authorizations necessary to effect payment by the specified methods and must take all steps necessary to ensure that such authorizations remain valid. Currently, Franchisee must make all payments due under this Agreement (including payments for products or services purchased from Franchisor or its Affiliates) by electronic debit from the Account, which Franchisor may initiate by auto draft. Franchisee must sign the electronic funds transfer authorization form that is attached as Exhibit C (and any subsequent form required by Franchisor from time to time) and deliver a copy of the authorization to Franchisor within five business days of its request. Franchisee must maintain sufficient funds in the Account to permit Franchisor to withdraw the Operating Fees and other amounts due from time to time. Franchisor’s use of electronic funds transfers as a method of collecting amounts due does not constitute a waiver of any of Franchisee’s obligations to provide Franchisor with sales reports as required in this Agreement, nor shall it be deemed a waiver of any of the rights and remedies available to Franchisor under this Agreement.

4.5.2 Automatic Debit. If Franchisee has not reported Gross Service Sales of the Franchised Business to Franchisor for any reporting period, Franchisor will be authorized to debit the Account in an amount equal to the greater of the non-reported payment (if Franchisor can reasonably estimate or determine the owed amount) or 120% of the average Operating Fees transferred from the Account in the previous 12 reporting periods in which a report of the Gross Service Sales of the Franchised Business was provided to Franchisor (or, if there have not been 12 such reporting periods, the number of reporting periods for which such report was received). If at any time Franchisor determines that Franchisee has under-reported the Gross Service Sales of the Franchised Business or underpaid Operating Fees due Franchisor under this Agreement, Franchisor will be authorized to immediately initiate a debit to the Account in the appropriate amount in accordance with the foregoing procedure, including interest as provided for in this Agreement. An overpayment will be credited to the Account through a credit effective as of the first reporting date after Franchisor and Franchisee determine that such credit is due.

4.5.3 Late Fees and Interest. If any payment is overdue, Franchisee must pay to Franchisor, on demand, interest, compounded daily, on all overdue payments from the date the payment was due until paid equal to the lesser of (i) 2% per month or (ii) the maximum rate of interest permitted by law. If any payment or sales report is overdue, Franchisee must also pay to Franchisor a late fee in the amount of (a) for the first four weeks after the due date, \$200 for each week that such report or payment is late and (b) thereafter, \$500 for each week that such report or payment is late. Franchisee acknowledges that this Section is not Franchisor’s agreement to accept any payments after they are due and that any late payments are a default under this Agreement. The right to collect interest and late fees shall be in addition to any other remedies Franchisor may have. In addition, Franchisee agrees to pay any expense incurred by

Franchisor, including costs, bank fees, and attorneys' fees, related to the collection of any fees or payments due under this Agreement.

4.6 Application of Payments. When Franchisor receives a payment from Franchisee, Franchisor has the right in its sole discretion to apply it as Franchisor sees fit to any past due indebtedness of Franchisee due to Franchisor or its Affiliates, whether for Royalties, Ad Fund Contributions, other Operating Fees, purchases, interest, or for any other reason, regardless of how Franchisee may designate a particular payment to be applied. In addition, Franchisor may offset any amount otherwise due to Franchisee, against any amount owed to Franchisor. Franchisor may, in its sole discretion, retain any amounts received for Franchisee's account (and/or that of any Affiliate of Franchisee), whether (i) rebates from suppliers, ~~national account or program work payments,~~ or (ii) revenue from Optional Programs (as defined in Section 5.16 (Optional Programs)), (iii) payments from customers, national accounts, or insurance carriers, or (iv) otherwise, as (a) security for amounts owing to Franchisor in the next 90 days (upon Franchisor's reasonable believe of Franchisee's insolvency or financial mismanagement) or (b) payment against any amounts owed to Franchisor, including then-current Royalties and Ad Fund Contribution which accrue to Franchisor from such national account or program work payments. Franchisor can exercise any of the foregoing rights in connection with amounts owed to or from Franchisor and/or any of its Affiliates.

## **5. DUTIES OF FRANCHISEE**

5.1 Training. At least one Designated Trainee must attend and successfully complete AOS Training to Franchisor's satisfaction (as determined by Franchisor in its sole discretion) (i) within the next three scheduled sessions of the AOS Training that take place after the Effective Date and (ii) prior to opening the Franchised Business. If the purchase of this License is in conjunction with the purchase of an additional SM License of a different type or another ServiceMaster Clean® or ServiceMaster Restore® franchise, the completion of all training required by Franchisor must occur within six months of the Designated Trainees first attending AOS Training. If Franchisee has two Designated Trainees, the Designated Trainees may split AOS Training, provided that one Designated Trainee successfully completes part of AOS Training and the other Designated Trainee successfully completes the remainder of AOS Training. Franchisee's representatives may not attend AOS Training until Franchisee confirms that such trainees are covered by its workers' compensation insurance. If the Designated Trainees do not successfully complete all required training for each SM License within the required time period, in addition to any other remedies Franchisor may exercise, Franchisee will pay Franchisor's then-current AOS Training fee when such Designated Trainees attend and complete AOS Training, which will not exceed \$8,110 per trainee per program. If any individual originally trained by Franchisor is replaced by another individual, Franchisee agrees to have the replacement owner or manager attend and successfully complete AOS Training, at Franchisee's cost and expense, within the next three scheduled sessions of the AOS Training that take place after such replacement. Franchisee, its managers, or other employees, as designated by Franchisor, shall attend and complete to Franchisor's satisfaction, such other training programs as Franchisor may require in the Manual or otherwise in writing. All expenses incurred for any training including training fees (if applicable) and the cost of travel, room, board and wages, shall be paid by Franchisee.

5.2 Compliance with System. Franchisee shall operate the Franchised Business in conformity with the System, including the uniform methods, Standards and specifications as Franchisor may from time to time prescribe in the Manual or otherwise in writing to ensure that the highest degree of quality and service is uniformly maintained. Franchisee agrees:

5.2.1 To maintain in sufficient supply, and use at all times, only such vehicles, products, materials, equipment, supplies, computer software and paper goods that conform with Franchisor's Standards and specifications, and to refrain from deviating from Franchisor's Standards and specifications by using nonconforming items.

5.2.2 To sell or offer for sale only such services which meet Franchisor's uniform standards of quality and performance for the License as provided in the Manual or otherwise in writing by Franchisor; to sell or offer for sale all approved services; to refrain from any deviation from Franchisor's Standards and specifications for providing or selling the same; and to discontinue selling and offering for sale any services as Franchisor may, in its discretion, disapprove or discontinue in writing at any time.

5.2.3 To refrain from engaging Subcontractors to perform any Core Services, unless otherwise permitted in Exhibit A, the Manual, or in a written consent given by a director (or higher) level employee of Franchisor. All Subcontractors must meet Franchisor's then-current minimum qualifications and, unless otherwise specified in the Manual, must be approved by Franchisor in writing.

5.2.4 To permit Franchisor or its agents, at any reasonable time, to enter Franchisee's business premises for the purpose of conducting a Quality Assured review and other inspections and to remove from the premises samples of any inventory items without payment for such items, in amounts reasonably necessary for testing by Franchisor or an independent certified laboratory to determine whether the samples meet Franchisor's then-current standards and specifications.

5.2.5 To support the national programs instituted by Franchisor to generate service sales including the promotion of telephone numbers and websites specified in the Manual, prompt and courteous response to information and service requests, and compliance with requirements established by Franchisor to implement and maintain such programs.

5.2.6 To maintain a live answering service or automated message system allowing immediate connection to a live service or voice for telephone calls to the Franchised Business during the business hours specified by Franchisor in the Manual or otherwise in writing.

5.2.7 To check daily Franchisee's e-mail mailbox assigned by Franchisor and Franchisor's proprietary websites such as Service Connection for communications between Franchisee and Franchisor, and to keep the password issued to Franchisee for access to Franchisor's website confidential at all times.

5.2.8 To comply with all reasonable requirements of Franchisor to measure Franchisee's customer satisfaction with the services provided by Franchisee under this Agreement, and to participate in all programs of Franchisor designed to review and improve the process of operating the Franchised Business including [www.tellservicemaster.com](http://www.tellservicemaster.com) and the audio taping of mystery calls initiated by Franchisor to the Franchised Business.

5.2.9 To acquire and maintain, at all times, a properly identified vehicle which satisfies the standards and specifications that Franchisor may from time to time prescribe in the Manual or otherwise in writing.

5.2.10 To offer and provide services to all customers throughout the entire Territory in a timely, fair, and equitable manner.

### 5.3 Approved Goods and Approved Suppliers.

5.3.1 Specifications and Sourcing Requirements. Franchisor has the right to require that products, supplies, furniture, fixtures, equipment, and services (collectively, "**Goods**") that Franchisee purchases for resale or purchases or leases for use in the Franchised Business: (i) meet specifications that Franchisor establishes from time to time; (ii) be a specific brand, kind, or model; (iii) be purchased or leased only from suppliers approved by Franchisor; (iv) be purchased or leased only from a single source that Franchisor designates (which may include Franchisor or its Affiliates or a buying cooperative organized by Franchisor or its Affiliates); and/or (v) be purchased as part of a purchasing program, arrangement, or

contract that Franchisor negotiates or specifies. To the extent that Franchisor establishes specifications, requires approval of suppliers, or designates approved suppliers for particular Goods, Franchisor will publish its requirements in the Manual or otherwise in writing.

5.3.2 Approval Process. If Franchisor establishes sourcing requirements or required specifications for a certain Good or category of Goods and Franchisee would like to deviate from such requirements by using a different supplier or a Good that does not meet such specifications, prior to using such non-conforming Goods or suppliers, Franchisee must submit to Franchisor a written request for approval and a representative sample sufficient for end-use evaluation, together with the manufacturer's product identification and specifications and other information as Franchisor reasonably requires to determine whether such Good and/or supplier or distributor meets its specifications and standards. Franchisor may condition its approval of a supplier or distributor on requirements relating to product quality, prices, consistency, warranty, reliability, financial capability, labor relations, customer relations, frequency of delivery, concentration of purchases, standards of service (including prompt attention to complaints), any adverse economic impact on Franchisor, its Affiliates, or the franchise network, and/or other criteria. Franchisor shall notify Franchisee within a reasonable time (which typically ranges between 20 and 150 days, depending on the type of Good) whether it approves such products, supplier and/or distributor. If Franchisee does not receive Franchisor's approval within 150 days after submitting all of the information that Franchisor requests, Franchisor's failure to respond will be deemed a disapproval of the request. Franchisor may charge a fee of \$500 per cleaning product and \$1,000 per equipment product to conduct such inspection. Franchisor reserves the right to periodically re-inspect the products and services of any approved or designated supplier or distributor and to revoke its approval of any supplier, distributor, product or service that does not continue to meet Franchisor's then-current criteria.

5.3.3 Revenue from Purchases. Franchisee acknowledges and agrees that Franchisor and its Affiliates (a) may derive revenue based on Franchisee's purchases and leases, including from charging Franchisee for products and services that Franchisor or its Affiliates provide and from promotional allowances, volume discounts, commissions, rebates, and other payments made to Franchisor or its Affiliates by manufacturers, suppliers, and/or distributors that Franchisor designates or approves and (b) are entitled to retain and use all such amounts without restriction for any purposes Franchisor or any of its Affiliates deem appropriate.

#### 5.4 Staffing and Customer Service.

5.4.1 Uniforms and Appearance. Franchisee and all employees of Franchisee, while engaged in performance of the services provided by the Franchised Business, shall wear uniforms conforming in color and design to the specifications designated by Franchisor in the Manual or otherwise in writing. Franchisee and all employees of Franchisee shall at all times while on duty present a neat and clean appearance and render competent, sober and courteous service to the customers of the Franchised Business.

5.4.2 Customer Inquiries and Complaints. Franchisee must promptly respond to any and all customer or third-party inquiries or complaints or negative online reviews and achieve customer or third-party satisfaction of reasonable complaints by refunding monies, fixing or replacing damaged property, redoing services, providing service credits, or taking other actions that may be reasonably necessary or appropriate to resolve a complaint to the customer's satisfaction.

5.4.3 Franchisor Intervention. Franchisor may, but is not required to, immediately and directly respond to and settle customer or third-party complaints where, in its sole discretion, Franchisor determines intervention by the Franchisor is appropriate to protect the brand or where Franchisee has failed to promptly or adequately resolve such complaints. Franchisee hereby authorizes Franchisor to manage and settle all such customer or third-party complaints on the Franchisee's behalf and agrees to pay Franchisor the Complaint Resolution Fee for such assistance. Franchisee's repeated failure to promptly

resolve material, substantiated customer or third-party complaints shall constitute a breach of this Agreement.

5.4.4 Managers. Franchisee must monitor and be responsible for any managers employed by Franchisee. Any manager must successfully complete AOS Training and must devote their full time and best efforts to the operation of the Franchised Business, but they do not need to be an Owner.

5.4.5 Staffing and Employment Decisions. Franchisor may provide advice, materials, policies and training modules that address suggested or recommended staffing for the efficient operation of a Franchised Business, and for delivering services in accordance with Franchisor's Standards, including customer service standards and brand standards. Even though Franchisor may offer suggestions, advice, guidelines, or programs, Franchisee will have sole responsibility for all employment decisions and functions related to its Franchised Business, including hiring, firing, promoting, demoting, compensation, benefits, scheduling of employee work hours and shifts, work rules, record-keeping, supervision, and discipline of employees. Franchisee must ensure that its employees are qualified to perform their duties in accordance with Franchisor's Standards. Franchisor does not require Franchisee to implement any employment-related policies or procedures or security-related policies or procedures that Franchisor may make available to Franchisee in the Manuals or otherwise.

5.5 Corporate Franchisee. Franchisee agrees that its authorization to operate as a corporation or limited liability company shall be conditioned on the following requirements:

5.5.1 Unless otherwise agreed to by Franchisor or otherwise stated in the Manual, Franchisee's Owners that directly or indirectly hold a 15% or greater ownership interest in Franchisee's entity shall at all times be personally bound by the terms of this Agreement and shall execute the "Personal Guaranty and Agreement to be Bound Personally by the Terms and Conditions of the Franchise Agreement" (the "**Guaranty**"), the current form of which is incorporated into this Agreement and attached as Exhibit D, which shall be executed and effective from the Effective Date. Owners and any other entities or individuals that sign such Guaranty are referred to as "**Guarantors.**"

5.5.2 Each stock certificate of Franchisee or document reflecting an equity ownership interest in Franchisee shall have conspicuously endorsed upon its face a statement in a form satisfactory to Franchisor that it is held subject to this Agreement, and that any assignment or transfer of the stock certificate is subject to all restrictions imposed upon assignments by this Agreement.

5.5.3 Certified copies of Franchisee's Articles of Incorporation or Organization, By-Laws or Operating Agreement, and other governing documents, including the resolutions of the Board of Directors or Board of Managers authorizing entry into this Agreement, must be delivered to Franchisor.

5.5.4 If Franchisee is an individual or a partnership and wishes to form a legal entity, Franchisee shall obtain prior written approval of Franchisor for the transfer of the rights and duties under this Agreement to the new entity and Franchisee shall transfer this Agreement and the Franchised Business to the new entity in accordance with the provisions of Section 12.2.7 (Transfer to an Entity) of this Agreement. The then-current Change Fee may be charged for such a transfer.

5.6 Ownership Interests. If Franchisee is a corporation, limited liability company, or other form of entity, all of its Owners as of the Effective Date shall be listed on Exhibit A. Except in accordance with a Transfer permitted under the terms of this Agreement or as otherwise permitted by Franchisor, the Controlling Owner(s) shall maintain the Controlling Ownership Interest during the entire Term and any Renewal Franchise Agreement.

5.7 Operation of Franchised Business. Franchisee shall maintain a clean and safe place of business in compliance with all Applicable Laws, and with the Occupational Safety and Health Act

standards. Franchisee must at all times operate the Franchised Business in a competent manner and in full compliance with all aspects of the System specified by Franchisor. In all business dealings with the public and with Franchisor, Franchisee will be governed by the highest standards of honesty, integrity, fair dealing, and ethical conduct and act at all times to support and grow the System. Franchisee must not engage in any activity or practice that results in or may reasonably be anticipated to result in damage to Franchisor's business reputation, or result in or reasonably be anticipated to result in any public criticism of the System or Marks.

5.8 Compliance with Applicable Laws. Franchisee must, at its expense, comply with all Applicable Laws pertaining to the operation of the Franchised Business. It is Franchisee's sole and absolute obligation to research all Applicable Laws governing the operation of the Franchised Business and to ensure that such operation does not violate any Applicable Laws. For example, there are various federal laws that could affect Franchisee's business and that Franchisee must comply with such as the American with Disabilities Act, the CAN-SPAM Act, the Telephone Consumer Protection Act (the "TCPA"), the Telemarketing Sales Rule (TSR), other federal and state anti-solicitation laws regulating marketing phone calls, and federal and state laws that regulate data security and privacy (including but not limited to the use, storage, transmission, and disposal of data regardless of media type), employment matters, and environmental matters. Franchisee should investigate these laws to understand its potential legal obligations. Franchisee must also comply with all applicable Payment Card Industry standards. Franchisee will, at its expense, be absolutely and exclusively responsible for determining the licenses and permits and certifications required by Applicable Laws for the Franchised Business and for obtaining and qualifying for all such licenses and permits and certifications.

5.9 Payment of Obligations. Franchisee will timely pay all of its obligations and liabilities when payable to Franchisor, Franchisee's suppliers, lessors and creditors.

5.10 Obligations Independent; No Set-Off. The obligations of Franchisee to pay to Franchisor any fees or amounts described in this Agreement are not dependent on Franchisor's performance and are independent covenants by Franchisee. Franchisee shall make all such payments without offset or deduction.

5.11 Responsibility for Services. Franchisee shall be solely responsible for the services and results of such services which are performed under this Agreement. Such responsibility will remain a continuing obligation beyond the termination of this Agreement regardless of the cause for the termination.

5.12 Use of Franchisee Information. Franchisee agrees to give Franchisor and those acting under its authority the right to reasonably and fairly use Franchisee's (or, if applicable, Franchisee's officers' and directors') name, photograph or biographical material in any publication, circular or advertisement related to the business of Franchisor or Franchisee in any place for an unlimited period without compensation.

5.13 Ongoing Training and Meetings.

5.13.1 Ongoing Training. Franchisee must stay current with any changes or developments relating to the System, including any changes specific to the License. To that end, each year during the Term, Franchisee (or if Franchisee is an entity, an officer and at least one Owner of the Franchised Business) must attend, solely at Franchisee's expense, at least three of the seminars, workshops, conventions, or meetings offered by Franchisor for its franchisees (including the annual convention, which counts as one of the three required attendance events) and must pay any registration fees specified by Franchisor for such events, which will not exceed \$2,000 per attendee per regional meeting or convention and \$4,000 per attendee per training program, seminar, or workshop.

5.13.2 Annual Convention. For each year Franchisor holds an annual convention, Franchisee is required to register and pay the then-current registration fee for at least one representative of Franchisee, who must be either (i) an Owner, (ii) a manager, or (iii) another person who has been approved

by Franchisor. If Franchisee owns more than one System Business, then Franchisee must send at least one representative for one to two System Businesses, two representatives for three to four System Businesses, three representatives for five to six System Businesses, four representatives for seven to eight System Businesses, five representatives for nine to 10 System Businesses, six representatives for 11 to 12 System Businesses, and seven representatives for 13 or more System Businesses. Franchisee may send to any annual convention more than the minimum number of representatives detailed in the prior sentence, provided Franchisee pays the registration fees and other costs and expenses associated with such representatives attending convention. If Franchisee fails to have the minimum number of representatives attend the required annual convention, and there is no valid business reason, as determined by Franchisor, in its sole discretion, then Franchisee must pay Franchisor for each absent representative up to 150% of the then-current convention registration fee.

5.14 Compliance with Requirements. Franchisee shall comply with all other requirements set forth in this Agreement and in the Manual.

5.15 Licensing and Certifications. Franchisee must, at all times during the operation of the Franchised Business, acquire and maintain all federal, state and industry-specific licensing and certifications as required in Franchisee's local jurisdiction and as otherwise required by Franchisor. Franchisor may require Franchisee to obtain and maintain (at Franchisee's own expense) certain certifications, training, or licenses provided by Franchisor, its Affiliates, or third parties as a prerequisite for Franchisee to (i) provide certain products or services, (ii) provide products or services to customers in certain specialty industries or certain types of customers, and/or (iii) participate in certain sales or lead generation programs. Franchisor shall publish such requirements, which are subject to change from time to time, in the Manual.

5.16 Optional Programs.

5.16.1 Participation in Optional Programs. Franchisee may elect to participate in certain additional programs, including national accounts programs, other sales or lead generation programs, or other programs that may be offered by Franchisor from time to time ("**Optional Programs**"), as such programs are described and updated in the Manual and other written guidelines, policies, and agreements. Franchisor may, in its sole discretion, refer leads, projects, jobs, and/or recurring contracts (collectively, "**Referrals**") generated from national accounts, System Businesses, and other sales generation sources to participants in certain Optional Programs. In order to qualify for participation in such Optional Programs, Franchisee must be in Good Standing and meet any other qualifications specified in the Manual or otherwise in writing, which may change from time to time. Franchisee may be required to enter into separate agreements specified by Franchisor, including agreements with Affiliates or various third parties, to participate in certain Optional Programs and may be required to pay fees to Franchisor, its Affiliates, or program participants in accordance with the terms of such agreements. may, in its sole discretion, modify the minimum requirements to participate in any Optional Programs, as well as the terms of the Optional Programs and any Related Agreements or standards, and Franchisee must comply with such modifications and enter into new agreements as a condition of continuing to participate in the applicable Optional Program.

5.16.2 Fees for Optional Programs. For each Optional Program, Franchisee may be required by Franchisor, its Affiliates, or third parties to pay fees to Franchisor, its Affiliates, third parties, and/or program participants related to (a) participating in Optional Programs, (b) receiving Referrals generated through Optional Programs, or (c) providing products or services for Referrals generated through Optional Programs (the "**Optional Program Fees**"). Such Optional Program Fees are in addition to all other fees specified in this Agreement, Related Agreements, or any other agreements, and the fee caps described below for the Optional Program Fees shall not apply to, or impact, any other fees specified in this Agreement, Related Agreements, or other agreements. The Optional Program Fees are specified in Exhibit A.

5.16.3 Providing Services to Optional Program Jobs. If Franchisee provides any goods or services to customers referred to them through an Optional Program, Franchisee must adhere to the terms and conditions set out in any agreements that Franchisor or its Affiliates have negotiated with the customers or Referral sources and any other program requirements specified in Related Agreements, the Manual, or otherwise in writing, all of which may be modified from time to time. Franchisor may require Franchisee to service Referrals referred to them through Optional Programs as a condition of participating in such programs.

5.16.4 Optional Program Acknowledgements. Franchisee acknowledges and agrees that ~~(a)~~ they may not receive and are not entitled to receive leads and/or jobs from national account programs Referrals from Optional Programs offered by Franchisor from time to time, and ~~that~~ (b) if they do receive such ~~leads or jobs~~ Referrals: ~~(a)~~ those ~~leads or jobs~~ Referrals may not be distributed equally; ~~(b)~~ (ii) the model for distributing those ~~leads~~ Referrals will be designated in Franchisor's sole discretion and may be modified from time to time; ~~(c) national account~~ (iii) customers or Referral sources may limit the number of participating franchisees in a market and direct work to specific franchisees; ~~(d) lead and/or job~~ (iv) Referral volume varies greatly across the United States, and ~~that~~ with some geographic regions ~~have~~ having few or no leads/jobs; and ~~(e) Franchisee, in certain circumstances, may be required to pay a referral fee of up to 10% of the total invoice amount for any jobs generated from such national account programs~~ Referrals. Franchisee acknowledges and agrees that ~~(ix)~~ Franchisor is not obligated to maintain or offer Optional Programs, ~~(x)~~ (ii) there is no assurance that Franchisee will be permitted to participate in Optional Programs, and ~~(xi)~~ (iii) there is no assurance that Franchisee will receive any benefits from any Optional Programs in which Franchisee participates.

5.17 Minimum Monthly Sales Requirement. Beginning in the 13<sup>th</sup> full month of operation of the Franchised Business, Franchisee's right to continue operating in the Territory is contingent upon Franchisee earning the minimum amount of Gross Service Sales specified in Exhibit A in each month of the Term (the "**Minimum Monthly Sales Requirement**"). In any subsequent renewal agreements, the Minimum Monthly Sales Requirement for the Franchised Business may be increased. Franchisor may terminate this Agreement if Franchisee fails to meet the Minimum Monthly Sales Requirement three times in any nine-month period (except in the event that local economic conditions and/or extenuating circumstances materially affect sales potential which, in Franchisor's sole discretion, affects Franchisee's ability to meet such sales levels).

#### 5.18 Required Hardware and Software.

5.18.1 System Components. Franchisee must, at its expense, acquire and use the computer systems, hardware, tablets, mobile devices, printers, software, apps, websites, network connections, and firewall services (collectively, "**System Components**") Franchisor specifies for the operation of the Franchised Business, including software used to manage the Franchised Business, provide products and services in accordance with the Standards, and/or interact with Franchisor's accounting, customer relationship, or other technology systems. In addition, Franchisor may develop or designate new or modified System Components in the future and may deauthorize the use of certain System Components, provided that Franchisor will provide at least 30 days' notice of any changes to System Components. Franchisee acknowledges that different or additional System Components may be required for Franchisee to participate in certain Optional Programs or to receive jobs from certain customers or ~~referral~~ Referral sources. Franchisor may require Franchisee to obtain, update, and use specified System Components from vendors designated by Franchisor. Franchisee may be required incur costs to purchase, lease, and/or license new or modified System Components and to obtain service and support for the System Components during the term of this Agreement. All System Components must be updated, maintained, and used in compliance with Franchisor's specifications. Franchisor may require Franchisee to electronically upload or transmit information on a periodic basis (including daily) or may require Franchisee to provide Franchisor, or its designee, with independent, remote access to any System Components used in the Franchised Business.

5.18.2 Software. If Franchisor requires Franchisee to use any proprietary software or to purchase any software from a designated vendor, Franchisee must execute, and pay any fees associated with, any software license agreements that Franchisor or the licensor of the software require (“**Software Licenses**”). If Franchisor requires Franchisee to purchase any Software Licenses from Franchisor or its Affiliates, the fee will be incorporated into the Technology Fees. If this Agreement is being executed for the first time by a new franchisee for its first System Business (as either a new Franchised Business or as the acquirer of an existing Franchised Businesses), Franchisee must obtain any required software and enter into any Software Licenses prior to opening the Franchised Business. If Franchisee is an existing franchisee that is entering into this Agreement to renew its right to operate the Franchised Business or to obtain the right to operate an additional System Business, Franchisee must (i) obtain any required software and enter into any Software Licenses within six months of the date of execution of this Agreement or (ii) use in the Franchised Business a software system that is comparable to that specified by Franchisor and has been approved in advance by Franchisor in writing. Franchisor shall have a period of 60 days from the date of receipt of such request to approve or disapprove the comparable software proposed to be used by Franchisee. If Franchisor does not respond within the 60-day period, the use of the software shall be deemed disapproved by Franchisor. Franchisee’s breach of any Software Licenses related to the operation of the Franchised Business will be deemed to be a material breach of this Agreement. Franchisee shall use any proprietary software only in the operation of the Franchised Business.

5.19 Restriction on Use of Affiliates. Franchisee must not use Affiliates in connection with the operation of the Franchised Business (including the use of Affiliates to sell, lease, loan, or allow to use personal property or services, such as vehicles, to the Franchised Business) without Franchisor’s prior written consent, which Franchisor may withhold in its sole discretion. As a condition to obtaining Franchisor’s consent, Franchisor may require Franchisee’s Affiliates to guarantee Franchisee’s obligations to Franchisor, provide a business plan, and/or provide periodic reporting of financial and other information.

## **6. INTELLECTUAL PROPERTY**

### **6.1 Marks**

6.1.1 Right to Use the Marks. Franchisee’s limited license extends only to use of the Marks in accordance with (a) all applicable standards, operating procedures, policies and guidelines that Franchisor prescribes—and from time to time amends—during the duration of this Agreement, including, without limitation, those set forth in the most current edition of the Manual and other publications, if any, dedicated to proper use of the Marks; and (b) all Applicable Laws pertaining to advertising and marketing, including, without limitation, federal and state laws pertaining to telemarketing (including the TCPA), false advertising, unfair competition, and unfair practices. Franchisee acknowledges that Franchisee’s right to use the Marks is derived solely from this Agreement and is limited to the operation of the Franchised Business in compliance with this Agreement.

6.1.2 Ownership of the Marks. Franchisee acknowledges the ownership by Franchisor’s Affiliate of the Marks and the validity and enforceability of the Marks, and expressly covenants that during the Term of this Agreement, and after the expiration or termination of this Agreement, Franchisee shall not, directly or indirectly, contest or aid in contesting the validity or ownership of the Marks or take any other action in derogation of the Marks. Franchisee agrees to execute all documents requested by Franchisor or its counsel that are necessary to obtain protection for the Marks or to maintain their continued validity or enforceability. Franchisor further represents that it is licensed to grant Franchisee the right to use the Marks consistent with the terms of this Agreement.

6.1.3 Use of the Marks. Franchisee agrees to use the Marks as the sole service mark identification of the Franchised Business. It is understood and agreed that this license to use the Marks applies only to their use in connection with providing the services included in the License under this

Agreement and includes only such Marks as are now or may hereafter be designated by Franchisor in writing for use by Franchisee, and no other Marks of Franchisor or its Affiliates now existing or yet to be developed or acquired by Franchisor. Franchisee shall promote and offer for sale under the Marks only those services which meet Franchisor's prescribed Standards and specifications, as they may be revised and amended by Franchisor from time to time in the Manual or otherwise in writing.

6.1.4 Display of the Marks. Franchisee shall observe all requirements with respect to service mark, trademark and copyright notices, fictitious name registrations, and the display of the legal name or other identification of Franchisee as Franchisor may direct in writing from time to time. Franchisee agrees to provide and advertise its services only under the d/b/a. name listed on Page 1, except for identification of the ServiceMaster trademarked vehicle, as set forth in the Manual and use the Marks designated by Franchisor in Exhibit A or otherwise in writing by Franchisor for that purpose. Franchisee further agrees that all forms and stationery used in connection with the Franchised Business shall prominently include the phrase, "An independent business licensed to serve you by *ServiceMaster Clean/Restore SPE LLC.*"

6.1.5 Goodwill. Franchisee understands and agrees that its non-exclusive licensed use of the Marks pursuant to this Agreement does not give Franchisee any ownership interest or other interest, except the non-exclusive right and license herein granted, in and/or to the Marks; that any and all goodwill associated with the Marks inures exclusively to Franchisor's benefit; and that, upon expiration or termination of this Agreement and the License granted in this Agreement, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the Marks. Any unauthorized use of the Marks including use of the Marks in connection with any SM License other than the License licensed to Franchisee in this Agreement, shall constitute an infringement of the Marks and of Franchisor's rights relating to the licensed Marks. Accordingly, Franchisee expressly agrees not to commit or aid in committing any act of infringement or misuse of the Marks, either during or after the Term.

6.1.6 Restrictions on Use of the Marks. Franchisee shall not use any Mark (i) as part of any corporate name, (ii) with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos licensed to Franchisee by Franchisor), (iii) in any modified form, (iv) in connection with the sale of any unauthorized product or service, (v) on forms, uniforms, materials and supplies not approved by Franchisor, or (vi) in any other manner not explicitly authorized in writing by Franchisor.

6.1.7 Protection of the Marks. Franchisee shall immediately notify Franchisor of any apparent infringement of or challenge to Franchisee's use of any Mark or claim by any person of any rights in any Mark, and Franchisee shall not communicate with any person other than Franchisor and its counsel in connection with any such infringement, challenge or claim. Franchisor and its Affiliates shall have sole discretion to take such action as it or they deem appropriate and the right to exclusively control any litigation or U.S. Patent and Trademark Office or other administrative proceeding arising out of any such infringement, challenge or claim or otherwise relating to any Mark, and Franchisee agrees to execute any and all instruments and documents, and to do such acts and things as may, in the opinion of Franchisor's counsel, be necessary or advisable to protect and maintain the interests of Franchisor and its Affiliates in any such litigation or U.S. Patent and Trademark Office or other proceeding.

6.1.8 Franchisor Reserved Rights. Franchisee acknowledges and agrees that Franchisor retains the right to (i) grant other licenses for the Marks, in addition to those licenses already granted to existing franchisees and to use the Marks in connection with the sale of services, goods and products manufactured or distributed by Franchisor at wholesale or retail and (ii) participate in the development and establishment of other programs or systems for the Marks, or any other Marks, and to grant licenses for other programs, systems and Marks without providing Franchisee any right to such other programs, systems or Marks.

6.1.9 Modifications to the Marks. If it becomes advisable or desirable at any time, in

the judgment of Franchisor, for Franchisee to modify or discontinue use of any Mark, and/or use one or more additional or substitute Marks, including the primary Mark and/or color scheme under which the Franchised Business is operating, Franchisee agrees, at its expense, to do so.

6.1.10 Indemnity by Franchisor. Franchisor agrees to indemnify Franchisee against and to reimburse Franchisee for all damages for which Franchisee is held liable in any proceeding arising out of Franchisee's use of any Mark, pursuant to and in compliance with this Agreement. Franchisor's obligations under this Section 6.1.10 are subject to Franchisee and the Owners (i) providing Franchisor with prompt written notice of any claim that could result in an indemnified claim under this Section 6.1.10, (ii) allowing Franchisor to control the defense and settlement of the indemnified proceeding, and (iii) continuing to comply with the terms and conditions of this Agreement. Franchisee and Owners will not settle any claim that could result in an indemnified claim under this Section 6.1.10 without the prior written consent of Franchisor, in its sole discretion.

6.2 Domain Names. Franchisor will register, in its sole discretion, any domain names, e-mail addresses, or websites that contain the Marks or any words or designations similar to the Marks. Franchisee shall not establish an e-mail address or a website using any domain name containing the words "ServiceMaster" "or "ServiceMaster.com", or any other registered trade names or Marks or any variation thereof without the prior written approval of Franchisor.

6.3 Innovations. All ideas, concepts, techniques or materials relating to a Franchised Business (collectively, "**Innovations**"), whether or not protectable intellectual property and whether created by or for Franchisee or its Owners, employees or contractors, must be promptly disclosed to Franchisor and will be deemed to be Franchisor's sole and exclusive property, part of the System, and works made-for-hire for Franchisor. To the extent any Innovation does not qualify as a work made-for-hire for Franchisor, by this Section, Franchisee hereby assigns ownership of that Innovation, and all related rights to that Innovation, to Franchisor and agrees to sign (and to cause its Owners, employees and contractors to sign) whatever assignment or other documents Franchisor requests to evidence Franchisor's ownership or to help Franchisor obtain intellectual property rights in the Innovation. Franchisor and its Affiliates have no obligation to make any payments to Franchisee or any other person with respect to any Innovations. Franchisee may use any Innovation in operating the Franchised Business during the Term, unless Franchisor prohibits the use of the proposed Innovation in conjunction with the System. In the event Franchisor elects not to take additional steps to commercialize any Innovation, Franchisor agrees to meet with Franchisee to discuss opportunities that may exist with respect to such Innovation.

## 7. CONFIDENTIAL MANUAL

7.1 Compliance with the Manual. For the purposes of this Agreement, the "**Manual**" shall include all those manuals, documents, booklets, guides and related materials containing the specifications, standards, procedures and rules applicable to the Franchised Business, as prescribed from time to time by Franchisor in writing or posted on the Service Connection intranet site. In order to protect the reputation and goodwill of Franchisor and to maintain uniform standards of operation under the Marks, Franchisee shall conduct the Franchised Business in strict accordance with those portions of Franchisor's Manual which are designated as "mandatory" or "required." The Manual shall include any manuals designated by Franchisor and such other programs, materials and training aids designated as confidential and from time to time revised by Franchisor. Franchisor shall have the right, but not the obligation, from time to time, to add to or modify the Manual, and Franchisee agrees to be bound by and to conduct the Franchised Business in accordance with such revisions to the Manual.

7.2 Confidentiality of the Manual. Since the Manual is considered to be the Confidential Information of Franchisor, Franchisee shall treat the Manual in the same manner in which it is required to treat Confidential Information hereunder. Additionally, Franchisee shall require its employees and agents to treat the Manual as confidential and shall not disclose, copy, duplicate, record or otherwise reproduce,

in whole or in part, for whatever reason or otherwise make available to any unauthorized person or source, the contents of the Manual. Franchisor shall inform the Franchise Council of modifications it has made to the Manual before it informs the entire network of such revisions.

7.3 Property of Franchisor. The Manual and any other training or other similar materials on loan from Franchisor shall at all times remain the sole property of Franchisor.

## **8. CONFIDENTIAL INFORMATION AND DATA PROTECTION**

### **8.1 Confidential Information.**

8.1.1 Protection of Confidential Information. Franchisee will not, nor will it permit any person or entity to, (a) use any Confidential Information in any other business or for any purpose other than developing and operating the Franchised Business and/or (b) communicate or disclose any Confidential Information to any person or entity, except to Franchisee's employees and professional advisors to the extent necessary for them to perform their functions related to the operation of the Franchised Business. Franchisee acknowledges that its use of the Confidential Information in any other business or for any other purpose would constitute an unfair method of competition with Franchisor and its franchisees. Franchisee must exercise the highest degree of diligence in protecting the secrecy of Confidential Information and must take reasonable precautions to protect the Confidential Information from unauthorized use or disclosure, including implementing any systems, procedures, or training programs that Franchisor requires. Unless Franchisor specifies otherwise in writing, Franchisee must require anyone who may have access to the Confidential Information to execute non-disclosure agreements in a form satisfactory to Franchisor that identifies Franchisor and its Affiliates as third-party beneficiaries of such covenants with the independent right to enforce the agreement. Each Owner shall bind themselves to the confidentiality provisions in this Section 8.1 by signing the Franchisor's then-current form of Guaranty (if such Owner directly or indirectly holds a 15% or greater ownership interest in Franchisee's entity). Franchisee will be liable to Franchisor or its Affiliates for any unauthorized use or disclosure of Confidential Information by any employee, Owner, or other person to whom it discloses Confidential Information.

8.1.2 Ownership of Confidential Information. Franchisor and its Affiliates own all right, title, and interest in and to the Confidential Information. Franchisee acknowledges and agrees that by entering into this Agreement, Franchisee will not acquire any interest in Franchisor's Confidential Information, other than the right to use the Confidential Information that Franchisor periodically designates in operating the Franchised Business during the Term and according to this Agreement's other terms and conditions. Franchisee must promptly inform Franchisor if it learns of any unauthorized use or disclosure of Confidential Information. Franchisor will not be obligated to take any action to protect Confidential Information but will respond in a manner that it deems appropriate.

8.1.3 Injunctive Relief. Franchisee acknowledges that any breach or threatened breach of this Section 8 (Confidential Information and Data Protection) will cause Franchisor irreparable injury for which no adequate remedy at law is available, and Franchisee consents to the issuance of an injunction prohibiting any conduct violating the terms of Section 8. Such injunctive relief will be in addition to any other remedies that Franchisor may have.

8.2 Customer Information. Franchisee agrees that all Customer Information is owned by Franchisor and part of the Confidential Information, whether collected by Franchisee, Franchisor, or another party. Franchisee must furnish Customer Information to Franchisor at any time Franchisor requests it. Franchisee may not sell, transfer, or use Customer Information for any purpose other than operating the Franchised Business in accordance with this Agreement. Franchisor and its Affiliates may use Customer Information in any manner or for any purpose. Franchisee must secure from its actual and prospective customers all consents and authorizations, and provide them all disclosures, that Applicable Laws require to transmit Customer Information to Franchisor and its Affiliates and to permit Franchisor and its Affiliates

to use that Customer Information in the manner that this Agreement contemplates.

8.3 Protection of Data. Franchisee must comply with: (i) the Payment Card Industry Data Security Standards enacted by the applicable card associations (as they may be modified from time to time or as successor standards are adopted); (ii) the Fair and Accurate Credit Transactions Act; (iii) all other standards or Applicable Laws that relate to electronic payments, data privacy, personally identifiable information, and data protection; and (iv) Franchisor's then-current policies and procedures, as specified in the Manual or otherwise in writing, regarding the collection, storage, use, processing and transfer of personal or financial data, including any privacy, artificial intelligence, or data protection and breach response policies Franchisor may establish from time to time (collectively, "**Privacy Requirements**"). Franchisor may require Franchisee to (a) use vendors that Franchisor designates or approves to provide security services that are consistent with the Privacy Requirements; (b) maintain specific security measures; (c) provide evidence of compliance with Privacy Requirements upon Franchisor's request; and/or (d) use vendors that Franchisor approves or designates to conduct periodic security audits to ensure that personally identifiable information and/or payment data is adequately protected and provide Franchisor with copies of any audits, scanning results, or related documentation relating to such compliance or audits. Franchisee shall not publish, disseminate, implement, revise, or rescind a data privacy policy without Franchisor's prior consent.

8.4 Data Breaches. If Franchisee suspects or knows of a security or data breach, Franchisee must, at Franchisee's expense, in accordance with the Privacy Requirements, Applicable Laws, and any Franchisor directives, (i) immediately give Franchisor notice of such security breach and cooperate with any inquiry initiated by Franchisor; (ii) promptly identify and remediate the source of any compromise or security breach; (iii) comply with all applicable data breach notification laws; (iv) provide all required notices of breach or compromise to impacted individuals; (v) procure credit history monitoring services for impacted individuals; (vi) pay any related damages or fines; and (vii) keep Franchisor apprised of all such efforts to resolve the issue and resulting damages. For the avoidance of doubt, regardless of any actions that Franchisor may take to investigate or attempt to mitigate damages to Franchisor or the Marks and related goodwill that may result from such breaches, unless otherwise specified by Franchisor, Franchisee assumes, at its expense, all responsibility for addressing and resolving any security or data breach relating to the Franchised Business or customers of the Franchised Business.

## 9. ACCOUNTING AND RECORDS

9.1 Maintenance of Books, Records and Accounts. During the Term, Franchisee shall maintain and preserve, for at least seven years from the dates of their preparation, full, complete and accurate books, records and accounts in accordance with generally accepted accounting principles and in the form and manner prescribed by Franchisor from time to time in the Manual or otherwise in writing, including, but limited to, the requirement to maintain all such data in the then-current chart of accounts and/or approved accounting software required for use in the operation of the Franchised Business.

9.1.1 Accounting Application. Franchisee must use the then-current accounting application software prescribed by Franchisor from time to time as described in the Manual. Franchisee must install and maintain a software connection to enable accurate and complete transmittal of accounting data from Franchisee to Franchisor at the times and in the manner specified by Franchisor in the Manual. Franchisee must update its master file records to comply with changes to the accounting practices prescribed by Franchisor. Franchisor is not responsible for any technical support for the software.

9.1.2 Reporting from Application. Franchisee must electronically transmit to Franchisor all data stored on Franchisee's accounting application daily.

9.2 Monthly Gross Service Sales Reports. Franchisee shall submit to Franchisor, no later than the date each monthly Royalties payment is due during the Term, a statement on forms prescribed by

Franchisor and signed by Franchisee (or if Franchisee is a corporation or limited liability company, by its principal executive officer or managing member) accurately reflecting all Gross Service Sales for each category of service performed during the preceding month and such other data or information as Franchisor may require. The Franchisor shall have the right to distribute and/or publish the monthly Gross Service Sales for the Franchised Business without compensation to or the prior consent of Franchisee.

9.3 Financial Statements and Tax Returns. Within 15 days of the end of each calendar month, Franchisee shall submit to Franchisor a balance sheet as of the end of the calendar month and a profit and loss financial statement for the month and for the fiscal year-to-date. Each balance sheet and financial statement submitted to Franchisor shall be signed by an officer of Franchisee attesting that it is true and correct. If requested by Franchisor, Franchisee shall submit to Franchisor a copy of all federal, state, and other tax returns relating to the Franchised Business, including all federal and state individual income tax returns for each Owner, together with such other information in such form as Franchisor may require.

9.4 Certified Financial Statements. Upon request from Franchisor, Franchisee, at its expense, shall submit to Franchisor, within 90 days after receipt of Franchisor's request, complete financial statements for the preceding calendar year, including both a profit and loss statement and a balance sheet certified by an independent public accountant. Unless otherwise agreed to by Franchisor, or as otherwise set forth in the Manual, the financial statements shall be prepared in accordance with generally accepted accounting principles.

9.5 Other Information. Franchisee shall also submit to Franchisor, for review or auditing, such other forms, reports, records, information and data as Franchisor may reasonably designate, in the form and at the time reasonably required by Franchisor, upon request and as specified from time to time in the Manual or otherwise in writing.

9.6 Audit Rights.

9.6.1 Audit Procedure. Franchisor or its authorized agent or representative shall have the right at any time, and without prior notice to Franchisee, to audit or cause to be audited the sales reports, purchasing reports, advertising expenditures, accounting and bank records, tax returns and schedules, computer records, and other forms, and the information and supporting records which Franchisee is required to submit to Franchisor under this Agreement, including all inventory records and the books and records of the Franchised Business and of any entity which owns or operates the Franchised Business. With respect to any immediate family members and other persons or entities who provide any financial assistance to the Owners or to the Franchised Business, Franchisee also agrees to make available and to assist in obtaining for the audit such financial and other records of those individuals or entities that Franchisor deems necessary to establish the extent of that financial assistance. Franchisee shall fully cooperate with representatives of Franchisor and/or independent accountants or auditors hired by Franchisor conducting any such audit. The parties agree to deliver the relevant documents and conduct the audit in a diligent and expeditious manner. If Franchisee, Affiliates, and Owners have franchises for more than one marketing area, Franchisor may audit the Franchisee, Affiliates, and Owner's business records for any of the marketing areas to determine if sales or services have been shifted from one franchise to another to meet performance requirements, win awards, qualify for Optional Programs, or to otherwise gain improper advantage, and for any other business reason that Franchisor deems appropriate.

9.6.2 Remedies for Deficiencies. In the event any such audit shall disclose an understatement of the Gross Service Sales of the Franchised Business, Franchisee shall pay to Franchisor, within 30 days after receipt of the audit report, the Operating Fees and other monies due on the amount of such understatement, plus interest (as specified in Section 4.5.3 (Late Fees and Interest)). Further, in the event such audit is made necessary by the failure of Franchisee to furnish reports, supporting records, or other information, as required by this Agreement or if the audit reveals an understatement of Gross Service Sales for any period or periods greater than 1%, Franchisee shall pay Franchisor \$5,000 and reimburse

Franchisor for the cost of such audit, including the charges of any independent accountant, attorneys, and/or third-party vendor and the travel expenses, room and board and compensation of employees of Franchisor and its authorized agents or representatives. The foregoing remedies shall be in addition to and will not be a waiver of or prejudice any other remedies and rights of Franchisor hereunder or under Applicable Laws, including Franchisor's right to terminate this Agreement. If Franchisor makes the findings of its audit available to Franchisee, its findings should not be taken or construed as any approval or indication of Franchisee's compliance with any financial reporting requirements, Applicable Law, or any local, state, or federal tax filings.

**10. ADVERTISING.** Recognizing the value of advertising, and the importance of the standardization of advertising programs to the furtherance of the goodwill and public image of the System, the parties agree as follows:

10.1 Local Advertising.

10.1.1 Marketing Plan. By the deadlines specified by Franchisor, Franchisee must provide Franchisor with an annual marketing plan and budget (the "**Marketing Plan**") and obtain Franchisor's written approval of such Marketing Plan, which must be revised to incorporate any changes required by Franchisor. Franchisee must diligently implement the approved Marketing Plan.

10.1.2 Local Advertising Commitment. Franchisee shall spend not less than the percentage of monthly Gross Service Sales as set forth in Exhibit A on Eligible Local Marketing (the "**Local Advertising Commitment**"). From time to time, Franchisor may specify, in its sole discretion, in the Manual and otherwise in writing, the types, methods, and specifications of local advertising in the Territory that will qualify as "**Eligible Local Marketing.**"

10.1.3 Reporting and Compliance. Upon Franchisor's request or by the deadlines specified by Franchisor, Franchisee must provide, in a form and manner specified by Franchisor, an accounting of its monthly and/or annual local advertising expenditures and any evidence necessary to demonstrate compliance with the Local Advertising Commitment and the Marketing Plan. If Franchisee fails to meet its Local Advertising Commitment in any month, in addition to Franchisor's other remedies, Franchisee will be required to contribute to the Ad Fund the difference between the amount spent on Eligible Local Marketing in such month and the Local Advertising Commitment in such month, plus late fees and interest due. Franchisor shall not be obligated to spend such additional Ad Fund contributions on advertising in the Territory.

10.1.4 Conducting Local Advertising. Local advertising, sales activity, and other marketing activities are subject to approval by Franchisor and must be consistent with the then-current sales and marketing guidelines (which will be updated from time to time as Franchisor deems necessary). All local advertising conducted by Franchisee shall be conducted in a dignified manner and conform to Franchisor's requirements as set forth in the Manual or otherwise in writing. Franchisee may not market or advertise in violation of federal laws regulating advertising, such as the CAN-SPAM Act and the Telephone Consumer Protection Act, and state advertising laws applicable to the Franchised Business. Any information that Franchisee provides in any advertising or other materials, including any Digital Marketing (as defined below), must not (a) be false, inaccurate or misleading; (b) infringe any third party's copyright, patent, trademark, trade secret or other proprietary rights or rights of publicity or privacy; (c) violate any Applicable Laws; (d) be defamatory, trade libelous, unlawfully threatening or unlawfully harassing; (e) be obscene or contain a sexually explicit image; or (f) create liability for Franchisor or cause Franchisor to lose the loyalty of customers of System Businesses.

10.2 Approval of Advertising. Franchisee shall submit to Franchisor's Business Development Consultant (BDC), for its prior approval (except with respect to the prices to be charged), samples of all advertising and promotional plans and materials that Franchisee desires to use and that have not been

prepared or previously approved by Franchisor. If not disapproved or otherwise rejected by Franchisor within 20 days after the date Franchisor received such materials, Franchisor shall be deemed to have given the required approval.

10.3 Advertising Fund. Franchisor shall have the right, in its sole discretion, to establish or discontinue a national advertising fund for the promotion of System Businesses, Core Services, and the Marks (the “**Ad Fund**”). Franchisee shall make contributions to the Ad Fund as required under Section 4.2.1 (Ad Fund Contribution) of this Agreement. The Ad Fund shall be maintained and administered by Franchisor. Franchisee acknowledges that Franchisor has established a national Ad Fund as described in this Agreement.

10.3.1 Advertising Committee. Franchisor has established an Advertising Committee (the “**Committee**”) which provides guidance, counsel and communication as it relates to the creation of advertising programs funded through the Ad Fund. The Committee is composed of franchisees selected by Franchisor and members of Franchisor’s marketing department. The Committee does not have the right to approve, cancel, modify or create any marketing and promotional programs as the Committee only serves in an advisory role. All advertising programs are subject to the final approval of Franchisor.

10.3.2 Use of the Ad Fund. Franchisee agrees and acknowledges that the Ad Fund is intended to help enhance the general public recognition and acceptance of the Marks for the benefit of the SM Licenses and that Franchisor does not undertake any obligation in administering the Ad Fund to make expenditures for the benefit of Franchisee which are equivalent or proportionate to its contributions, or to ensure that any particular franchisee benefits directly or pro rata from the placement of advertising. The Ad Fund may be used to meet any and all costs of maintaining, administering, directing, and preparing advertising (media and production), branding, marketing, public relations and/or promotional programs and materials, and any other activities that Franchisor believes would benefit the brand and Franchised Businesses and/or will promote the programs, products, and services offered by Franchised Businesses, including (a) the cost of preparing and conducting digital and social marketing activities, television, radio, magazine, direct mail, and newspaper advertising campaigns and other sales, marketing, sponsorships, promotional and public relations activities; (b) producing and maintaining marketing systems and tools; (c) employing advertising agencies and public relations firms; (d) paying employee salaries, salesperson commissions, benefits, and other related costs and expenses for Franchisor and its Affiliates’ employees that devote time to and render services related to the Ad Fund; (e) soliciting the granting of franchises to expand the System for SM Licenses; (f) the costs relating to any toll-free number maintained by Franchisor and used in advertising and marketing campaigns; (g) producing advertising and sales support materials for use by franchisees; (h) conducting programs that are meant to promote positive customer experiences, including programs to incentivize franchisees and/or their frontline personnel to achieve high customer satisfaction/referral rates; (i) providing certain phone services, such as purchasing call tracking lines and producing on-hold marketing messages; (j) providing promotional brochures and other marketing materials to franchisees; (k) developing and placing online display and retargeting advertising; (l) developing dashboards for interactive marketing, planning, customer service analysis and sales/marketing decision-making; (m) paying the expenses of the Ad Fund; (n) monitoring and/or managing social media relating to the brand; (o) conducting market research and surveys related to marketing and branding; (p) purchasing naming rights and sponsorships; (q) participating in trade shows and similar industry events; and (r) such other costs and expenses as Franchisor, in its sole discretion, deems appropriate and in the best interests of all or any franchisees.

10.3.3 Operation of the Ad Fund. All sums paid by franchisees to the Ad Fund shall be maintained in a Franchisor account and tracked on a separate profit and loss statement and shall not be used to defray any of Franchisor’s general operating expenses, except for such reasonable administrative costs and overhead, if any, as Franchisor may incur in activities reasonably related to the administration or direction of the Ad Fund and advertising programs including conducting market research, preparing marketing, promotional and advertising materials, and collecting and accounting for assessments for the

Ad Fund. The proportionate compensation of Franchisor's and its Affiliates' employees who devote time and render services in the formulation, development and production of such marketing and promotion programs or the administration of the Ad Fund, will be paid from the Ad Fund. All System Businesses owned by Franchisor or its Affiliates will contribute to the Ad Fund on the same basis as the franchisees. Franchisor will not use the Ad Fund principally to solicit new franchise sales. If all the advertising contributions in the Ad Fund are not spent in the year they are accrued, the remaining amounts will be carried over to the next year. For the avoidance of any doubt, the Ad Fund shall be deemed general funds and shall not be deemed to be trust funds; and Franchisor shall have no obligation to spend on marketing or promotion amounts in excess of those funds actually collected from franchisees.

10.3.4 Review of the Ad Fund. A financial review of the operation of the Ad Fund shall be prepared annually by Franchisor. Within 90 days after the annual review is provided to the Committee, the Franchise Council may request an audit of expenses to be performed by an independent certified public accountant selected by the Committee. The annual review and any audit shall be made available to Franchisee upon request. The cost of the financial review and any audit shall be charged to the Ad Fund.

10.4 Other Marketing and Promotional Programs. Franchisor or its designee will from time to time formulate, develop, produce and conduct marketing and promotional programs in the form and types of media as Franchisor or its designee determines to be most effective. Franchisee agrees to participate in all marketing and promotions as Franchisor determines to be appropriate for the benefit of the System.

10.5 Telephone Numbers. Franchisee specifically agrees that all telephone numbers, including toll-free and local numbers, used at the Franchised Business or in advertising the Franchised Business will belong to Franchisor and be maintained in the name and for the use designated by Franchisor. Franchisee shall be responsible for all maintenance and other charges related to each telephone number used by the Franchised Business. Without Franchisor's prior written approval, Franchisee will (a) not employ and/or publish any other telephone number for customer use in connection with the Franchised Business and (b) use only roll-overs or other forwarding functions authorized by Franchisor.

10.6 Digital Marketing. Franchisor or its Affiliates may, in their sole discretion, establish, operate, and/or participate in websites, social media accounts (such as Facebook, X, Instagram, Pinterest, etc.), applications, online advertising purchasing programs, accounts with websites featuring gift certificates or discounted coupons, mobile applications, podcasts, blogs, vlogs, video and photo-sharing sites (such as TikTok, YouTube, etc.), chat rooms, virtual worlds, review sites, or other means of digital advertising on the Internet or any electronic communications network that may be used to promote the Marks, the Franchised Businesses, and/or the entire network of System Businesses (collectively, "**Digital Marketing**"). Franchisor will have the sole right to control all aspects of any Digital Marketing, including those related to the Franchised Business. Unless Franchisor consents otherwise in writing, Franchisee, its employees, and its agents may not, directly or indirectly, (a) conduct or be involved in any Digital Marketing that use the Marks or that relate to the Franchised Business or the network, (b) may not use the Marks, or any words or designations similar to the Marks, in any domain name, search engine keyword, social media account, or metatag, and (c) may not use a form of Digital Marketing to conduct commerce or directly or indirectly offer or sell any products or services in connection with the Franchised Business. If Franchisor permits Franchisee, its employees, or its agents to conduct any Digital Marketing, Franchisee, its employees, and its agents must comply with any policies, standards, guidelines, or content requirements that Franchisor establishes periodically and must immediately modify or delete any Digital Marketing that determine, in Franchisor's sole discretion, is not compliant with such policies, standards, guidelines, or requirements. If Franchisee, its employees, or its agents conduct any Digital Marketing, Franchisor will have the right to retain full control over all websites, social media accounts, mobile applications, or other means of digital advertising that are used. Franchisor may withdraw its approval for any Digital Marketing or suspend or terminate Franchisee's use of any Digital Marketing platforms at any time.

10.7 Websites. Franchisor will reference Franchisee's Franchised Business on the website

Franchisor develops for the System (the “**Website**”) so long as Franchisee is in full compliance with this Agreement. At Franchisor’s request, Franchisee shall provide to Franchisor true, complete and correct information relating to its Franchised Business for inclusion on such Website. Franchisee acknowledges and agrees that Franchisor will have final approval rights over all information on the Website. Franchisor will own all intellectual property and other rights in the Website, all information contained 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). Nothing in this Section 10.7 shall limit Franchisor’s right to maintain websites other than the Website or to offer and sell products or services under the Marks from the Website, another website, or otherwise over the Internet without payment or obligation of any kind to Franchisee.

## **11. INSURANCE**

11.1 Insurance Required. Franchisee shall at all times during the Term maintain in force at Franchisee’s sole expense the insurance coverage for the Franchised Business in the amounts, covering the risks, and containing only the exceptions and exclusions that Franchisor periodically specifies. All of Franchisee’s insurance carriers must be rated A or higher by A.M. Best and Company, Inc. (or such similar criteria as Franchisor may periodically specify). These insurance policies must be in effect on or before the deadlines Franchisor specifies. All coverage must be on an “occurrence” basis, except for the employment practices liability insurance coverage, which is on a “claims made” basis. All policies shall apply on a primary and non-contributory basis to any other insurance or self-insurance that Franchisor or its Affiliates maintain. All general liability and workers’ compensation coverage must provide for waiver of subrogation in favor of Franchisor and its Affiliates. Franchisor may periodically increase the amounts of coverage required and/or require different or additional insurance coverage 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. All such liability insurance policies shall name Franchisor and its Affiliates as additional insureds and shall provide that Franchisor receive 30 days’ prior written notice of termination, expiration or cancellation of any such policy. Franchisee shall submit to Franchisor, or Franchisor’s designated agent, annually a copy of the certificate of or other evidence of the renewal or extension of each such insurance policy.

11.2 Coverage Requirements. The required policies of insurance to be maintained by Franchisee shall be as set forth in the Manual or otherwise in writing, and shall include, at a minimum, the following: (i) Workers’ compensation and occupational disease insurance as may be required by applicable state or federal law, (ii) Comprehensive General Liability insurance, including products and completed operations coverage, (iii) business automobile liability coverage for owned, hired, and non-owned vehicles or any auto, and (iv) all other insurance required by applicable state or federal law. Some SM Licenses may require different or additional insurance policies, as specified in the Manual from time to time. Franchisee acknowledges and agrees (a) the required insurance coverage and limits will not necessarily be adequate to protect Franchisee for all events, nor will it be deemed as a limitation on Franchisee’s liability to Franchisor; (b) Franchisee may meet the required insurance coverages and limits with any combination of primary and umbrella/excess liability insurance; (c) Franchisee is solely responsible for any deductible or self-insured retention; and (d) if Franchisor receives any proceeds from any claim under Franchisee’s policies, Franchisor may retain any such amount to offset any monies Franchisee owes to Franchisor or its Affiliates. Franchisor must not satisfy its insurance obligations through the use of self-insurance, retroactive insurance, high-deductible insurance, insurance through a captive insurance program, or other non-traditional insurance without Franchisor’s prior written approval. If Franchisor, in its sole discretion, approves any non-traditional coverage, Franchisor may specify the broker or any providers that must be used and any other requirements and standards for such coverage.

11.3 Failure to Maintain. Franchisee shall submit to Franchisor, or Franchisor’s designated agent, annually a copy of the certificate of or other evidence of the renewal or extension of each such insurance policy. Should Franchisee, for any reason, fail to procure or maintain the insurance required by

this Agreement, as revised from time to time for all franchisees in the Manual or otherwise in writing, Franchisor shall have the right, at its option and in addition to any other rights and remedies, to procure such insurance coverage on Franchisee's behalf, and to charge Franchisee the Insurance Procurement Fee, which will be due immediately upon Franchisee's receipt of written notice. Franchisee shall promptly execute any applications or other forms or instruments required to obtain any such insurance.

11.4 Obligation to Obtain. Franchisee's obligation to obtain and maintain insurance policy or policies as specified by Franchisor shall neither be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee's performance of this obligation relieve it of liability under the indemnity provisions set forth in Section 17.3 (Indemnification) of this Agreement.

## 12. ASSIGNMENT

12.1 Transfer by Franchisor. Franchisor shall have the right to transfer or assign this Agreement or all or any part of its rights or obligations under this Agreement to any person or legal entity including to distributors of Franchisor, without the approval or consent of Franchisee. Franchisee agrees to execute any forms as Franchisor may reasonably request to acknowledge or effectuate any such assignment by Franchisor.

### 12.2 Transfer by Franchisee.

12.2.1 Franchisee's Owners. Franchisee represents and warrants that Exhibit A of this Agreement completely and accurately identifies all Owners and describes their ownership interests (whether direct or indirect) in Franchisee as of the Effective Date.

12.2.2 Transfer by Franchisee - Defined. Franchisee acknowledges that the rights and duties this Agreement creates are personal to Franchisee and its Controlling Owners and that Franchisor has granted Franchisee the rights under this Agreement in reliance upon Franchisor's perceptions of Franchisee's and its Controlling Owners' collective character, skill, aptitude, attitude, business ability, and financial capacity. Accordingly, unless otherwise specified in Section 12.2 (Transfer by Franchisee), prior to a Transfer, Franchisee must obtain Franchisor's prior written approval for the proposed Transfer and Franchisee, transferee, and any related parties must comply with the terms and conditions applicable to such Transfer in Section 12.2. A Transfer of the Franchised Business' ownership, possession, or control, or substantially all of its assets, may be made only with a Transfer of this Agreement. Any Transfer without complying with the terms and conditions applicable to such Transfer in Section 12.2 is a material breach of this Agreement, and such transaction will be deemed void *ab initio*. Franchisee may not offer the Franchised Business, the assets of the Franchised Business, or any interest in Franchisee through an auction, unless Franchisor consents in writing in advance. Franchisor reserves the right to conduct an audit of the Franchised Business as a pre-condition to consent to Transfer.

12.2.3 Non-Control Transfers. Subject to the other provisions of Section 12.2 (Transfer by Franchisee), Franchisee must obtain Franchisor's written consent to a proposed Non-Control Transfer prior to completing such Transfer. Franchisor will not unreasonably withhold its consent to a Non-Control Transfer, provided (i) neither the proposed transferee nor any of its direct and indirect owners (if the transferee is a legal entity) own, operate, or are directly or indirectly involved in any Competing Business; (ii) such Transfer does not, whether in one transaction or a series of related transactions (regardless of the time period over which these transactions take place), result in the transfer or creation of a direct or indirect Controlling Ownership Interest in Franchisee; (iii) prior to the closing of such Non-Control Transfer, Franchisor receives written notice of such Non-Control Transfer from Franchisee, which notice shall fully and completely describe such Non-Control Transfer and the parties involved in such Non-Control Transfer, including such other information as Franchisor reasonably requests from time to time concerning any new Non-Controlling Owners; (iv) such Non-Controlling Owners have, in Franchisor's judgment, the necessary business experience and good moral character and business reputation necessary to participate in, or be

associated with, the Franchised Business; (v) upon closing of the Transfer, Franchisee pays the Change Fee to Franchisor; (vi) Franchisee (and each of its Guarantors) is substantially complying with this Agreement; and (vii) Franchisee and each of its Owners, and the transferee and each owner of any equity ownership interest in the transferee, execute a General Release and any other documentation required by Franchisor to effectuate the Transfer.

12.2.4 Control Transfers. Franchisee must notify Franchisor in writing at least ten days in advance of Franchisee's listing the Franchised Business or a direct or indirect Controlling Ownership Interest in Franchisee for sale and promptly send Franchisor all information that Franchisor reasonably requests regarding any proposed sale. In connection with any proposed Control Transfer, Franchisee must submit to Franchisor, on behalf of the proposed transferee, a complete application for a new franchise agreement (the "**Change of Ownership Application**"), accompanied by payment of a non-refundable deposit equal to 25% of the applicable Transfer Fee (which will be credited towards the Transfer Fee if the Transfer is completed but will be retained by Franchisor if the Transfer is not completed for any reason). The same qualifications apply to all potential transferees, including spouses, adult children, and existing managers of the business. Franchisor will process the Change of Ownership Application according to this Section 12.2.4 and its then-current procedures for such transfers. Franchisor has 60 days from its receipt of the completed and signed Change of Ownership Application to consent or withhold its consent to the proposed Control Transfer. Subject to the other provisions of Section 12.2 (Transfer by Franchisee), Franchisee must obtain Franchisor's written consent to a proposed Control Transfer prior to completing such Transfer. If Franchisee (and each of its Guarantors) is substantially complying with this Agreement, then, subject to the other provisions of Section 12.2 (Transfer by Franchisee), Franchisor will not unreasonably withhold its approval of a Control Transfer if all of the following conditions are met before or concurrently with the effective date of the Control Transfer:

12.2.4.1 the transferee and each of its direct and indirect owners (if the transferee is a legal entity) has, in Franchisor's judgment, the necessary business experience, good moral character and business reputation, aptitude and ability to conduct the Franchised Business (as may be evidenced by prior related business experience or otherwise), the financial resources to operate the Franchised Business, and satisfies all eligibility requirements necessary to participate in the Franchised Business;

12.2.4.2 Franchisee has paid all amounts owed to Franchisor, its Affiliates and third-party vendors, and has not violated any provision of this Agreement or Related Agreement, in each case during both the 60-day period before Franchisee requested Franchisor's consent to the transfer and the period between Franchisee's request and the effective date of the transfer;

12.2.4.3 at the transferee's expense and upon such other terms and conditions as Franchisor may reasonably require, Franchisor may require the transferee (or if the transferee is a corporation or limited liability company, the transferee's officers or owners) to complete the training courses then in effect for new franchisees;

12.2.4.4 the transferee and its owners (if the transfer is of this Agreement), or Franchisee and its Owners (if the transfer is of a Controlling Ownership Interest in Franchisee or one of its Controlling Owners), at Franchisor's sole discretion, either (a) sign Franchisor's then-current form of franchise agreement and related documents (including guarantees and assumptions of obligations), any and all of the provisions of which may differ materially from any and all of those contained in this Agreement, including the Royalties and Ad Fund Contributions, and the term of which franchise agreement will be, at Franchisor's option, a five year term or the remaining unexpired portion of the term of Franchisee's existing franchise agreement or (b) assume Franchisee's existing franchise agreement for the remaining unexpired portion of the term and sign any related documents (including guarantees and assumptions of obligations);

12.2.4.5 Franchisee and its Owners and/or Guarantors sign a termination

agreement in Franchisor's then-current form, and Franchisee and each of its Owners, and the transferee and each owner of any equity ownership interest in the transferee, shall have executed a General Release. In addition, each owner that directly or indirectly holds a 15% or greater ownership interest in transferee's entity shall sign all documents Franchisor requests evidencing their agreement to remain liable or assume liability for all obligations to Franchisor and its Affiliates existing before the effective date of the transfer;

12.2.4.6 Franchisor has determined that Franchisee's or the transferee's (as applicable) overall financial status following the transfer will not adversely affect the operation of the Franchised Business;

12.2.4.7 the transferee must prepare a business plan (containing the information and in the format specified by Franchisor) for the Franchised Business and must obtain Franchisor's written approval for such business plan, which Franchisor may provide or condition in its sole discretion;

12.2.4.8 Franchisee (if Franchisee will no longer operate the Franchised Business) and its transferring Owners agree that they will not directly or indirectly at any time or in any manner use any Mark, copyrighted materials or Confidential Information, except as otherwise permitted under any then effective agreement with Franchisor or its Affiliates;

12.2.4.9 neither the transferee nor its owners own, operate, or are directly or indirectly involved in any Competing Business; and

12.2.4.10 upon granting of approval for the transfer of the Franchised Business, Franchisee shall pay Franchisor the applicable Transfer Fee.

Franchisor may review all information regarding the Franchised Business that Franchisee gives the proposed transferee, correct any information that Franchisor believes is inaccurate, and give the proposed transferee copies of any reports that Franchisee has given Franchisor or Franchisor has made regarding the Franchised Business.

12.2.5 Permitted Control Transfers. Notwithstanding Section 12.2.4 (Control Transfers): (i) any Controlling Owner may, without Franchisor's prior written consent and without complying with the other terms and conditions of Section 12.2.4, transfer its interest in Franchisee (or Franchisee's Controlling Owner) to any other entity in which such Controlling Owner owns (directly or indirectly) all of the ownership interests; and (ii) any Owner who is an individual may, without Franchisor's prior written consent and without complying with the other terms and conditions of Section 12.2 (Transfer by Franchisee), transfer his or her interest in Franchisee (or Franchisee's Owner) to a trust or other entity that he or she establishes for estate planning purposes, as long as (a) he or she is a trustee of, or otherwise controls the exercise of the rights in Franchisee (or Franchisee's Owner) held by, the trust or other entity, (b) continues to comply with and ensures the trust's or other entity's compliance with the applicable provisions of this Agreement (if such Owner is a Guarantor), (c) signs the Guaranty in his or her individual capacity, and (d) notifies Franchisor in writing of the transfer at least ten days prior to its anticipated effective date. Dissolution of, or transfers from, any trust or other entity described in this Section 12.2.5 are subject to all applicable terms and conditions of Sections 12.2.2 (Transfer by Franchisee-Defined), 12.2.3 (Non-Control Transfers), and/or 12.2.4 (Control Transfers).

12.2.6 Transfer to Competitor Prohibited. Franchisee will not sell, assign or transfer this Agreement, any interest in Franchisee or the Franchised Business, or any assets or accounts of Franchisee or the Franchised Business, to any person, partnership, corporation or entity that owns, operates, franchises, develops, consults with, manages, is involved in, or controls any business that is in any way competitive with Franchisor or the Franchised Business. If Franchisor refuses to permit a transfer or assignment based upon this provision, Franchisee's only remedy will be to have a court of competent jurisdiction determine

whether the proposed transferee is a competitor of Franchisor.

12.2.7 Transfer to an Entity. In the event the proposed transfer is to a corporation, limited liability company or other legal entity, Franchisor's consent to such transfer may, in its sole discretion and in addition to any other applicable conditions, be conditioned on the requirements set forth in Section 5.5 (Corporate Franchisee) of this Agreement.

12.2.8 Transfer of Ownership Interests Upon Death. Upon the death or mental incompetency of a person with a Controlling Ownership Interest in Franchisee or one of its Controlling Owners, that person's executor, administrator, or personal representative ("**Representative**") must, within six months after the date of death or mental incompetency, transfer the Owner's interest in Franchisee or the Controlling Owner to a third party, subject to Franchisor's approval and the conditions set forth in Section 12.2.4 (Control Transfers). In the case of a transfer by devise or inheritance, if the heirs or beneficiaries cannot meet the conditions of Section 12.2.4 within this six-month period, the Representative will have nine months from the date of death or mental incompetency to dispose of the interest, subject to Franchisor's approval and the conditions set forth in Section 12.2.4. Franchisor may terminate this Agreement if this required transfer fails to occur in compliance with this Agreement within the required time frame.

12.2.9 Non-Waiver of Claims. Franchisor's consent to a transfer of any interest in the Franchised Business shall not constitute a waiver of any claims it may have against the transferring party, nor shall it be deemed a waiver of Franchisor's right to demand exact compliance with any of the terms of this Agreement by the transferee.

12.2.10 Security Interests. Franchisee may not assign, grant or pledge any security interest in the Franchised Business, the assets used in the operation of the Franchised Business, or any direct or indirect legal and/or beneficial interest in Franchisee without Franchisor's prior written consent, which will not be unreasonably withheld. Franchisor's consent may be conditioned, in Franchisor's sole discretion, on the written agreement by the secured party that, in the event of a default by Franchisee under any agreement related to the security interest, Franchisor will have the right and option (but not the obligation) to purchase the rights of the secured party upon payment of all sums then due to the secured party. Any foreclosures or other exercise of the rights granted under that security interest are subject to all applicable terms and conditions of Section 12 (Assignment). Notwithstanding the foregoing, however, Franchisee may grant, without obtaining Franchisor's prior written approval, a security interest in the assets of the Franchised Business (not including this Agreement or any future receivables) to a lender for the sole purpose of financing Franchisee's acquisition, development, and/or operation of the Franchised Business.

12.2.11 Acknowledgment of Restrictions. Franchisee acknowledges and agrees that the restrictions imposed by Franchisor on transfers in Section 12.2 (Transfer by Franchisee) are reasonable and necessary to protect the goodwill associated with Franchisor's business operation and the Marks, as well as Franchisor's reputation and image and are for the protection of Franchisor and all franchisees that own and operate System Businesses. Any attempted assignment or transfer made without complying with the requirements of Section 12.2 will be void.

#### 12.2.12 Right of First Offer.

12.2.12.1 Offer Procedure. If Franchisee (or any of its Owners) at any time during the Term determines to sell or transfer for consideration this Agreement, the Franchised Business or all or substantially all of its assets, or a Controlling Ownership Interest in Franchisee or its Controlling Owner (except to or among Franchisee's Owners as of the Effective Date, which is not subject to this Section 12.2.12), then Franchisee must first give Franchisor the opportunity to acquire those rights (the "**Offered Rights**") by delivering written notice to Franchisor. Franchisee's notice must contain the specific terms and conditions of the proposed sale or transfer,

including the proposed consideration and the terms of any financing Franchisee or its Affiliate will provide for the proposed purchase price (the “**Offer Terms**”). The Offer Terms must relate exclusively to the Offered Rights and not to any other assets or rights. Franchisor will then have 45 days after receiving the Offer Terms to notify Franchisee whether Franchisor elects to acquire the Offered Rights on the Offer Terms, provided that (1) Franchisor may substitute cash, a cash equivalent, or marketable securities for any form of payment proposed in the Offer Terms (such as ownership interests in an entity) and may elect to pay the net present value of any payments to be made over time; and (2) Franchisor must receive, and Franchisee and its Owners agree to make, all customary representations, warranties, and indemnities in Franchisor’s purchase, including representations and warranties as to ownership and condition of and title to assets; liens and encumbrances on assets; validity of contracts and agreements; liabilities affecting the assets, contingent or otherwise; and indemnities for all actions, events, and conditions that existed or occurred in connection with the Franchised Business before the closing. Franchisor reserves the right to assign its right of first offer to purchase this Agreement, the Franchised Business, all or substantially all of Franchisee’s assets, or any interest in Franchisee and to designate a substitute purchaser for such assets.

12.2.12.2 If Right Exercised. If Franchisor (or its assignee or designee) exercises the right of first offer, the closing will take place at a location and on a date (within 30 days after Franchisor delivers its notice of exercise to Franchisee) that Franchisor chooses. Franchisor (or its assignee or designee) and Franchisee will sign documents, including deeds, affidavits, transfers and assignments, and any other documents necessary or appropriate for the sale or transfer of the Offered Rights. Franchisee must satisfy all liens, mortgages, and/or encumbrances on the Franchised Business. Franchisor (or its assignee or designee) and Franchisee will share equally any closing costs.

12.2.12.3 If Right is Not Exercised. If Franchisor notifies Franchisee in writing that Franchisor does not intend to exercise its right of first offer with respect to any Offer Terms, or fails to notify Franchisee of Franchisor’s decision within the 45-day period described above, then Franchisee thereafter may offer the Offered Rights to any third party on terms no more favorable to that party than the Offer Terms. However, Franchisee or its Owners may sell or transfer the Offered Rights only if Franchisor otherwise approves the transfer in accordance with, and Franchisee (and its Owners) and the transferee comply with the conditions in, Section 12.2 (Transfer by Franchisee) of this Agreement. This means that, even if Franchisor does not exercise Franchisor’s right of first offer, if the proposed transfer otherwise would not be allowed under Section 12.2, Franchisee (or its Owners) may not move forward with the transfer.

12.2.12.4 Reactivation of Right. If Franchisee later elects to offer the Offered Rights on terms which are more favorable to the buyer than the Offer Terms, or, if Franchisee elects to change the Offered Rights, then Franchisee must first offer those new terms to Franchisor according to the procedures described above. In addition, if Franchisee does not sell or transfer the Offered Rights in compliance with this Section 12.2.12 and the conditions in Section 12.2, within 12 months after Franchisor first receives notice of the Offered Rights, then the rights under this Section 12.2.12 shall once again apply with respect to those Offer Terms, and Franchisee may not sell or transfer for consideration the Offered Rights without first giving Franchisor the opportunity to acquire those rights according to this Section 12.2.12.

### **13. TERMINATION OF FRANCHISE**

13.1 Termination after Opportunity to Cure. In addition to its right to terminate this Agreement as provided in Section 13.3 (Franchisor’s Immediate Termination Rights Without Opportunity to Cure), Franchisor shall have the right to terminate this Agreement upon written notice to Franchisee in the event Franchisee or any of its Owners (a) fails to comply with any provision of this Agreement, any Related

Agreement, or any mandatory Standard (including any procedures or requirements set forth in the Manual or any Standard relating to image or customer service or treatment), and (b) does not correct such failure within (i) seven days after written notice of such failure to comply (which shall describe the action that Franchisee must take) is delivered to Franchisee if such failure relates to the use of any Mark or the payment of any monies due Franchisor, its Affiliates, or to any third party under this Agreement or any Related Agreement or (ii) 30 days after written notice of such failure to comply (which shall describe the action that Franchisee must take) is delivered to Franchisee if such failure relates to any other provision.

13.2 Termination of Agreement. If Franchisor, in its sole discretion, has given the written notice set forth in Section 13.1 of this Agreement and Franchisee fails to correct the alleged breach set forth in the notice within the period of time specified in Section 13.1 (Termination after Opportunity to Cure) of this Agreement, then this Agreement will automatically terminate on the first minute after 12:00 midnight on the 31<sup>st</sup> day or the 8<sup>th</sup> day, as applicable, after the date of the notice of breach, without any further action by Franchisor. At the sole discretion of Franchisor, a terminated franchisee may be reinstated.

13.3 Franchisor's Immediate Termination Rights without Opportunity to Cure. Franchisor will have the absolute right to terminate this Agreement effective upon delivery of notice of termination to Franchisee, if:

13.3.1 Franchisee or a Guarantor becomes insolvent by reason of Franchisee's or such Guarantor's inability to pay its debts as they become due or Franchisee or a Guarantor makes an assignment for the benefit of creditors or an admission of Franchisee's or a Guarantor's inability to pay its obligations as they become due;

13.3.2 Franchisee or a Guarantor files a voluntary petition in bankruptcy or any pleading seeking any reorganization, liquidation, dissolution or composition or other settlement with creditors under any Applicable Laws, or admits or fails to contest the material allegations of any such pleading, or is adjudicated as bankrupt or insolvent or a receiver or other custodian is appointed for a substantial part of the assets of Franchisee, a Guarantor, or the Franchised Business, or a final judgment remains unsatisfied or of record for 90 days or longer (unless supersedeas bond is filed), or if execution is levied against any substantial part of the assets of Franchisee, a Guarantor, or the Franchised Business or suit to foreclose any lien or mortgage is instituted against the Franchised Business and not dismissed within 90 days, or if the real or personal property of the Franchised Business is sold after levy of judgment thereupon by any sheriff, marshal or constable, or the claims of creditors of Franchisee, a Guarantor, or the Franchised Business are abated or subject to a moratorium under any Applicable Laws;

13.3.3 Franchisee has voluntarily or otherwise Abandoned (as defined in Section 28 (Definitions)) the Franchised Business;

13.3.4 Franchisee fails or refuses to permit Franchisor access to Franchisee's and/or the Franchised Business' financial information or refuses to produce financial or other business records to Franchisor for review and audit in accordance with this Agreement;

13.3.5 Franchisee on three or more occasions during any 12 consecutive month period fails or refuses to comply with the procedures or requirements set forth in the Manual or otherwise fails or refuses to comply with the Standards or this Agreement, including non-payment of sums due;

13.3.6 Franchisee is involved in any act or conduct or uses the Marks in any way which materially impairs the goodwill associated with the Marks or Franchisor's business operations and Franchisee fails to correct the breach within 24 hours of receipt of written notice from Franchisor of the specific breach;

13.3.7 Franchisee violates any law, ordinance, rule or regulation of a governmental

agency in connection with the operation of the Franchised Business, and permits the same to go uncorrected after notification thereof, unless there is a bona fide dispute as to the violation, constitutionality, or legality of such law, ordinance, rule or regulation, and Franchisee promptly resorts to courts or forums of appropriate jurisdiction to contest such violation or legality;

13.3.8 Franchisee or any of its Owners is convicted of or pleads no contest to a felony, a crime involving moral turpitude or any other crime or offense that is likely to adversely affect the reputation of the Franchised Business and the goodwill associated with the Marks;

13.3.9 Franchisee fails to maintain or suffers cancellation of any insurance policy;

13.3.10 Franchisee or any Owner makes an unauthorized transfer of the Franchised Business, this Agreement, any ownership rights in Franchisee or any of Franchisee's rights under this Agreement without complying with all applicable provisions of this Agreement;

13.3.11 Franchisee makes an unauthorized grant of a security interest in Franchisee, the Franchised Business, or this Agreement (including any sale, grant or pledge of future receivables) without complying with all applicable provisions of this Agreement;

13.3.12 Franchisee or any Owner violates any of the covenants with respect to the Confidential Information in Section 8 (Confidential Information and Data Protection) and the non-compete covenants in Section 15 (Covenants);

13.3.13 Franchisee, its Owners, or its Affiliates default under any Related Agreement, provided that the default would permit the other party to terminate such agreement, regardless of whether such other party terminates such agreement; or

13.3.14 Franchisee fails to meet the Minimum Monthly Sales Requirement three or more times during any nine-month period (for the avoidance of doubt, each failure to meet the Minimum Monthly Sales Requirement in a given month shall be considered a separate material default).

13.4 Correction of Breach. For purposes of this Agreement, an alleged breach of this Agreement by Franchisee will be deemed to be "corrected" if both Franchisor and Franchisee agree in writing that the alleged breach has been corrected.

13.5 Other Remedies. Nothing in Section 13 (Termination of Franchise) precludes Franchisor from seeking other remedies or damages under Applicable Laws, this Agreement, or any Related Agreement. Upon the occurrence of any of the events that give rise to Franchisor's right to terminate this Agreement under Section 13, Franchisor may, at its sole option and upon delivery of written notice to Franchisee, elect to take any or all of the following actions without terminating this Agreement:

13.5.1 temporarily or permanently reduce the size of the Territory;

13.5.2 temporarily remove information concerning the Franchised Business from Franchisor's website and/or stop Franchisee's or its Franchised Business' participation in any other programs or benefits offered on or through Franchisor's Website;

13.5.3 suspend Franchisee's right to participate in one or more programs or benefits that the Ad Fund provides;

13.5.4 refuse to provide any operational support that this Agreement requires or that Franchisor has elected to provide or suspend any other services that Franchisor or its Affiliates provide to Franchisee under this Agreement or any Related Agreement;

13.5.5 require the temporary closure of the Franchised Business until any defaults are cured and any underlying causes for such defaults are adequately addressed to the satisfaction of Franchisor;

13.5.6 suspend or terminate any temporary or permanent fee reductions to which Franchisor might have agreed (whether as a policy, in an amendment to this Agreement, or otherwise); ~~and/or~~

13.5.7 suspend or terminate Franchisee's participation in any Optional Programs; and/or

13.5.8 ~~13.5.7~~ undertake or perform on Franchisee's behalf any obligation or duty that Franchisee is required to, but fails to, perform under this Agreement. Franchisee must reimburse Franchisor upon demand for up to 120% of the actual costs and expenses that Franchisor and its Affiliates incur in performing any such obligation or duty.

13.6 Exercise of Other Remedies. Franchisor's exercise of its rights under Section 13.5 (Other Remedies) will not (i) be a defense for Franchisee to Franchisor's enforcement of any other provision of this Agreement or waive or release Franchisee from any of its other obligations under this Agreement, (ii) constitute an actual or constructive termination of this Agreement, or (iii) be Franchisor's sole or exclusive remedy for Franchisee's default. Franchisee must continue to pay all fees and otherwise comply with all of its obligations under this Agreement following Franchisor's exercise of any of these rights. If Franchisor exercises any of its rights under Section 13.5, Franchisor may thereafter terminate this Agreement without providing Franchisee any additional corrective or cure period, unless the default giving rise to Franchisor's right to terminate this Agreement has been cured to Franchisor's reasonable satisfaction.

#### **14. OBLIGATIONS UPON TERMINATION**

Upon termination or expiration, this Agreement and all rights granted to Franchisee under this Agreement shall immediately terminate, and:

14.1 Association with System. Franchisee shall immediately cease to perform any services or use, by advertising or in any manner whatsoever, any format, methods, procedures and techniques associated with the System.

14.2 Removal of Name. Franchisee's name shall be withdrawn from all published lists of persons and entities licensed to perform services associated with the System and Franchisee shall not hold itself out to the public as a present or former franchisee of Franchisor.

14.3 Use of Marks. Franchisee will (i) cease and terminate all use of the Marks and the word "ServiceMaster", in any manner whatsoever, or any colorable imitation thereof, including identification on vehicles and equipment; and (ii) take all steps necessary to disassociate itself from the Marks and the System, such as the withdrawal of all advertising materials, the destruction of all letterheads, and the removal of all signs and any other articles which display the Marks and the trade dress associated with the Marks, including the removal of all distinctive colors, designs and decals from all aspects of the premises where Franchisee conducted the Franchised Business.

14.4 Transfer of Identifiers and Accounts. Following termination or expiration of this Agreement, Franchisee and its Owners must, in accordance with Franchisor's directions, cancel or transfer to Franchisor or its designee (or cause an Affiliate or third party to cancel or transfer to Franchisor or its designee) all authorized and unauthorized domain names, social media accounts, websites (including accounts used to access websites, including vlogs, blogs, wikis, forums, content sharing communities, and other sites), email accounts, telephone numbers, post office boxes, and classified and other directory listings relating to, or used in connection with, the Franchised Business or the Marks (collectively, "**Identifiers**")

and provide Franchisor with all information necessary to allow Franchisor or its designee to access Franchisee's accounts for such Identifiers, including usernames, passwords, and security codes. Franchisee acknowledges that Franchisor or its Affiliates have the sole rights to, and interest in, all Identifiers. If Franchisee fails to comply with this Section, Franchisee hereby authorizes Franchisor, and irrevocably appoints Franchisor, as Franchisee's attorney-in-fact to direct the telephone company, postal service, registrar, Internet Service Provider, social media company, listing agencies, or other providers to transfer such Identifiers to Franchisor or its designee. The telephone company, the postal service, registrars, Internet Service Providers social media companies, listing agencies, and other providers may accept such direction by Franchisor pursuant to this Agreement as conclusive evidence of Franchisor's exclusive rights in such Identifiers and its authority to direct their transfer. Any amounts owing by Franchisee related to such Identifiers shall be paid immediately by Franchisee.

14.5 Return of Manual. Franchisee will immediately return to Franchisor all copies of the Manual or bulletins which have been loaned to Franchisee by Franchisor and cease use of the Manual that have been provided to Franchisee electronically. Franchisee must certify, in a form prescribed by Franchisor, that it has destroyed or returned to Franchisor all Confidential Information and all copies thereof in any format or medium, including paper and electronic files.

14.6 Unfair Competition. Franchisee agrees, in the event it continues to operate or subsequently begins to operate another non-competitive business, not to use any reproduction, counterfeit, copy or colorable imitation of the Marks or the System either in connection with the operation or the promotion of such other business which is likely to cause confusion, mistake or deception, or which is likely to dilute Franchisor's exclusive rights in and to the Marks and the System, and further agrees not to utilize any trade dress or designation of origin or description or representation which falsely suggests or represents an association or connection with Franchisor so as to constitute unfair competition.

14.7 Return or Destruction of Materials. Franchisee shall immediately return to Franchisor: (i) all hard copies and electronic copies (capable of being returned) of the Confidential Information, including the Manuals, and of materials bearing the Marks; and (ii) all other manuals, records, files, instructions, correspondence, and other materials relating to the operation of the Franchised Business ("**Other Materials**") in the possession of Franchisee, its Owners, or related parties. If Franchisee or its Owners have on their computer systems, e-mail accounts, or other digital storage systems or services copies of the Confidential Information, any proprietary software, and/or Other Materials, they must immediately erase these copies. Franchisee must provide Franchisor with a certification attesting to the fact that all copies of the Confidential Information, proprietary software, and Other Materials in Franchisee's control or the control of its officers, directors, Owners, employees, agents, and representatives have been returned or destroyed in accordance with this Section.

14.8 Cancellation of Assumed Name Registration. Upon the termination or the expiration of this Agreement, Franchisee shall take such action as shall be necessary to cancel any assumed name or equivalent registration which contains the word "ServiceMaster" or any other Marks and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within 30 days after termination or expiration of this Agreement.

14.9 Option to Purchase.

14.9.1 Exercise of Option. Franchisor shall have the right (but not the duty), to be exercised by notice ("**Option Notice**") of its intent to do so within 60 days after termination, non-renewal, or expiration of this Agreement, to purchase from Franchisee (a) all equipment, fixtures, signs, vehicles, products, supplies, and materials used in the operation of the Franchised Business, (b) any advertising material, inventory, or other items bearing the Marks, and (c) any real estate owned by a Franchisee Related Party and used in the operation of the Franchised Business (collectively, the "**Purchased Assets**") at fair market value. If a Franchisee Related Party owns any real estate used in the operation of the Franchised

Business, Franchisor may elect to include a fee simple interest in such site as part of the Purchased Assets or, at its option, lease such site from the Franchisee Related Party for an initial ten-year term with one renewal term of five years (at Franchisor's option) on commercially reasonable terms, which shall include the right to sublease the site to another party. If a Franchisee Related Party leases a site used in the operation of the Franchised Business from an unaffiliated lessor, Franchisee shall (at Franchisor's option) cause the Franchisee Related Party to coordinate with the landlord to assign such lease to Franchisor (or its designee) or to enter into a sublease for the remainder of the lease term on the same terms (including renewal options) as the lease. Franchisee and its Owners agree to cause its Affiliates or any entity controlled by such Owners to comply with these requirements. In the 60-day period after termination, non-renewal, or expiration, Franchisee must provide Franchisor with any documents, financial statements, pictures, and other information that Franchisor reasonably requires, and allow Franchisor to inspect the Franchised Business and its assets, so that Franchisor can determine whether to exercise its option. Franchisor has the unrestricted right to exclude any assets or leases Franchisor specifies relating to the Franchised Business from the Purchased Assets and not acquire them. Franchisor may, upon written notice to Franchisee, assign or delegate its option hereunder to a third party or Affiliate, in which case such party shall have all of the rights of Franchisor specified in Section 14.9 (Option to Purchase).

14.9.2 Purchase Price. The parties shall have 15 days after the date of the Option Notice to agree upon such fair market value, and, if they cannot agree, an independent third-party appraiser experienced in valuing businesses of this kind shall be appointed by mutual agreement of Franchisor and Franchisee. If the parties cannot agree on an appraiser within 20 days of the Option Notice, Franchisor shall appoint an independent appraiser of its choosing who shall then determine the fair market value within 30 days after the date such appraiser's appointment, and Franchisee will reimburse Franchisor for half of the cost of such appraisal. If Franchisee disagrees with such appraiser's determination of fair market value, within 15 days of its receipt of such appraisal, it may appoint, at Franchisee's sole expense, an appraiser experienced in valuing businesses of this kind, and the two appraisers together shall appoint a third such appraiser, whose services shall be paid for by Franchisee, each of which shall determine the fair market value. In such event, for purposes of Section 14.9 (Option to Purchase), "**fair market value**" shall be the average of the two such closest appraisals and that determination shall be final and binding on the parties.

14.9.3 Closing. Franchisor is entitled to all customary representations, warranties, and indemnities related to the Purchased Assets, including 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, and indemnities for all actions, events and conditions that existed or occurred in connection with the Franchised Business prior to the closing of Franchisor's purchase. At the closing, Franchisee agrees to deliver instruments transferring to Franchisor: (i) good and merchantable title to the Purchased Assets free and clear of all liens and encumbrances (other than liens and security interests acceptable to Franchisor), with all sales and transfer taxes paid by Franchisee; (ii) any premises where Franchisee operated the Franchised Business, in Franchisor's discretion, which if executed, then such premises shall be free and clear of all liens and encumbrances (other than liens and security interests acceptable to Franchisor); and (iii) all of the Franchised Business' licenses and permits which may be assigned or transferred. If Franchisee cannot deliver clear title to all of the Purchased Assets purchased hereunder, or if there are other unresolved issues, the sale will be closed through an escrow. If Franchisor elects to exercise any option to purchase herein provided, it shall have the right to off-set all liquidated and undisputed amounts due Franchisor or any of its Affiliates from Franchisee under this Agreement or any Related Agreement against any such payment. Franchisee and its Owners further agree, subject to Applicable Laws, to sign General Releases.

14.10 Compliance with Covenants. Franchisee shall comply with the covenants contained in Section 15 (Covenants) and any other provisions of this Agreement with obligations that continue beyond the expiration or termination of this Agreement.

14.11 Payment of Obligations. Franchisee must pay all Operating Fees and all amounts of any

kind owed to Franchisor and/or any Affiliate, within seven days after (a) such termination or expiration or (b) from a later date when the amounts due can be determined. Franchisor's remedies will include (but are not limited to) the right to collect the present value of these amounts, as well as to accelerate the balances of any promissory notes owed and to receive any other unpaid amounts owed to Franchisor or any Affiliate of Franchisor.

#### 14.12 Liquidated Damages.

14.12.1 Calculation of Liquidated Damages. Franchisor and Franchisee agree that it would be commercially unreasonable and damaging to the integrity of the System if a Franchisee could default and then avoid the financial consequences of its contractual commitment to meet payment obligations for the Term of this Agreement. If Franchisor terminates this Agreement based upon Franchisee's default (or if Franchisee purports to terminate this Agreement), then, within seven days thereafter, Franchisee shall pay to Franchisor a lump sum (as liquidated damages for the loss of the benefit of the bargain that Franchisor is entitled to receive and not as a penalty) calculated as follows: (x) the average monthly Royalties and Ad Fund Contributions that Franchisee owed to Franchisor under this Agreement for the 12-month period preceding the date on which Franchisee ceased operating the Franchised Business (disregarding any fee waivers or reductions granted to Franchisee); multiplied by (y) the lesser of (i) 24 or (ii) the number of months remaining in the then-current term of this Agreement. If Franchisee has not operated the Franchised Business for at least 12 months, then (x) will equal the average monthly Royalties and Ad Fund Contributions that Franchisee owed to Franchisor during the period that Franchisee operated the Franchised Business. The "average monthly Royalties and Ad Fund Contributions that Franchisee owed to Franchisor" shall not be discounted or adjusted due to any deferred or reduced Royalties and Ad Fund Contributions set forth in a policy, other writing, or an addendum to this Agreement, unless Section 14.12 (Liquidated Damages) is specifically amended in a signed addendum.

14.12.2 Interpretation of Liquidated Damages. Franchisee agrees, and Franchisee directs any party construing this Agreement to conclusively presume, that the damages stated in Section 14.12.1 (Calculation of Liquidated Damages): (i) are true liquidated damages; (ii) are intended to compensate Franchisor for the harm Franchisor will suffer; (iii) are not a penalty; (iv) are a reasonable estimate of Franchisor's probable loss resulting from Franchisee's defaults, viewed as of the termination date; and (v) will be in addition to all other rights Franchisor has to obtain legal or equitable relief or remedies. If any valid law or regulation governing this Agreement limits Franchisee's obligation to pay, and/or Franchisor's right to receive, the liquidated damages for which Franchisee is obligated under Section 14.12.1, then Franchisee shall be liable to Franchisor for any and all damages Franchisor incurs, now or in the future, as a result of Franchisee's breach of this Agreement.

### 15. COVENANTS

15.1 Best Efforts. Franchisee covenants that during the Term of this Agreement except as otherwise approved in writing by Franchisor, Franchisee and its Owners, officers, and managers shall devote their full-time energy and best efforts to the management and operation of the Franchised Business.

15.2 In-Term Covenant Not to Compete. Franchisee, its Owners, and Franchisee's or any Owners' spouses who are in any way involved in the operation of the Franchised Business (the "**Covenanting Parties**") shall not, during the Term, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, partnership, corporation or other entity:

15.2.1 Own, manage, engage in, be employed by, advise, make loans to, lease or sublease space to, or have any other interest in any Competing Business anywhere (including inside and outside the Territory); provided, however, that this provision shall not apply to any ownership of Franchisee or an Owner of less than 1% of the outstanding equity securities of any publicly held corporation or of less than 5% of an investment fund which owns an interest in a Competing Business;

15.2.2 Divert or attempt to divert any business or customer of the Franchised Business to any Competing Business, by direct or indirect inducement or otherwise;

15.2.3 Perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System; or

15.2.4 Use any vendor relationship established through Franchisee's association with Franchisor for any purpose other than to purchase products or equipment for use in the Franchised Business.

15.3 Post-Term Covenant Not to Compete. For a period of one year after the earlier to occur of the expiration or termination of this Agreement, regardless of the cause of termination, the Covenantee Parties will be subject to the same restrictions as in Section 15.2 (In-Term Covenant Not to Compete) of this Agreement, except that the restrictions contained in Sections 15.2.1 and 15.2.2 of this Agreement shall be limited during the post-term period to within the Territory and a 25-mile radius from the borders of such Territory. Notwithstanding any other provision of this Agreement, the running of the non-compete period will be tolled for the period that any Covenantee Party fails to comply with the non-compete obligations in this Section 15.3, provided that Franchisor commences legal action to enforce this provision within the one-year non-compete period.

15.4 Enforcement of Noncompetes. The Covenantee Parties acknowledge and agree that (i) the time, territory, and scope of the covenants provided in Section 15 (Covenants) are reasonable and necessary for the protection of Franchisor's legitimate business interests; (ii) Franchisee has received sufficient and valid consideration in exchange for those covenants; (iii) enforcement of the same would not impose undue hardship; and (iv) the period of protection provided by these covenants will not be reduced by any period of time during which the Covenantee Parties are in violation of the provisions of those covenants or any period of time required for enforcement of those covenants. To the extent that Section 15 is judicially determined to be unenforceable by virtue of its scope or in terms of area or length of time but may be made enforceable by reductions of any or all thereof, the same will be enforced to the fullest extent permissible. Each Covenantee Party agrees that the existence of any claim it may have against Franchisor, whether or not arising from this Agreement, will not constitute a defense to Franchisor's enforcement of the covenants contained in Section 15. Franchisee acknowledges that any breach or threatened breach of Section 15 will cause Franchisor irreparable injury for which no adequate remedy at law is available, and Franchisee consents to the issuance of an injunction prohibiting any conduct violating the terms of Section 15. Such injunctive relief will be in addition to any other remedies that Franchisor may have.

15.5 Binding Other Covenantee Parties. Each Covenantee Party other than Franchisee shall bind themselves to the noncompete provisions in Section 15 (Covenants) by signing, as applicable, the Franchisor's then-current form of Guaranty (if such Owner directly or indirectly holds a 15% or greater ownership interest in Franchisee's entity) or a noncompete agreement prescribed by Franchisor.

15.6 Franchisee May Not Withhold Payments. Franchisee shall not withhold any payments whatsoever due to Franchisor. No endorsement or statement on any check or payment of any sum less than the full sum due to Franchisor shall be construed as an acknowledgment of payment in full or an accord and satisfaction, and Franchisor may accept and cash such check or payment without prejudice to its right to recover the balance due or pursue any other remedy provided herein or by law.

## **16. TAXES**

16.1 Taxes. Franchisee shall promptly pay when due all taxes levied or assessed including unemployment and sales taxes incurred by Franchisee in the conduct of the Franchised Business.

16.2 Disputed Taxes. In the event of any bona fide dispute as to liability for taxes assessed or other indebtedness, Franchisee may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or Applicable Laws; however, in no event shall Franchisee permit a tax sale or seizure by levy of execution or similar writ or warrant, or attachment by a creditor, to occur against the premises of the Franchised Business, or any improvements to its office or other business premises.

## 17. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

17.1 Independent Contractor. It is understood and agreed by the parties to this Agreement that this Agreement does not create a fiduciary relationship between them, that Franchisee shall be an independent contractor, and that nothing in this Agreement is intended to constitute either party as an agent, legal representative, subsidiary, joint venture, partner, employee or servant of the other for any purpose whatsoever. Franchisee shall have the right to profit from its efforts, commensurate with its status as owner of its business, and correspondingly to bear the risk of loss or failure that is characteristic of this status, notwithstanding the affiliation with Franchisor created by this Agreement. Nothing in this Agreement is intended to create a joint employer relationship between the parties, it being expressly understood that any personnel policies or procedures, forms, guidance, training materials, or other employment-related materials or information offered by Franchisor is provided solely for Franchisee's convenience. Franchisee's use of such information is completely optional and should not be construed as any intent or right to control Franchisee's operations, personnel decisions, or relationship with its employees. Franchisee is expressly advised to consult its own independent counsel for labor and employment advice.

17.2 Notification of Public. During the Term, Franchisee shall hold itself out to the public as an independent contractor operating the Franchised Business pursuant to a license from Franchisor. Franchisee agrees to take such affirmative action as may be necessary to do so, as Franchisor may specify in the Manual or otherwise in writing.

17.3 Indemnification. From and after the Effective Date, Franchisee and Owners, jointly and severally, shall indemnify Franchisor and its Affiliates and their respective officers, directors, stockholders, members, managers, partners, employees, agents, attorneys, contractors, legal predecessors, legal successors, and assigns of each of the forgoing entities/individuals (in their corporate and individual capacities) (collectively, all such individuals and entities are referred to herein as the "**Franchisor Indemnitees**") and hold Franchisor Indemnitees harmless to the fullest extent permitted by Applicable Laws, from any and all Losses and Expenses incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, or formal or informal inquiry (regardless of whether it is reduced to judgment) or any settlement thereof which arises directly or indirectly from, or as a result of, a claim of a third party in connection with the selection, development, ownership, operation or closing of the Franchised Business including any customer complaint or the failure of Franchisee to perform any covenant or agreement under this Agreement or any activities of Franchisee on or after the Effective Date, or any claims by any employee of Franchisee arising out of or relating to his or her employment with Franchisee (collectively "**Event**"), and regardless of whether it resulted from any strict or vicarious liability imposed by law on Franchisor Indemnitees, provided, however, that this indemnity will not apply to any liability arising from a breach of this Agreement by any of Franchisor Indemnitees or the gross negligence or willful acts of any of Franchisor Indemnitees (except to the extent that joint liability is involved, in which event the indemnification provided herein will extend to any finding of comparative or contributory negligence attributable to Franchisee).

17.3.1 Promptly after the receipt by any Franchisor Indemnitee of notice of the commencement of any action against such Franchisor Indemnitee by a third party (such action, a "**Third-Party Claim**"), Franchisor Indemnitee will, if a claim with respect thereto is to be made for indemnification pursuant to Section 17.3 (Indemnification), give a claim notice to Franchisee with respect to such Third-Party Claim. No delay or failure on the part of Franchisor Indemnitee in so notifying Franchisee will limit

any liability or obligation for indemnification pursuant to Section 17.3, except to the extent of any material prejudice to Franchisee with respect to such claim caused by or arising out of such delay or failure. Franchisor will have the right to assume control of the defense of such Third-Party Claim, and Franchisee and its Owners will be responsible for the costs incurred in connection with the defense of such Third-Party Claim, with counsel of Franchisee and its insurer's choice. Franchisee's counsel must be reasonably acceptable to Franchisor. Franchisee and its Owners will furnish Franchisor with such information as it may have with respect to such Third-Party Claim (including copies of any summons, complaint or other pleading which may have been served on such party and any written claim, demand, invoice, billing or other document evidencing or asserting the same) and will otherwise cooperate with and assist Franchisor in the defense of such Third-Party Claim. The fees and expenses of counsel incurred by Franchisor will be considered Losses and Expenses for purposes of this Agreement. Franchisor may, as it deems necessary and appropriate, take such actions to take remedial or corrective action with respect thereof as may be, in Franchisor's reasonable discretion, necessary for the protection of Franchisor Indemnitees or other Franchised Businesses generally. Franchisor will not agree to any settlement of, or the entry of any judgment arising from, any Third-Party Claim without the prior written consent of Franchisee and its Owners, which will not be unreasonably withheld, conditioned or delayed. Any settlement or compromise of any Third-Party Claim must include a written release from liability of such claim for all Franchisor Indemnitees.

## **18. APPROVALS, WAIVERS, AND FORCE MAJEURE**

18.1 Written Approval. Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request to Franchisor, and such approval or consent shall be obtained in writing.

18.2 No Waiver. No failure of either party to execute any power reserved to it by this Agreement, or to insist upon strict compliance by the other party with any obligation or condition under this Agreement, and no custom or practice of the parties at variance with the terms of this Agreement, shall constitute a waiver of the right to demand exact compliance with any of the terms of this Agreement. Waiver by one party of any particular default by the other party shall not affect or impair the rights with respect to any subsequent default of the same, similar or different nature, nor shall any delay, forbearance or omission to exercise any power or right arising out of any breach or default by the other party of any of the terms, provisions or covenants of this Agreement, affect or impair the right to exercise the same, nor shall such constitute a waiver of any right under this Agreement, or the right to declare any subsequent breach or default. Subsequent acceptance by Franchisor of any payments due to it shall not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.

18.3 Force Majeure. Neither Franchisor nor Franchisee will be liable for loss or damage to the other, or be in breach of, this Agreement if Franchisor's or Franchisee's failure to perform their respective obligations results from: (a) compliance with the orders, requests, regulations, or recommendations of any federal, state, or municipal government; (b) acts of God; (c) strikes or lock-outs; (d) fires, embargoes, insurrection, war, acts of terrorism or similar events, or riots; (e) epidemic, pandemic, or mass casualty event; or (f) any other similar event or cause beyond the reasonable control of either party or their Affiliates (a "**Force Majeure Event**"). Any delay resulting from a Force Majeure Event will extend performance or excuse performance, in whole or in part, as may be reasonable, except that a Force Majeure Event will not excuse payments of amounts owed at the time of the Force Majeure Event or payment of Operating Fees or other amounts due Franchisor.

## **19. NOTICES**

Any notice required or permitted to be given under this Agreement shall be in writing and may be given by personal service, by depositing a copy of the notice in certified or registered mail, with postage

fully prepaid, or by overnight express courier in a sealed envelope addressed to the address of Franchisee as set forth in the introductory portion of this Agreement, if notice is to be given to Franchisee. Notice to Franchisor shall be addressed to Franchisor's Vice President of Operations at ServiceMaster Clean/Restore SPE LLC, One Glenlake Parkway, 14<sup>th</sup> Floor, Atlanta, Georgia 30328, if such notice is to be given to Franchisor. The address given in this Agreement for the service of notice may be changed at any time by either party through written notice to be given to the other as provided in the Manual or otherwise in writing. Notice shall be deemed given when mailed to the designated address of Franchisor or Franchisee.

## **20. CONSTRUCTION AND INTERPRETATION**

20.1 Construction and Interpretation. All references in this Agreement in the singular shall be construed to include the plural where applicable, and all covenants, agreements and obligations assumed by Franchisee pursuant to this Agreement shall be deemed to be joint and several covenants, agreements and obligations of the several persons named herein as Franchisee. If Franchisee is a corporation, limited liability company or other legal entity, all covenants, agreements and obligations in this Agreement will apply to the Owners in Franchisee. All captions in the Agreement are intended solely for the convenience of the parties and shall not be deemed to affect the meaning or construction of any provision of this Agreement. The words "**include**," "**including**," and words of similar import shall be interpreted to mean "including, but not limited to" and the terms following such words shall be interpreted as examples of, and not an exhaustive list of, the appropriate subject matter.

20.2 Franchisor's Sole Discretion and Business Judgment. Franchisee understands and acknowledges that it is entering into a long-term relationship to become part of Franchisor's franchise network and that competitive and other relevant business conditions may change during the Term. Franchisee agrees that Franchisor has the right to operate, develop, and change the System and its business in any manner that is not specifically prohibited by this Agreement. Whenever Franchisor has reserved in this Agreement, or is deemed to have, a right to take or to withhold an action, or to grant or decline to grant Franchisee a right to take or omit an action, Franchisor may make such decision or exercise its right and/or discretion on the basis of Franchisor's judgment of what is in Franchisor's best interests, including Franchisor's judgment of what is in the best interests of the franchise network and System, at the time Franchisor's decision is made or its right or discretion is exercised, without regard to whether: (a) other reasonable alternative decisions or actions, could have been made by Franchisor; (b) Franchisor's decision or the action it takes applies differently to Franchisee and one or more other franchisees or Franchisor's company-owned or Affiliate-owned operations; or (c) Franchisor's decision or the exercise of its right or discretion is adverse to Franchisee's interests. In the absence of an applicable statute, Franchisor will have no liability to Franchisee for any such decision or action. Franchisor and Franchisee intend that the exercise of Franchisor's right or discretion will not be subject to limitation or review. If Applicable Laws imply a covenant of good faith and fair dealing in this Agreement, Franchisor and Franchisee agree that such covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants Franchisor the right to make decisions, take actions, and/or refrain from taking actions that are not inconsistent with Franchisee's rights and obligations under this Agreement.

20.3 Survival. Each provision of this Agreement that expressly or by reasonable implication is to be performed, in whole or in part, after the expiration, termination, or Transfer of this Agreement will survive such expiration, termination, or Transfer, including Sections 6 (Intellectual Property), 8 (Confidential Information and Data Protection), 12 (Noncompete Covenants), 14 (Obligations Upon Termination), 15 (Covenants), 17 (Independent Contractor and Indemnification), 24 (Dispute Resolution), and 25 (Governing Law).

## **21. ENTIRE AGREEMENT; AMENDMENTS**

21.1 Entire Agreement. This Agreement and all exhibits to this Agreement constitute the entire

agreement between the Franchisor and Franchisee with respect to the subject matter of this Agreement and supersede any and all prior negotiations, understandings, representations, and agreements concerning the subject matter. This Agreement includes the terms and conditions on Exhibit A, which are incorporated into this Agreement by this reference. To the extent that any provisions of Exhibit A are in direct conflict with the provisions of this Agreement, the provisions of Exhibit A shall control. Nothing in this or in any Related Agreement, however, is intended to disclaim the representations Franchisor made in the franchise disclosure document that Franchisor furnished to Franchisee.

21.2 Amendments. Any amendment or modification of this Agreement is invalid unless made in writing and signed by the parties.

21.3 No Other Representations. Franchisee acknowledges that neither Franchisor nor anyone on behalf of Franchisor, has made any representations, inducements, promises or agreements, orally or otherwise, regarding the subject matter of this Agreement which are not embodied in this Agreement, and that no other representations induced Franchisee to execute this Agreement.

## **22. EXECUTION IN COUNTERPARTS**

This Agreement may be executed in two or more counterparts, each of which will be deemed an original, and all of which will constitute one and the same instrument.

## **23. SEVERABILITY**

23.1 Provisions Severable. Except as expressly provided to the contrary in this Agreement, each section, part, term and/or provision of this Agreement shall be considered severable; and if, for any reason, any section, part, term and/or provision of this Agreement is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation by a court or agency having valid jurisdiction, such shall not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms and/or provisions of this Agreement as may remain otherwise intelligible, and the latter shall continue to be given full force and effect and bind the parties to this Agreement; and the invalid sections, parts, terms and/or provisions shall be deemed not to be a part of this Agreement.

23.2 Unenforceable Provisions. In addition to Franchisee's covenants under Section 15 (Covenants) of this Agreement, Franchisee expressly agrees to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision of this Agreement, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions of this Agreement any portions which a court may hold to be unreasonable and unenforceable in a final decision to which Franchisor is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

23.3 Applicability Only to Parties. Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisor or Franchisee and their respective successors and assigns as may be contemplated by Section 12 (Assignment) of this Agreement, any rights or remedies under or by reason of this Agreement.

## **24. DISPUTE RESOLUTION**

24.1 Alternative Dispute Resolution Procedure. Except as otherwise provided in Section 24.2 (Excepted Disputes), any claim, dispute, suit, action, controversy, or proceeding of any type whatsoever between (i) any Franchisee Related Parties (as defined in Section 28 (Definitions)) and (ii) any Franchisor Related Parties (as defined in Section 28 (Definitions)) relating to (a) this Agreement, (b) the relationship of any of Franchisor Related Parties with any of Franchisee Related Parties, or (c) the Franchised Business, including disputes related to compliance with franchise, labor, or employment laws (collectively, (a)

through (c), the “**Covered Disputes**”) must be resolved in accordance with the alternative dispute resolution procedures described in this Section 24.1. The Franchisee Related Parties and any Franchisor Related Parties shall all be considered third-party beneficiaries of this Section 24 (Dispute Resolution) only and shall be included in the term “parties” or “party” in Section 24 (Dispute Resolution).

24.1.1 Informal Negotiation. To initiate the dispute resolution process, the party alleging a Covered Dispute must provide the other party with written notice setting forth the factual and legal basis for the alleged Covered Dispute in detail and requesting a meeting (the “**Dispute Notice**”). Each Covered Dispute must be discussed in a face-to-face meeting or, upon agreement of the parties, in a video or telephone conference call held within 30 days after such Dispute Notice is provided to the other party. Unless otherwise agreed by the parties, the party initiating the process must wait at least 30 days after the Dispute Notice has been delivered to the other party before submitting the dispute to mediation.

24.1.2 Mediation. If the Covered Dispute is not resolved informally as provided in Section 24.1.1 (Informal Negotiation), the party alleging the Covered Dispute must submit the Covered Dispute for non-binding mediation. All parties must attend and participate in the mediation with a representative having authority to resolve the Covered Dispute. The mediation shall be governed by the rules of the American Arbitration Association (the “**AAA**”) before one mediator selected by the parties, and if the parties cannot agree upon the mediator, then a mediator selected by the AAA. It is the intent of the parties that mediation shall be held not later than 30 days after a written request for mediation shall have been served on the other parties, unless the parties agree otherwise. The mediation shall be held in the metropolitan area of Franchisor’s then-current principal place of business (currently, Atlanta, Georgia) and shall not last more than one day, unless the parties agree otherwise. The parties will split equally the cost of any mediation. Any party may be represented by counsel and may bring persons appropriate to the proceeding.

24.1.3 Arbitration. If the parties do not resolve the Covered Dispute after the conclusion of the mediation, such Covered Dispute must be subject to and resolved exclusively by binding arbitration. **This means that all Covered Disputes that either party would otherwise have the legal right to sue for in court shall be subject to final and binding arbitration under the arbitration provisions set forth in this Section 24.1.3 and not decided by a court or a jury.** If there are any ambiguities in the terms or conditions of this Section 24, it is the parties’ intent that all ambiguities be resolved in favor of arbitration. For the purposes of this Section 24.1.3, Covered Disputes will not include disputes that an applicable federal statute provides cannot be arbitrated or cannot be subject to a pre-dispute agreement to arbitrate.

24.1.3.1 Arbitration Procedure. Either party may commence arbitration by sending written demand for arbitration to the other party and filing the same with the AAA. The arbitration proceeding shall be presided over and decided by a single arbitrator if neither party seeks relief exceeding \$1,000,000 in total, inclusive of any claims for attorneys’ fees, costs, and other expenses of the proceeding (excluding arbitrators’ fees). Alternatively, if either party seeks relief exceeding \$1,000,000 in total, inclusive of any claims for attorneys’ fees, costs, and other expenses of the proceeding (excluding arbitrators’ fees), the arbitration proceeding shall be presided over and decided by a panel of three arbitrators. In either event, the arbitrator(s) shall be selected under the procedures of the AAA then in effect at the time of filing the arbitration demand, with the single arbitrator or at least one of the panel arbitrators, as the case may be, who have primarily practiced franchise law for at least five years. The arbitration proceeding shall be conducted in accordance with the then-current Commercial Arbitration Rules of the AAA. All arbitration proceedings will be held at the offices of the AAA or other suitable offices that Franchisor selects in the metropolitan area in which its principal place of business is then located (currently, Atlanta, Georgia). The arbitrator shall have no authority to select a different hearing locale. All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.).

24.1.3.2 Scope. The arbitrator (and not a court) shall decide all issues with respect to any Covered Dispute, including issues regarding the non-availability of class arbitration, timeliness,

arbitration procedures, statute of limitations, and all other issues regarding the application, interpretation, enforceability, coverage, and implementation of Section 24.1.3, including whether the parties have entered into this Agreement. In accordance with Section 24.5 (Mutual Waiver of Class or Collective Actions), the arbitrator shall have no authority to consider or resolve any claim or issue in a Covered Dispute on any basis other than on an individual basis and may not consolidate or join one or more Covered Disputes pertaining to Franchisee or another Franchisee Related Party with any other dispute(s).

24.1.3.3 Relief. The arbitrator shall have the power and authority in a Covered Dispute to award any remedy or relief available under Applicable Laws, including actual damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs (in accordance with Section 24.10 (Enforcement Expenses)), except the arbitrator may not (a) declare any Mark generic or otherwise invalid or (b) award any indirect, special, consequential, exemplary, lost profit (excluding liquidated damages as detailed in Section 14.12 (Liquidated Damages)), or punitive damages against either party, except as expressly provided in Section 24.4 (Mutual Limitation of Liability and Waiver of Punitive Damages). If the arbitration is presided by a single arbitrator, notwithstanding anything to the contrary in this Agreement, the arbitrator may not grant any party monetary relief exceeding \$1,000,000 in total, inclusive of any claims for attorneys' fees, costs, and other expenses of the proceeding (excluding arbitrators' fees).

24.1.3.4 Binding Decision. The arbitrator or arbitration panel shall issue a reasoned award. The decision and award of the arbitrator will be final, conclusive, and binding on all parties regarding any claims, counterclaims, issues, or accountings presented or pled to the arbitrator, and judgment on the award, including any partial, temporary or interim award, may be entered in any court of competent jurisdiction (and such proceeding shall not itself be deemed a Covered Dispute).

24.1.3.5 Confidentiality. All evidence, testimony, records, documents and information disclosed in any arbitration hearing between the parties will be secret and confidential in all respects. Neither party will disclose any evidence, testimony, records, documents or information from any arbitration hearing to any other person or entity except the party's attorney or as required or expressly permitted by Applicable Laws.

## 24.2 Exceptions to Alternative Dispute Resolution.

24.2.1 Excepted Disputes. Unless Franchisor consents in writing otherwise, the following disputes, including Covered Disputes, will not be subject to or resolved through the informal negotiation, non-binding mediation, and binding arbitration procedures specified in Section 24.1 (Alternative Dispute Resolution Procedure) and will instead be resolved through litigation: (a) disputes relating to Franchisee's use of the Marks (including Lanham Act or common law claims); (b) disputes that otherwise relate to the ownership or validity of any of Franchisor's intellectual property or the enforcement of Franchisor's intellectual property rights; (c) disputes that involve protection of Franchisor's Confidential Information; (d) disputes related to the enforcement of Section 15 (Covenants); and (e) disputes related to the payment of sums that any of the Franchisee Related Parties owes to any of the Franchisor Related Parties (collectively, "**Excepted Disputes**"). The parties acknowledge and agree that any dispute or challenge as to whether a claim qualifies as an Excepted Dispute shall be determined by a court and not in arbitration.

24.2.2 Injunctive Relief. Notwithstanding the parties' agreement to resolve Covered Disputes through the informal negotiation, non-binding mediation, and binding arbitration procedures specified in Section 24.1 (Alternative Dispute Resolution Procedure), either party will have the right to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction to obtain interim relief when deemed necessary by such court to preserve the status quo or prevent irreparable injury pending resolution of the actual Covered Dispute that would otherwise be subject to arbitration; provided, however, that such party must contemporaneously submit the Covered Dispute for informal negotiation, non-binding mediation, and binding arbitration on the merits as provided in Section

24 (Dispute Resolution). In addition to any other relief available at law or equity, Franchisor will have the right to obtain restraining orders or temporary or permanent injunctions to, among other things: (a) enforce the provisions of this Agreement related to the use or protection of the Marks, Confidential Information, other components of the System, or other intellectual property of any of Franchisor Related Parties; (b) enforce the non-compete covenants in Section 15 (Covenants); (c) enforce the obligations of any Franchisee Related Party on termination or expiration of this Agreement; and (d) prohibit any act or omission by any Franchisee Related Party that is a violation of Applicable Laws or that threatens to harm the Marks, the System, or the business of other franchisees or Franchisor Related Parties. Franchisee agrees that Franchisor Related Parties will not be required to prove actual damages or post a bond in excess of \$1,000 or other security in seeking or obtaining injunctive relief (both preliminary and permanent) and/or specific performance with respect to this Agreement.

24.2.3 Forum for Litigation. Any litigation related to an Excepted Dispute or for injunctive relief pursuant to Section 24.2.2 (Injunctive Relief) must be filed exclusively in the state court or United States District Court for the district in which Franchisor has its principal place of business at the time of filing (currently, Atlanta, Georgia) (the “**Exclusive Forum**”). The parties waive all objections or challenges to personal jurisdiction and venue in the Exclusive Forum, including forum *non conveniens* and transfer under 28 U.S.C. § 1404. Notwithstanding the foregoing, Franchisor may enforce this Agreement in the courts of the state or states in which Franchisee is domiciled or the Franchised Business is operated.

24.2.4 Related Claims. If Franchisor files any litigation seeking injunctive relief or asserting any claims related to any Excepted Disputes, Franchisor may assert and resolve all related claims, including claims related to Covered Disputes, in the same litigation action, notwithstanding Section 24 (Dispute Resolution).

**24.3 MUTUAL WAIVER OF JURY TRIAL. THE PARTIES EACH KNOWINGLY, VOLUNTARILY, AND IRREVOCABLY WAIVE ANY RIGHT TO A TRIAL BY A JURY IN ANY COVERED DISPUTE AND ANY RIGHT TO HAVE A COVERED DISPUTE BE DECIDED BY A COURT OR A JURY.**

**24.4 MUTUAL LIMITATION OF LIABILITY AND WAIVER OF PUNITIVE DAMAGES. EXCEPT FOR (A) CLAIMS RELATED TO THE FRANCHISEE RELATED PARTIES’ OBLIGATION TO INDEMNIFY FRANCHISOR AND THE FRANCHISOR INDEMNITIES FOR THIRD-PARTY CLAIMS UNDER SECTION 17.3 (INDEMNIFICATION), (B) CLAIMS RELATED TO ANY OF THE FRANCHISEE RELATED PARTIES’ INFRINGEMENT OF ANY OF THE FRANCHISOR RELATED PARTIES’ INTELLECTUAL PROPERTY, AND (C) CLAIMS RELATED TO ANY FRANCHISEE RELATED PARTIES’ BREACH OF ITS OBLIGATIONS UNDER SECTION 8 (CONFIDENTIAL INFORMATION AND DATA PROTECTION), NEITHER PARTY WILL BE ENTITLED TO RECOVER INDIRECT, SPECIAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES FOR ANY CLAIM ARISING UNDER OR RELATED TO THIS AGREEMENT OR THE PARTIES’ BUSINESS RELATIONSHIP.**

**24.5 MUTUAL WAIVER OF CLASS OR COLLECTIVE ACTIONS. FRANCHISOR AND FRANCHISEE EACH WAIVE ANY RIGHT TO BRING ANY CLAIMS ON A CLASS-WIDE OR GROUP, REPRESENTATIVE, CONSOLIDATED, JOINT, OR COLLECTIVE BASIS. EACH PARTY MUST BRING ANY CLAIMS AGAINST THE OTHER PARTY ON AN INDIVIDUAL BASIS AND MAY NOT JOIN ANY CLAIM IT MAY HAVE WITH CLAIMS OF ANY OTHER PERSON OR ENTITY OR OTHERWISE PARTICIPATE IN A CLASS OR COLLECTIVE ACTION AGAINST THE OTHER PARTY.**

**24.6 ONE-YEAR LIMITATION ON CLAIMS. ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR COVERED DISPUTES WILL BE BARRED**

**UNLESS AN ARBITRATION OR JUDICIAL PROCEEDING IS COMMENCED IN THE PROPER FORUM WITHIN ONE YEAR FROM THE DATE ON WHICH THE VIOLATION, ACT, OMISSION, OR CONDUCT GIVING RISE TO THE CLAIM OCCURS, REGARDLESS OF WHEN THE PARTY ASSERTING THE CLAIM KNEW OR SHOULD HAVE KNOWN OF THE FACTS GIVING RISE TO THE CLAIM,** except for claims (which may be brought by any Franchisor Related Party against any Franchisee Related Party at any time): (a) relating to third-party claims or suits brought against any Franchisor Related Party as a result of the operation of the Franchised Business; (b) relating to the enforcement of any intellectual property rights of any Franchisor Related Party; (c) relating to Franchisee's non-payment or underpayment of amounts owed to a Franchisor Related Party; (d) concerning the obligations of any Franchisee Related Party under Section 8 (Confidential Information and Data Protection) or Section 15 (Covenants) of this Agreement; (e) related to the non-compliance of any Franchisee Related Parties with any post-termination obligations under this Agreement; and (f) regarding an assignment of this Agreement or any ownership interest therein.

24.7 No Collateral Estoppel. No arbitration finding, conclusion, or award may be used to collaterally estop or otherwise preclude either party from raising any like or similar claim, issue, or defense against third parties, including other franchisees, in any subsequent arbitration, litigation, court hearing, or other proceeding.

24.8 Remedies Not Exclusive. Except as provided for in Section 24.5 (Mutual Waiver of Class or Collective Actions), no right or remedy that the parties have under this Agreement is exclusive of any other right or remedy under this Agreement or under Applicable Laws. Each and every such remedy will be in addition to, and not in limitation of or substitution for, every other remedy available at law or in equity or by statute or otherwise.

24.9 No Recourse. Franchisee acknowledges and agrees that, except as provided under an express statutory liability for such conduct, ~~Franchisor,~~ (a) Franchisor's Affiliates and (b) Franchisor's and its Affiliates, ~~and their~~ respective former and current owners, stockholders, members, managers, predecessors, successors, assigns, agents, directors, officers, employees, representatives, attorneys, parent companies, divisions, subsidiaries, benefits administrators, investors, affiliates, funds, vendors, and service providers, will not be liable for (i) any of Franchisor's obligations or liabilities relating to or arising from this Agreement, (ii) any claim against Franchisor based on, in respect of, or by reason of, the relationship between Franchisee and Franchisor, or (iii) any claim against Franchisor based on any of Franchisor's alleged unlawful act or omission. For the avoidance of doubt, this provision constitutes an express waiver of any claims based on a theory of vicarious liability to the fullest extent allowed under Applicable Laws, unless such vicarious claims are authorized by an express, written guarantee of performance or a statutory obligation.

#### 24.10 Enforcement Expenses.

24.10.1 Payable by Franchisee. Franchisee agrees to reimburse Franchisor (or the relevant Franchisor Related Party) for all costs and expenses Franchisor and any Franchisor Related Party reasonably incurs (including accountants', attorneys', investigators', and expert witness fees, cost of investigation and proof of facts, court costs, arbitration fees, other litigation expenses, and travel and living expenses) (i) to enforce the terms of this Agreement, any Related Agreement, or any obligation owed to a Franchisor Related Party by a Franchisee Related Party against Franchisee and/or any Franchisee Related Party (whether or not Franchisor or the Franchisor Related Party initiates a legal proceeding, including arbitration, unless Franchisor or the Franchisor Related Party initiates and fails to substantially prevail in such court or formal legal proceeding, including arbitration); and (ii) in the defense of any claim Franchisee and/or any Franchisee Related Party asserts against Franchisor or any Franchisor Related Party on which Franchisor or the Franchisor Related Party substantially prevails in court or other formal legal proceedings, including arbitration.

24.10.2 Payable by Franchisor. Franchisor agrees to reimburse Franchisee for all expenses Franchisee reasonably incurs (including accountants', attorneys', investigators', and expert witness fees, cost of investigation and proof of facts, court costs, arbitration costs, other litigation expenses, and travel and living expenses): (i) to enforce the terms of this Agreement or any obligation owed to Franchisee by Franchisor (whether or not Franchisee initiates a legal proceeding, including arbitration, unless Franchisee initiates and fails to substantially prevail in such court or formal legal proceeding, including arbitration); and (ii) in the defense of any claim Franchisor asserts against Franchisee on which Franchisee substantially prevails in court or other formal legal proceedings, including arbitration.

## **25      GOVERNING LAW**

Except to the extent governed by the United States Trademark Act (the Lanham Act) or the Federal Arbitration Act, this Agreement and all disputes directly or indirectly related to or arising from this Agreement or the parties' business relationship shall be governed, interpreted, and construed under the laws of the State of Georgia, which laws shall prevail in the event of any conflict of law, without regard to the application of any Georgia conflict-of-law rules.

## **26      PRICES**

Subject to Applicable Laws, Franchisor may require Franchisee to charge certain prices for goods or services, certain minimum prices for goods or services, or certain maximum prices for goods or services, as set forth in the Manual or otherwise in writing from time to time. If Franchisor sets a suggested retail price for a good or service, Franchisor may prohibit Franchisee from advertising any other prices for such goods or services. Where no price or maximum or minimum price has been specified or established by Franchisor, Franchisee may sell such goods or services at any reasonable price it chooses. Advertised prices and specified maximum and minimum prices for goods or services may vary from region to region to the extent deemed necessary by Franchisor in order to reflect differences in costs and other factors applicable to such regions.

## **27      ACKNOWLEDGMENTS**

27.1 Receipt of Franchise Disclosure Document. The Franchisee acknowledges disclosure and receipt of Franchisor's Franchise Disclosure Document at the earlier of at least ten business days prior or 14 calendar days, whichever is applicable in Franchisee's state, to the execution of this Agreement, and at least ten business days or 14 calendar days, whichever is applicable in Franchisee's state, before any payment by Franchisee, or at Franchisee's first personal meeting with Franchisor.

27.2 Additional Documents. Franchisee and all persons claiming under it shall at any time hereafter, upon the request of Franchisor, make all such further assurances, and execute such additional documents as Franchisor deems necessary to effectuate the terms and conditions of this Agreement.

27.3 Acknowledgements in Certain States. The following acknowledgements apply to all franchisees and Franchised Businesses, except those that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

27.3.1 Independent Investigation. Franchisee acknowledges that it is entering into this Agreement as a result of its own independent investigation of the Franchised Business and not as a result of any representations about Franchisor or the Franchised Business made by Franchisor's members, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in (a) this Agreement or (b) any disclosure document, prospectus, or other similar document required or permitted to be given to Franchisee pursuant to Applicable Laws. Franchisee acknowledges that the business venture contemplated by this Agreement involves business risks and that

its success will be largely dependent upon the ability of Franchisee as an independent entity. Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received, any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business contemplated by this Agreement.

27.3.2 Consultation with Advisors. Franchisee acknowledges that it has received, read and understood this Agreement, the Exhibits to this Agreement, if any, and that Franchisor has accorded Franchisee ample time and opportunity to consult with advisors of its own choosing about the potential benefits and risks of entering into this Agreement.

27.3.3 Acknowledgement of Risks. Franchisee acknowledges and agrees that the Franchised Business may be impacted by many risks, including those outside Franchisee's or Franchisor's control such as economic, political or social disruption, including COVID-19. In addition, Franchisee acknowledges and agrees that the COVID-19 outbreak and any preventative or protective actions that federal, state, and local governments may take in response to this pandemic may result in a period of business disruption, reduced customer demand, and reduced operations for the Franchised Business, and that the extent to which the COVID-19 outbreak impacts the Franchised Business will depend on future developments which are highly uncertain and which Franchisor cannot predict

27.4 No Waiver or Disclaimer of Reliance in Certain States. The following provision applies only to franchisees and Franchised Businesses that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

No statement, questionnaire, or acknowledgement signed or agreed to by Franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by Franchisor, any franchise seller, or any other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

## 28 DEFINITIONS

In addition to the terms that are defined in other parts of this Agreement, the following terms have the indicated meanings:

**“Abandoned”** means closure of the Franchised Business for a period of ten consecutive business days without Franchisor's prior written consent. In addition, a repeated pattern of closures of any Franchised Business for periods of more than three consecutive business days may result in the Franchised Business being deemed Abandoned if, in Franchisor's sole discretion, such closure adversely impacts the Franchised Business. The Franchised Business shall not be deemed Abandoned if the closure is due to acts of God or other matters beyond Franchisee's control (other than Franchisee's inability to procure revenue or projects), provided that (i) Franchisee gives notice of any such closure to Franchisor within ten days after the initial occurrence of the event resulting in the closure, (ii) Franchisor acknowledges in writing that the closure is due to one of the foregoing causes, and (iii) Franchisee resumes operating the Franchised Business in an approved location within 60 days or such longer period as Franchisor may permit after the initial occurrence of the event which resulted in the closure.

**“Affiliate”** means, with respect to a party, any person or entity directly or indirectly owned or controlled by, under common control with, or owning or controlling, such party. For purposes of this definition, **“control”** means the power to direct or cause the direction of management and policies.

**“Applicable Laws”** means all relevant or applicable national, state and local laws, including statutes, rules, regulations, ordinances, directives, and codes.

**“Competing Business”** has the meaning that is specified in Exhibit A.

**“Confidential Information”** means any information, knowledge, know-how, and/or trade secrets related to the System, any Optional Programs, any SM Licenses, or the operation or development of Franchised Businesses that Franchisor or its Affiliates disclose to Franchisee and/or that Franchisor or its Affiliates designates as or deems to be confidential, or that, by its nature, would reasonably be expected to be held in confidence or kept secret. Without limiting the definition of “Confidential Information,” all of the following will be conclusively presumed to be Confidential Information whether or not Franchisor designates them as such: (i) the Manual; (ii) pricing information; (iii) materials describing the franchise network and System; (iv) the sources (or prospective sources) of supply and all information related to or concerning the same, including the identity and pricing structures with suppliers; (v) the training materials; (vi) Franchisor’s marketing plans and development strategies; (vii) Customer Information; (viii) Standards and specifications issued by Franchisor; (ix) knowledge or know-how regarding the development and operation of Franchised Businesses; and (x) all other information Franchisor or its Affiliates give to Franchisee in confidence. “Confidential Information” does not include information, knowledge or know-how that is or becomes generally known in the clean and restoration industries (without violating an obligation to Franchisor or its Affiliates) or that Franchisee knew from previous business experience before Franchisor provided it to Franchisee (directly or indirectly) or before Franchisee began training or operating the Franchised Business.

**“Control Transfer”** means any transfer (as defined below) of (a) this Agreement (or any interest in this Agreement), (b) the Franchised Business or all or substantially all of its assets, (c) a Controlling Ownership Interest in Franchisee, whether in one transaction or a series of related transactions (regardless of the time period over which these transactions take place), or (d) a Controlling Ownership Interest in any Controlling Owner (if such Owner is a legal entity), whether in one transaction or a series of related transactions (regardless of the time period over which these transactions take place).

**“Controlling Owner”** means an individual or legal entity holding a direct or indirect Controlling Ownership Interest in Franchisee.

**“Controlling Ownership Interest”** in a legal entity means, whether directly or indirectly, either (a) the record or beneficial ownership of, or right to control, 50% or more of the investment capital, equity, rights to receive profits or losses, or other rights to participate in the results of the entity, or (b) the effective control of the power to direct or cause the direction of that entity’s management and policies, including a general partnership interest (with respect to an entity that is a partnership) and a manager or managing member interest (with respect to an entity that is a limited liability company), or the power to appoint or remove any such party. In the case of (a) or (b), the determination of whether a “Controlling Ownership Interest” exists is made both immediately before and immediately after a proposed transfer.

**“Core Services”** has the meaning that is specified in Exhibit A.

**“Customer Information”** means all names, contact information, financial information, and other personal information or data of, or relating to, the customers and prospective customers of the Franchised Business.

**“Effective Date”** means the date listed on page one of this Agreement, regardless of the date upon which Franchisor and Franchisee sign this Agreement.

**“Franchisee Related Parties”** means (i) Franchisee, its Affiliates, and/or its Owners, (ii) any owners, officers, directors, employees, spouses, family members, or agents of Franchisee, its Affiliates,

and/or its Owners, and/or (iii) any other entities or persons acting through, or in concert, with Franchisee, its Affiliates, and/or its Owners.

**“Franchisor Related Parties”** means Franchisor, its Affiliates, or each of their respective former and current owners, stockholders, members, managers, predecessors, successors, assigns, agents, directors, officers, employees, representatives, attorneys, divisions, benefits administrators, investors, or funds.

**“Good Standing”** means, with respect to a party, such is in “Good Standing” if each of them (a) are in full compliance with all Obligations, (b) are not insolvent, meaning that Franchisee can satisfy all of its debts and obligations as they come due, (c) have not had any Related Agreements terminated during the Term as a result of their default, (d) have not received during the term more than three default notices under this Agreement or more than three default notices under any Related Agreement (regardless of whether any such defaults were timely cured), (e) have not sold, transferred, assigned or pledged any future proceeds or receivables under this Agreement to a creditor, (f) have not received during the preceding 12-month period more than two default notices under this Agreement or more than two default notices under any Related Agreement (regardless of whether any such defaults were timely cured), and (g) have no pending or threatened litigation or disputes with Franchisor, its Affiliates, or its approved vendors. **“Obligations”** include all obligations to Franchisor, its Affiliates, or its approved vendors, whether arising under (i) this Agreement, (ii) any Related Agreements, (iii) the Manual, or (iv) other standards or requirements specified by Franchisor.

**“Gross Service Sales”** means (X) all charges and/or revenues which are billed, received, or earned by Franchisee, any Franchisee Related Parties, and/or any Subcontractors engaged by Franchisee:

- A. by, at, or in connection with the Franchised Business or the use of any of the Marks;
- B. relating to the kinds of goods or services available now or in the future through the Franchised Business and/or distributed in association with the Marks or the System;
- C. relating to the operation of any Similar Business;
- D. with respect to any co-branding activities (including goods or services provided under, or in conjunction with, a mark other than the Marks); and/or
- E. with respect to any other revenues of any kind received from third parties related to the operation of the Franchised Business, including any revenue received from Franchisor or its Affiliates (such as revenue collected by Franchisor or its Affiliates directly from customers that is related to work performed by Franchisee) or from vendors (such as rebates or referral fees); **less**

(Y) any approved adjustments that may be deducted in accordance with the royalty remittance policy in the Manual, as such policy may be revised from time to time. Unless otherwise specified in the Manual or by Franchisor in writing, Gross Service Sales includes all revenue at the time billed and must be reported monthly on an accrual basis in the month the work was billed to the customer, regardless of when and if such revenue is collected by Franchisee. Unless otherwise specified in the Manual, any expenses related to goods or services provided to Franchisee or customers by Franchisee Related Parties (acting as a Subcontractor, vendor, or otherwise) will not be deductible as an adjustment from Gross Service Sales.

**“Losses and Expenses”** means losses, liabilities, claims, penalties, damages (compensatory, exemplary, and punitive), fines, payments, attorneys’ fees, experts’ fees, court costs, costs associated with investigating and defending against claims, settlement amounts, judgments, assessments, compromises, compensation for damages to Franchisor’s reputation and goodwill, and all other costs associated with any of the foregoing losses and expenses.

**“Marks”** means the trademarks, service marks and trade names together with the related logo(s), including designs, stylized letters, and colors, that Franchisor permits Franchisee to use in connection with the Franchised Business and any other additional or substituted trademarks, trade names, service marks or logos that Franchisor later adopts and authorizes Franchisee in writing to use.

**“Non-Control Transfer”** means any Transfer (as defined in this Agreement) of (a) a non-Controlling Ownership Interest in Franchisee, (b) a non-Controlling Ownership Interest in any Controlling Owner (if such Owner is a legal entity), or (c) a Controlling Ownership Interest or non-Controlling Ownership Interest in any Non-Controlling Owner (if such Owner is a legal entity).

**“Non-Controlling Owner”** means any Owner which is not a Controlling Owner.

**“Owner”** means any person or entity holding a direct or indirect ownership interest (whether of record, beneficially, or otherwise) or voting rights in Franchisee, including any person or entity who has a direct or indirect interest in Franchisee, this Agreement, the franchise, or the Franchised Business and any person or entity 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 or any capital appreciation relating thereto.

**“Related Agreement”** means any agreement between Franchisee, its Affiliates, or its Owners, on one hand, and Franchisor, its Affiliates, and/or its approved vendors, on the other hand, including agreements related to the Franchised Business, another System Business, or any other business or franchise.

**“Similar Business”** means any business that offers, is otherwise involved in, or deals with any goods, products and/or services, which are substantially similar to those goods, products, and/or services now or in the future authorized by Franchisor to be offered at or from a System Business or otherwise (including any such enterprise and/or entity awarding franchises or licenses to operate or be involved with any such business), including the Core Services and any other services licensed by Franchisor, as described in the Agreement, the Manual, or Franchisor’s Franchise Disclosure Document. Franchisor’s receipt of any Royalties with respect to any Similar Business is not an approval of Franchisee’s involvement with any Similar Business.

**“Standards”** means the guidelines, standards, specifications, rules, requirements, and directives, including those specified in the Manual, that Franchisor establishes from time to time for the operation of a Franchised Business, including interior and exterior design and décor and equipment.

**“Subcontractor”** means any third party or Franchisee Related Party that contracts directly with Franchisee to carry out work for Franchisee.

**“Transfer”** (whether or not such term is capitalized) means and includes a voluntary, involuntary, direct, or indirect assignment, sale, gift, pledge, mortgage, encumbrance, or other disposition of any interest in (i) this Agreement; (ii) Franchisee; (iii) the Franchised Business or substantially all of its assets; (iv) any of Franchisee’s Owners (if such Owner is a legal entity); or (v) any right to receive all or a portion of the Franchised Business’, Franchisee’s, or any Owner’s profits or losses or any capital appreciation relating to the Franchised Business, Franchisee, or any Owner. An assignment, sale, gift, or other disposition includes the following events: (a) transfer of ownership of capital stock, a partnership or membership interest, or another form of ownership interest; (b) merger or consolidation or issuance of additional securities or other forms of ownership interest; (c) any pledge, sale, or other transfer of a security or other interest convertible to an ownership interest; (d) transfer in a divorce, insolvency, or entity dissolution proceeding or otherwise by operation of law; (e) transfer by will, declaration of or transfer in trust, or under the laws of intestate succession; and (f) foreclosure upon or exercising any similar rights or remedies with respect to any security interest in this Agreement (to someone other than Franchisor), the Franchised Business or an ownership interest in Franchisee or one of its Owners, foreclosure upon the Franchised Business, or Franchisee’s transfer, surrender, or loss of the Franchised Business, possession, control, or management.

## **29. REPRESENTATIONS BY FRANCHISEE**

29.1 **Significant Dates.** The Franchisee hereby certifies that the following information and dates are true and correct and the undersigned understands that Franchisor is relying on these statements in consideration of entering into this Agreement.

		<b>Insert Applicable Response</b>
a.	The date on which Franchisee received a Franchise Disclosure Document with all exhibits (Must be same date as date entered on Item 23 Receipt Page):	
b.	The date of Franchisee’s first personal meeting with a representative of Franchisor to discuss the possible purchase of this Agreement. (Does not apply to renewal of existing License):	
c.	Name of Franchisor’s representatives involved in the sales process:	
d.	The date Franchisee received a completed copy (except for signatures) of this Agreement:	
e.	The date on which Franchisee signed this Agreement:	
f.	The date on which Franchisee delivered any deposit, down payment, purchase price, or other payment in the form of cash, check, or other consideration to Franchisor:	

29.2 **Representations by Franchisee in Certain States.** The following representations must be completed by, and will only apply to, all franchisees and Franchised Businesses, except those that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

29.2.1 No oral, written, or visual claim or representation which contradicted the Franchise Disclosure Document was made to Franchisee except:

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(if none, Franchisee shall write “none”)

29.2.2 No oral, written, or visual claim or representation which contradicted the Franchise Disclosure Document was relied upon by Franchisee in signing the Agreement except:

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(if none, Franchisee shall write “none”)

29.2.3 No oral, written, or visual claim or representation which stated or suggested any sales, income or profit levels was made to Franchisee except in Item 19 of the Franchise Disclosure Document and:

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(if none, Franchisee shall write “none”)

29.2.4 No oral, written, or visual claim or representation which stated or suggested any sales, income or profit levels except those made in Item 19 of the Franchise Disclosure Document were relied upon by Franchisee in signing the Agreement except:

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(if none, Franchisee shall write “none”)

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the Effective Date.

**FRANCHISOR**

**SERVICEMASTER CLEAN/RESTORE  
SPE LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**FRANCHISEE**

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**  
**TO THE FRANCHISE AGREEMENT**

**SERVICEMASTER CLEAN® LICENSE**

This Exhibit is attached to and is an integral part of the ServiceMaster Clean® Franchise Agreement, dated \_\_\_\_\_ (the “**Agreement**”), by and between ServiceMaster Clean/Restore SPE LLC d/b/a ServiceMaster Clean (the “**Franchisor**”) and «Franchisee Name» (the “**Franchisee**”), doing business under the name, «DBA Name». To the extent that any provisions of Exhibit A are in direct conflict with the provisions of the Agreement, the provisions of this Exhibit A shall control.

1. **LICENSE (Recitals)**: A ServiceMaster Clean® License is being licensed to Franchisee under this Agreement. Franchisee understands and agrees that no other SM License or services are licensed to Franchisee under the Agreement. Pursuant to this ServiceMaster Clean® License, Franchisee is licensed to offer and provide through the Franchised Business the Core Services and the Optional Services. Franchisee is required to offer and provide the Core Services.

“**Core Services**” currently include a full range of the following services, which must be delivered by Franchisee directly to customers (without the use of a Subcontractor): (a) facility maintenance services, which includes (i) cleaning services; (ii) sanitization; (iii) disinfection; (iv) sterilization; (v) trash removal; (vi) restroom cleaning; (vii) vacuuming; (viii) regular floor maintenance; (ix) dusting; (x) wiping flat surfaces; (xi) general maintenance of spaces and grounds; (xii) tile and grout cleaning; (xiii) hard surface floor care/cleaning; (xiv) furniture/upholstery cleaning; (xv) window cleaning; and (xvi) power washing; (b) duct cleaning; (c) construction cleaning; (d) carpet cleaning; and (e) and other ancillary services provided in conjunction with the ongoing maintenance of facilities and the grounds for such facilities, and other services we may specify from time to time in our sole discretion. Core Services may be delivered through humans or autonomous equipment.

“**Optional Services**” currently include the following services, which may be delivered by Franchisee, at its option, directly or through a Subcontractor: (a) facility maintenance consulting; (b) repairs to wall/other flat surfaces/items; and (c) other ancillary services provided in conjunction with the ongoing maintenance of facilities and grounds (*i.e.* HVAC, handyman services, plumbing, painting, landscaping, pest control, and/or electrical work).

Franchisor may add to, delete, modify, or further define any of the Core Services and Optional Services (including transitioning a service from one category to the other category) from time to time, in its sole discretion, and shall include such changes in the Manual.

2. **TERRITORY (Section 1.1)**: The Territory in which Franchisee is granted a non-exclusive right and license to operate the Franchised Business is:

-Territory-

3. **OFFICE LOCATION (Section 1.1)**: Franchisee must maintain as many office locations within the Territory as are necessary to ensure that all addresses in the Territory are located within a 60-minute drive from one of the offices of the Franchised Business, as measured by the drive times during normal business hours that are estimated by Google Maps (or such other third-party source specified by Franchisor from time to time). Franchisor may modify this policy from time to time in the Manual.
4. **SOLICITING AND SERVING CUSTOMERS (Section 1.1)**: Notwithstanding Section 1.1 of the Agreement, Franchisee may perform services for a customer outside the Territory if such customer initiates the request or is referred to Franchisee by Franchisor, provided that Franchisee submits any

documentation required by Franchisor prior to performing such services. If Franchisor does not reject a request within 15 days of its receipt of the required documentation, the request shall be deemed to be approved.

5. RENEWAL FEE (Section 2.2.2.12): The renewal fee shall be equal to 6% of the then-current initial license fee that is being charged to new franchisees at the time of renewal.
6. INITIAL LICENSE FEE (Section 4.1.1): If the Agreement pertains to the original issuance of the license, then the Initial License Fee described in Section 4.1.1 of the Agreement is \$32,500 minus any applicable discounts granted by Franchisor. If the Agreement pertains to an existing license, then no Initial License Fee shall be due.
7. MONTHLY ROYALTIES (Section 4.1.2):
  - A. ROYALTIES FORMULA. The Royalties in each month shall be equal to the greater of (1) the Minimum Monthly Royalty (as defined below) or (2) (a) the Royalties for Contracted Recurring Services (as defined in Paragraph 7.B. and as calculated in accordance with Paragraph 7.C.) in such month plus (b) the Royalties for Other Services (as defined in Paragraph 7.B. and as calculated in accordance with Paragraph 7.D.)
  - B. SERVICES FOR DETERMINATION OF ROYALTIES.
    1. “**Contracted Recurring Services**” include any services that Franchisee provides to a customer pursuant to a written annual contract that requires Franchisee to provide such services to such customer at least two times per month. Franchisee must provide Franchisor with copies of each customer contract for verification purposes.
    2. “**Other Services**” includes any products or services other than Contracted Recurring Services, including (a) services performed on a one-time basis, (b) services performed less frequently than twice per month (e.g. once per month), or (c) services performed without an annual contract.
  - C. ROYALTIES FOR CONTRACTED RECURRING SERVICES. The Royalties for Contracted Recurring Services for each month shall be determined in accordance with the following graduated scale (the “**Royalties Scale**”):

ROYALTY TIER	RANGE OF GROSS SERVICE SALES FOR CONTRACTED RECURRING SERVICES ONLY IN EACH CALENDAR MONTH		AMOUNT OF ROYALTIES FOR CONTRACTED RECURRING SERVICES PAYABLE TO FRANCHISOR
	Minimum	Maximum	
1	\$1	\$11,140.99	7% of Gross Service Sales in Royalty Tier 1
2	\$11,141	\$27,053.99	\$779.87 plus 6% of Gross Service Sales in Royalty Tier 2
3	\$27,054	\$90,177.99	\$1,734.65 plus 5% of Gross Service Sales in Royalty Tier 3
4	\$90,178	No maximum	\$4,890.85 plus 4% of Gross Service Sales in Royalty Tier 4

The range of Gross Service Sales in the Royalties Scale will increase annually on April 1 of each year of this Agreement in accordance with the Consumer Price Index, or 3%, whichever is greater. The updated ranges in the Royalties Scale will be published in the Manual.

THE RANGES OF GROSS SERVICE SALES IN THE ROYALTIES SCALE IS IN NO WAY INTENDED TO IMPLY THAT FRANCHISEE WILL EXPERIENCE GROSS SERVICE SALES OF ANY PARTICULAR LEVEL.

- D. **ROYALTIES FOR OTHER SERVICES.** The Royalties for Other Services for each month shall be equal to the Gross Service Sales for only Other Services for such month multiplied by 10%.
- E. **MINIMUM MONTHLY ROYALTY.** The “**Minimum Monthly Royalty**” for a given month will be determined in accordance with the following chart:

<b>MONTHS OF OPERATION OF THE FRANCHISED BUSINESS (INCLUDING ANY PREDECESSOR LICENSE THAT HAS BEEN RENEWED OR TRANSFERRED)</b>	<b>MINIMUM MONTHLY ROYALTY</b>
0 to 4	\$0 per month
5 to 12	\$250 per month
13 to 24	\$455 per month
25 to 36	\$892 per month
37 to 48	\$1,671 per month
49 or above	\$2,982 per month

The months of operation of the Franchised Business will be calculated from the effective date of the first Franchise Agreement for the Franchised Business, rather than the date of renewal, the date of a transfer, or the effective date of a subsequent Franchise Agreement.

- F. **ROYALTIES EXAMPLE.** For example, if the Gross Service Sales for a month for a Franchised Business that has been in operation for 55 months are \$80,000 (including \$50,000 in Contracted Recurring Services and \$30,000 in Other Services), the Royalties due for such month would be \$5,881.95. This is calculated as follows:
- a. **Determining Royalties for Contracted Recurring Services.** The Royalties due for Contracted Recurring Services is calculated by the formula in Royalty Tier 3 of the Royalties Scale, because the Gross Service Sales for Contracted Recurring Services (which is \$50,000 in this example) is within the Royalty Tier 3 range. Thus, the Royalties for Contracted Recurring Services will be equal to (x) \$1,734.65 + (y) the amount of Gross Service Sales for Contracted Recurring Services in Royalty Tier 3 (which is the difference between \$27,054 [the minimum amount for Tier 3] and \$50,000 [the total Gross Service Sales for Contracted Recurring Services at the end of the month], which is \$22,946) multiplied by 5%, which equals \$1,147.30. The Royalties due for Contracted Recurring Services will be \$1,734.65 + \$1,147.30, which equals \$2,881.95.
  - b. **Determining Royalties for Other Services.** The Royalties due for Other Services is calculated by multiplying the Gross Service Sales for Other Services (which is \$30,000 in this example) by 10%, which equals \$3,000.
  - c. **Determining Total Royalties Due.** Finally, the Royalties due for Contracted Recurring Services (\$2,881.95) and for Other Services (\$3,000) are added together to reach the total Royalties due for the month, which is \$5,881.95. Because this figure is greater than the Minimum Monthly Royalty for a Franchised Business that has been in operation for 55 months (which is \$2,982 per month), the Minimum Monthly Royalty does not apply and \$5,881.95 is the total amount of Royalties owed for such month.

8. MARKETING AND TECHNOLOGY FEES (Section 4.2): The following is added to Section

A. The following is added to Section 4.2.2 (Technology Fees):

If the management software license fee is collected by Franchisor as part of the Technology Fee, such fee will not exceed \$1,500 per month. This fee cap supersedes the general cap on Technology Fees (of 150% of Franchisor’s and its Affiliates’ costs and expenses).

8-B. The following is added to Section 4.2 (Marketing and Technology Fees) as a new Section 4.2.3:

4.2.3 Digital Platform Fee. Franchisor may require Franchisee to pay a monthly fee for social media, digital media, and the maintenance, protection, and operation of marketing and business intelligence platform(s) and website(s) (the “**Digital Platform Fee**”). Franchisor will specify the Digital Platform Fee and related products and services in the Manual. Franchisor may increase Digital Platform Fee and change the related products and services from time to time, provided that the fee will not exceed \$500 per month per office location.

9. AD FUND CONTRIBUTION (Section 4.2.1): The monthly “**Ad Fund Contribution**” in each month is equal to the greater of \$25 or 0.5% of the monthly Gross Service Sales achieved in the previous month. The Ad Fund Contribution may be changed by Franchisor from time to time, provided that the Ad Fund Contribution and the Local Advertising Commitment will not collectively exceed 2.5% of monthly Gross Service Sales.

10. OWNERSHIP INTERESTS (Section 5.6 and 12.2.1): The following identifies all Owners and describes their ownership interests (whether direct or indirect) in Franchisee as of the Effective Date:

<b>OWNER NAME</b>	<b>PERCENTAGE OWNERSHIP INTEREST</b>

11. LICENSING AND CERTIFICATIONS (Section 5.15): If Franchisor or its Affiliates provide or procure certifications, the fee will not exceed 110% of Franchisor or its Affiliates’ actual costs and expenses.

12. OPTIONAL PROGRAM FEES (Section 5.16.2): The Optional Program Fees include:

(a) Participation Fees. Franchisee may be required to pay fees to participate in Optional Programs (“**Participation Fees**”), provided that any Participation Fees payable to Franchisor or its Affiliates will not exceed \$10,000 per year, per Optional Program (which may be paid weekly, monthly, or annually).

(b) Referral Fees. Franchisee may be required to pay referral fees for each Referral referred to such Franchisee through an Optional Program (“**Referral Fees**”), provided that any Referral Fees payable to Franchisor or its Affiliates will not exceed a percentage fee of up to 10% of the total invoiced amount for such job.

(c) Service Fees. Franchisee may be required to pay service fees for certain specified services

provided by the Franchisor, its Affiliates, or third parties related to jobs generated through Optional Programs (“Service Fees”), provided that the Service Fees payable to Franchisor or its Affiliates will not exceed 150% of Franchisor’s and its Affiliates’ costs and expenses related to providing such products and/or services.

13. ~~11.~~ MINIMUM MONTHLY SALES REQUIREMENT (Section 5.17): The Minimum Monthly Sales Requirement is detailed in the below chart in each month of the Term (beginning in the 13<sup>th</sup> full month of operation of the Franchised Business).

<b>MONTHS OF OPERATION OF THE FRANCHISED BUSINESS (INCLUDING ANY PREDECESSOR LICENSE THAT HAS BEEN RENEWED OR TRANSFERRED)</b>	<b>MINIMUM MONTHLY SALES REQUIREMENT</b>
0 to 12	\$0 per month
13 to 24	\$6,500 per month
25 to 36	\$13,000 per month
37 to 48	\$26,000 per month
49 or above	\$52,000 per month

The months of operation of the Franchised Business will be calculated from the effective date of the first Franchise Agreement of the Franchised Business, rather than the date of renewal, the date of a transfer, or the effective date of a subsequent Franchise Agreement.

14. ~~12.~~ MARKS (Section 6.1.3): The Marks of Franchisor or its Affiliates licensed to Franchisee under the Agreement are:

<b>MARK</b>	<b>REGISTRATION NUMBER</b>
SERVICEMASTER	782,584
The Color Yellow as applied to a vehicle	2,085,318
SERVICEMASTER CLEAN (word mark)	2,254,065
SERVICEMASTER CLEAN (with logo)	2,503,865

15. ~~13.~~ LOCAL ADVERTISING COMMITMENT (Section 10.1): The monthly “**Local Advertising Commitment**” in each month is 2% of the monthly Gross Service Sales achieved in the previous month. The Local Advertising Commitment may be changed by Franchisor from time to time, provided that the Ad Fund Contribution and the Local Advertising Commitment will not collectively exceed 2.5% of monthly Gross Service Sales.

16. ~~14.~~ COMPETING BUSINESS (Section 28): “**Competing Business**” means a business which (a) offers or performs any of the various programs and services licensed by Franchisor within the System, including the Core Services and Optional Services, or (b) manages, franchises, or licenses any of the businesses described in (a).

17. ~~15.~~ ONLINE MARKETING FUND DEPOSIT. If Franchisee is a new franchisee, upon signing the Agreement, Franchisee must pay to Franchisor in a lump sum an online marketing fund deposit of \$4,750 (the “**Online Marketing Fund Deposit**”), which Franchisor will pay to a vendor to attempt to generate leads in the Territory through online marketing. Any portion of these monies not utilized during Franchisee’s first year of operation may be, at Franchisor’s sole discretion, applied to offset Franchisee’s accounts with Franchisor or its Affiliates. If Franchisee is an existing franchisee or a transferee, Franchisee will not be required to pay the Online Marketing Fund Deposit.

**Signature Page to Exhibit A**

**FRANCHISOR**

**FRANCHISEE**

**SERVICEMASTER CLEAN/RESTORE  
SPE LLC**

\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**EXHIBIT B**  
**TO THE FRANCHISE AGREEMENT**

**GENERAL RELEASE**

**THIS GENERAL RELEASE (“Release”)** is executed on \_\_\_\_\_ (the “**Effective Date**”) by:

- (i) \_\_\_\_\_, a [state] [individual or type of entity] with a principal address at \_\_\_\_\_ (“**Franchisee**”);
- (ii) \_\_\_\_\_, a [state] [individual or type of entity] with a principal address at \_\_\_\_\_ [and \_\_\_\_\_, a [state] [individual or type of entity] with a principal address at \_\_\_\_\_] (“**Owners**”); and, if applicable,
- (iii) \_\_\_\_\_, a [state] [individual or type of entity] with a principal address at \_\_\_\_\_ (“**Transferee**”).

**RECITALS**

A. ServiceMaster Clean/Restore SPE LLC (“**Franchisor**”) and Franchisee are parties to the following Franchise Agreements (collectively, the “**Franchise Agreements**”):

<b>Franchise Agreement Number(s)</b>	<b>Date of Agreement</b>

B. Franchisee, Owners, and (if applicable) Transferee are executing this Release as a condition of (check one):

\_\_\_\_(i) Franchisor consenting to a transfer of any interest in the Franchise Agreement or Franchisee’s business or entity;

\_\_\_\_(ii) Franchisor agreeing to enter into a successor Franchise Agreement with Franchisee; or

\_\_\_\_(iii) Franchisor agreeing to amend the Franchise Agreement or waive any of its rights under the Franchise Agreement.

If this Release is executed under the conditions set forth in (ii) or (iii) above, all references in this Release to “Transferee” should be ignored.

**AGREEMENT**

In consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed as follows:

1. **Release by Franchisee, Transferee, and Owners.** Franchisee and Transferee (on behalf of themselves and their parents, subsidiaries, and affiliates and their respective past and present officers, directors, shareholders, managers, members, agents, and employees, in their corporate and individual capacities), and Owners (on behalf of themselves and their respective heirs, representatives, successors and assigns) (collectively, the “**Releasers**”) freely and without any influence, unconditionally and irrevocably, forever release and discharge (i) Franchisor, (ii) Franchisor’s past and present officers, directors,

shareholders, managers, members, agents, and employees, in their corporate and individual capacities, and (iii) Franchisor's past and present parents, subsidiaries, predecessors, and affiliates and their respective past and present officers, directors, shareholders, managers, members, agents, and employees, in their corporate and individual capacities (collectively, the "**Released Parties**"), from any and all charges, complaints, claims, debts, demands, liabilities, obligations, promises, agreements, controversies, damages, actions, suits, rights, judgments, costs, losses, debts and expenses of whatever kind or nature, and causes of action of whatever kind or nature (based upon any legal or equitable theory, whether contractual, common law, statutory, federal, state, local, or otherwise), whether known or unknown, vested or contingent, or suspected or unsuspected (collectively, "**Claims**"), which any Releasor ever owned or held, now owns or holds, or may in the future own or hold arising out of, or relating to, any act, omission, or event occurring on or before the date of this Release, including, without limitation, (a) Claims arising out of, or relating to, (a) violations of federal, state, and local laws, rules, and ordinances, unless specifically prohibited by such laws, (b) the Franchise Agreement and any other agreements between any Releasor and Franchisor or Franchisor's parents, subsidiaries, or affiliates, (iii) the business relationship between any of the Releasors and any of the Released Parties, (iv) the offer, sale, or execution of the Franchise Agreement, (v) Franchisor's performance of its obligations under the Franchise Agreement including, but not limited to, any actions for breach of contract, fraud or misrepresentation, violation of any franchise laws or regulations, violation of any state or federal antitrust or securities laws or regulations, or violation of common law, or (vi) any purchase of product, fees, or other items purchased or paid for by Franchisee from any of the Released Parties.

2. **Risk of Changed Facts.** Franchisee, Transferee, and Owners (on behalf of all Releasors) (a) understand that the facts in respect of which the release in Section 1 is given may turn out to be different from the facts now known or believed by them to be true and (b) hereby accept and assume the risk of the facts turning out to be different and agree that the release in Section 1 shall nevertheless be effective in all respects and not subject to termination or rescission by virtue of any such difference in facts.

3. **Covenant Not to Sue.** Franchisee, Transferee, and Owners (on behalf of all Releasors) covenant not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of cross-claim, defense, or counterclaim, against any person or entity released under Section 1 with respect to any Claim released under Section 1.

4. **No Prior Assignment and Competency.** Franchisee, Transferee, and Owners (on behalf of all Releasors) represent and warrant that: (a) the Releasors are the sole owners of all Claims and rights released in Section 1 and that the Releasors have not assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim released under Section 1; (b) each Releasor has full and complete power and authority to execute this Release, and that the execution of this Release shall not violate the terms of any contract or agreement between them or any court order; and (c) this Release has been voluntarily and knowingly executed after each of them has had the opportunity to consult with counsel of their own choice.

5. **No Liability.** Franchisee, Transferee, and Owners (on behalf of all Releasors) jointly and severally, agree that no past, present, or future director, officer, employee, incorporator, member, partner, shareholder, affiliate, controlling party, vendor, service provider, agent, or attorney of Franchisor, or entity under common control, ownership, or management with Franchisor, will have any liability for (a) any of Franchisor's obligations or liabilities relating to or arising from the Franchise Agreement, (b) any claim against Franchisor based on, in respect of, or by reason of, the relationship between Franchisee and Franchisor, or (c) any claim against Franchisor based on any alleged unlawful act or omission.

6. **Complete Defense.** Franchisee, Transferee, and Owners (on behalf of all Releasors): (a) acknowledge that the release in Section 1 shall be a complete defense to any Claim released under Section

1; and (b) consent to the entry of a temporary or permanent injunction to prevent or end the assertion of any such Claim.

7. **Waiver of Statutory Preservation Provisions.** Franchisee, Transferee, and Owners (on behalf of all Releasors) each expressly waives any rights or benefits conferred by the provisions of Section 1542 of the California Civil Code, to the extent such provision would be applicable, which provides as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

This waiver extends to any other statute or common law principle of similar effect in any applicable jurisdiction, including without limitation, California and or any other jurisdiction in which the Releasors reside. Franchisee, Transferee, and Owners (on behalf of all Releasors) acknowledge and represent that they have each consulted with legal counsel before executing this release and that they understand its meaning, including the effect of Section 1542 of the California Civil Code, and expressly consent that this release shall be given full force and effect according to each and all of its express terms and provisions, including, without limitation, those relating to the release of unknown and unsuspected claims, demands, and causes of action.

8. **Claims Under Washington Franchise Investment Protection Act.** This Release shall not apply to any Claims arising under the Washington Franchise Protection Act, RCW 19.100, and the rules adopted thereunder.

9. **Successors and Assigns.** This Release will inure to the benefit of and bind the successors, assigns, heirs, and personal representatives of the Released Parties and each Releasor.

10. **Counterparts.** This Release may be executed in two or more counterparts (including by scanned copy), each of which shall be deemed an original, and all of which shall constitute one and the same instrument.

**IN WITNESS WHEREOF**, Franchisee, Transferee, and Owners have executed this Release as of the Effective Date.

**FRANCHISEE**

\_\_\_\_\_  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**TRANFEREE**

\_\_\_\_\_  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**OWNER**

\_\_\_\_\_  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**OWNER**

\_\_\_\_\_  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**EXHIBIT C**  
**TO THE FRANCHISE AGREEMENT**

**ELECTRONIC FUNDS TRANSFER AUTHORIZATION FORM**

This authorizes ServiceMaster Clean/Restore SPE LLC (“**Franchisor**”) and any of its affiliates (collectively, with Franchisor, the “**Authorized Parties**”) to use the banking information provided below in accordance with the terms of the Franchise Agreement.

Franchisee: \_\_\_\_\_

Name of bank: \_\_\_\_\_

Address of bank: \_\_\_\_\_

Name of account holder: \_\_\_\_\_

Name as it appears on account: \_\_\_\_\_

Address of account holder: \_\_\_\_\_

Account Number: \_\_\_\_\_

Routing Number: \_\_\_\_\_

Type of Account:       Checking OR Savings

Franchisee hereby authorizes the Authorized Parties to debit the checking/savings account identified above in order to pay all fees, charges, and any other amounts owed pursuant to the terms of the Franchise Agreement entered into between Franchisee and Franchisor and any other agreement between Franchisee and the Authorized Parties (including ongoing operating fees, the cost of any products or services purchased from the Authorized Parties, and any other amounts owing to the Authorized Parties under the Franchise Agreement or any other agreement with the Authorized Parties, including interest and late fees); and, if necessary, to initiate adjustments for any transactions debited in error. These debits are related to the operation of a franchised business and the amount of each debit will vary from month to month. This authorization will remain in full force and effect until Franchisor has received written notification from Franchisee of its termination in such time and in such manner as to afford Franchisor a reasonable opportunity to act on it. Termination of this authorization may result in the termination of the Franchise Agreement, unless an alternate means of payment acceptable to Franchisor is provided.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**OFFICE USE ONLY**

Account Code: \_\_\_\_\_

Store Name / Location: \_\_\_\_\_

Date: \_\_\_\_\_ User: \_\_\_\_\_

**EXHIBIT D**  
**TO THE FRANCHISE AGREEMENT**

**PERSONAL GUARANTY AND AGREEMENT TO BE BOUND PERSONALLY BY THE**  
**TERMS AND CONDITIONS OF THE FRANCHISE AGREEMENT**

In consideration of the execution of the Franchise Agreement by Franchisor, and for other good and valuable consideration, the undersigned (including each owner holding directly or indirectly a 15% or greater ownership interest in Franchisee's entity) (collectively and individually, the "Guarantor"), jointly and severally, do hereby become surety and guaranty, and agree to be personally bound for the prompt and full payment of all amounts and the performance of the covenants, terms and conditions of the Franchise Agreement and any Related Agreement (as defined in Section 28 (Definitions) of the Franchise Agreement), to be paid, kept and performed by Franchisee as though the undersigned and each of them executed an agreement containing the identical terms and conditions of the Franchise Agreement.

In addition to the other Franchise Agreement provisions, each Guarantor agrees to be personally bound to the confidentiality provision in Section 8.1 (Confidential Information) of the Franchise Agreement and the noncompete covenants in Section 15 (Covenants) of the Franchise Agreement.

In addition, if Franchisee fails to comply with or defaults on any other terms and conditions of the Franchise Agreement or any Related Agreement, then the Guarantor, and any successors or assigns to this Guaranty Agreement, do hereby, individually, jointly and severally, promise and agree to comply with the terms and conditions of the Franchise Agreement for and on behalf of Franchisee. Guarantor hereby waives acceptance of this Guaranty Agreement by Franchisor and waives presentment, demand for payment, protest, notice of dishonor, and any other notice or demand of any kind and the necessity of Franchisor instituting legal proceedings against the Franchisee. Furthermore, Guarantor consents that Franchisor will have the right, without notice, to deal in any way at any time with Franchisee or any other guarantor, or to grant any such party any extensions of time for payment of any indebtedness, or to sell, release, surrender, exchange, substitute, settle, compromise, waive, subordinate, or modify, with or without consideration and on such terms and conditions as may be acceptable to Franchisor, any and all collateral, security, guaranties, obligations, indebtedness, liabilities, notes, instruments, or other evidence of indebtedness concerning which payment is guaranteed hereby, or grant any other indulgences or forbearances whatever, without in any way affecting of the Guarantor's liabilities under this Guaranty Agreement.

Guarantor agrees that any indebtedness by Franchisee to Guarantor, for any reason, currently existing, or which might arise after this Guaranty Agreement, will at all times be inferior and subordinate to any indebtedness owed by Franchisee to Franchisor. Guarantor agrees that as long as Franchisee owes any monies to Franchisor (other than payments that are not past due) Franchisee will not pay and Guarantor will not accept payment of any part of any indebtedness owed by Franchisee to Guarantor, either directly or indirectly, without the consent of Franchisor.

Guarantor agrees that the liability of Guarantor is independent of any other guaranties at any time in effect with respect to all or any part of Franchisee's indebtedness to Franchisor, and that the liability created hereby may be enforced regardless of the existence of any other guaranties. Guarantor agrees that the liability of Guarantor is independent of any other guaranties at any time in effect with respect to all or any part of Franchisee's indebtedness to Franchisor, and that the liability created hereby may be enforced regardless of the existence of any other guaranties.

Except as precluded by applicable law, each of the undersigned hereby submits to personal jurisdiction exclusively in the state and federal courts of the State of Georgia with respect to any litigation, action or proceeding pertaining to this Personal Guaranty or the Franchise Agreement and agrees that all such proceedings will and must be venued in the State of Georgia. Each of the undersigned consents and agrees that they are subject to and will abide by the dispute resolution provisions contained in the Franchise Agreement. Additionally, Guarantor agrees to pay Franchisor all costs and expenses, including reasonable attorneys' fees, incurred in enforcing this Guaranty Agreement.

GUARANTOR AND FRANCHISOR ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH PARTY, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR CHOICE, KNOWINGLY AND VOLUNTARILY, AND FOR THEIR MUTUAL BENEFIT, WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION REGARDING THE PERFORMANCE OR ENFORCEMENT OF, OR IN ANY WAY RELATED TO, THIS GUARANTY AGREEMENT OR THE INDEBTEDNESS COVERED BY THIS GUARANTY AGREEMENT.

Notwithstanding anything in this Guaranty to the contrary, the undersigned, if Franchisee is in full compliance with this Franchise Agreement and all Related Agreements between Franchisee and Franchisor and its affiliates, shall have no personal liability for any indemnity obligation under Section 17.3 (Indemnification) of the Franchise Agreement if and for so long as Franchisee obtains and maintains in full force and effect the following additional insurance policies, with Franchisor named as an additional insured under all such policies which provide actual coverage for the claim for which Franchisor is to be indemnified. For revenues reported by Franchisee for the last 12 months which equal or are less than \$3,000,000, and in addition to the insurance requirements set forth in Section 11.2 (Coverage Requirements) of the Franchise Agreement, a general liability umbrella or excess liability policy of \$1,000,000 of additional coverage (including automobile liability). For revenues reported by Franchisee for the last 12 months which exceed \$3,000,000, \$2,000,000 is required.

**GUARANTORS**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

**Exhibit A to the FDD**

**SERVICEMASTER CLEAN FRANCHISE AGREEMENT  
AND RELATED AGREEMENTS**

**Exhibit A-2 to the FDD  
DISTRIBUTOR – PARTIAL ASSIGNMENT OF RIGHTS**

**PARTIAL ASSIGNMENT OF RIGHTS**  
**IN SERVICEMASTER FRANCHISE AGREEMENT**

**THIS AGREEMENT** is made and entered into at Atlanta, Georgia, on \_\_\_\_\_, by and among:

(i) \_\_\_\_\_, a [insert state] [insert entity type], doing business as \_\_\_\_\_ ("**Distributor**");

(ii) \_\_\_\_\_, a [insert state] [insert entity type], doing business as \_\_\_\_\_ ("**Franchisee**"); and

(iii) ServiceMaster Clean/Restore SPE LLC, a Delaware limited liability company ("**ServiceMaster**").

RECITALS:

A. ServiceMaster and Franchisee entered into a current Franchise Agreement dated \_\_\_\_\_ ("**Principal Contract**"), whereby ServiceMaster licensed to Franchisee the use of certain service marks, methods, materials, and equipment all in accordance with the terms of the Principal Contract.

B. ServiceMaster and Distributor entered into a current Franchise Agreement dated \_\_\_\_\_ ("**Distributor Contract**"), whereby ServiceMaster licensed to Distributor the use of certain service marks, methods, materials, and equipment all in accordance with the terms of the Distributor Contract.

C. The territory outlined in the Principal Contract, and in which Franchisee may exercise its franchise rights, lies within and is a part of that territory described in the Distributor Contract.

D. Pursuant to the rights of the Distributor to develop, direct, and coordinate the sales and production activities of ServiceMaster franchisees in the territory covered by the Distributor Contract, Distributor, Franchisee, and ServiceMaster (together, "**Parties**") desire to effect an assignment to the Distributor of certain rights held by ServiceMaster under the Principal Contract.

PROVISIONS:

NOW, THEREFORE, in consideration of the mutual covenants and promises of this Agreement, the Parties agree as follows:

1. ServiceMaster assigns to Distributor all of its rights to those monthly fees required by the terms of the Principal Contract to be paid to ServiceMaster by Franchisee.

2. Franchisee agrees to make payment of the monthly fees in accordance with the assignment set forth in Provision 1.

3. Distributor agrees to accept the assignment of monthly fees as outlined in Provision 1 and to account to ServiceMaster for the receipt of the monthly fees all in accordance with the terms of the Distributor Contract.

4. Except for the terms of Provisions 1, 2, and 3, the Principal Contract and the Distributor Contract shall in all other respects remain in full force and effect.

5. If the Distributor Contract is terminated, then the assignment stated in Provision 1 no longer shall be in effect and the right to receive monthly fees as provided by the Principal Contract shall revert to ServiceMaster effective the date of the termination of the Distributor Contract.

6. If the Principal Contract is terminated, then the assignment stated in Provision 1 no longer shall be in effect, and Distributor releases ServiceMaster from any further liability thereunder.

7. ServiceMaster may revoke this Agreement upon thirty (30) days written notice for failure on the part of the Distributor to comply with any provision of the Distributor Contract.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first mentioned above.

**SERVICEMASTER:**

ServiceMaster Clean/Restore SPE LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**FRANCHISEE:**

\_\_\_\_\_

By \_\_\_\_\_  
(Signature of owner, partner or duly  
authorized officer, indicating office held)

By \_\_\_\_\_  
(If partnership with spouse or other person, partner signs  
here)

By \_\_\_\_\_  
(If third partner, he signs here)

**DISTRIBUTOR:**

\_\_\_\_\_

By \_\_\_\_\_  
(Signature of owner, partner or duly  
authorized officer, indicating office held)

By \_\_\_\_\_  
(If partnership with spouse or other person, partner signs  
here)

By \_\_\_\_\_  
(If third partner, he signs here)

**Exhibit B to the FDD**

**FINANCIAL STATEMENTS AND GUARANTY**

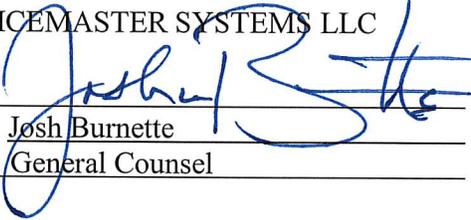
## GUARANTEE OF PERFORMANCE

For value received, ServiceMaster Systems LLC, a Delaware limited liability company (the "Guarantor"), located at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328, absolutely and unconditionally guarantees to assume the duties and obligations of ServiceMaster Clean/Restore SPE LLC, located at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328 (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2025 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This Guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Atlanta, Georgia on this 18<sup>th</sup> day of June 2025.

Guarantor:

SERVICEMASTER SYSTEMS LLC

By: 

Name: Josh Burnette

Title: General Counsel

**ServiceMaster OpCo  
Holdings, LLC and Subsidiaries**  
(An indirect wholly owned subsidiary of RW Purchaser, LLC)  
**Consolidated Financial Statements**  
**December 31, 2024 and 2023 and for the three years  
ended December 31, 2024**

**ServiceMaster OpCo Holdings, LLC and Subsidiaries**

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

**Index**

**December 31, 2024 and 2023 and for the three years ended December 31, 2024**

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## **Report of Independent Auditors**

To the Board of Managers and Management of ServiceMaster OpCo Holdings, LLC:

### ***Opinion***

We have audited the accompanying consolidated financial statements of ServiceMaster OpCo Holdings, LLC and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of operations and comprehensive income, of member's equity, and of cash flows for the three years then ended December 31, 2024, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the three years then ended December 31, 2024 in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Consolidated Financial Statements***

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.



### ***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

*PricewaterhouseCoopers LLP*

Atlanta, Georgia  
May 12, 2025

**ServiceMaster OpCo Holdings, LLC and Subsidiaries**  
 (An indirect wholly owned subsidiary of RW Purchaser, LLC)  
**Consolidated Statements of Operations and Comprehensive Income**  
**Years Ended December 31, 2024, 2023 and 2022**

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<i>(in millions)</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>
Revenue	\$ 344.1	\$ 361.2	\$ 351.4
Cost of services rendered	99.0	115.0	135.5
Selling and administrative expenses	132.9	116.3	92.5
Depreciation and amortization expenses	24.5	24.7	24.3
Impairment charge	-	-	20.5
Operating expenses	<u>256.4</u>	<u>256.0</u>	<u>272.8</u>
Operating income	87.7	105.2	78.6
Interest expense	33.6	34.5	35.3
Other expense	<u>2.0</u>	<u>6.7</u>	<u>2.4</u>
Net income and comprehensive income	<u>\$ 52.1</u>	<u>\$ 64.0</u>	<u>\$ 40.9</u>

The accompanying notes are an integral part of these consolidated financial statements.

# ServiceMaster OpCo Holdings, LLC and Subsidiaries

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

## Consolidated Statements of Financial Position

December 31, 2024 and 2023

<i>(in millions)</i>	2024	2023
<b>Assets</b>		
Cash and cash equivalents	\$ 28.4	\$ 1.6
Restricted cash	5.0	15.8
Accounts receivable, net	55.7	53.3
Current portion of notes receivable	0.5	0.9
Inventories	0.8	0.8
Prepaid expenses and other assets	18.2	16.4
Total current assets	108.6	88.8
Property and equipment, net	16.5	16.6
Right-of-use asset	11.8	13.5
Notes receivable, less allowance and current portion	1.1	2.3
Intangible assets, net	1,612.0	1,631.4
Other assets	1.0	0.4
Total assets	\$ 1,751.0	\$ 1,753.0
<b>Liabilities and Member's Equity</b>		
Accounts payable	\$ 8.4	\$ 11.7
Accrued payroll and other employee benefits	10.0	13.0
Accrued advertising	3.3	4.0
Accrued interest payable	5.3	5.3
Deferred revenue	1.7	1.7
Current portion of operating lease liability	2.5	2.4
Current portion of long-term debt	10.3	20.3
Other current liabilities	6.1	0.9
Total current liabilities	47.6	59.3
Long-term debt, net of debt issuance costs and current portions	957.2	959.4
Long-term operating lease liability	10.5	12.5
Long-term portion of finance lease liability	-	0.3
Other long-term liabilities	5.9	4.8
Total liabilities	1,021.2	1,036.3
Member's equity	729.8	716.7
Total liabilities and member's equity	\$ 1,751.0	\$ 1,753.0

The accompanying notes are an integral part of these consolidated financial statements.

# ServiceMaster OpCo Holdings, LLC and Subsidiaries

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

## Consolidated Statements of Member's Equity

Years Ended December 31, 2024, 2023 and 2022

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<i>(in millions)</i>	<b>Member's Equity</b>
<b>Balance at December 31, 2021</b>	\$ 728.2
Contribution from Holdings	30.0
Contribution from RW Parent	5.1
Contribution from Member	0.2
Distribution to RW Parent	(2.4)
Distribution to Member	(38.5)
Net income and comprehensive income	<u>40.9</u>
<b>Balance at December 31, 2022</b>	763.5
Share based compensation	1.0
Distribution to Member	(111.8)
Net income and comprehensive income	<u>64.0</u>
<b>Balance at December 31, 2023</b>	716.7
Share based compensation	0.5
Contribution from Member	11.0
Distribution to Member	(50.5)
Net income and comprehensive income	<u>52.1</u>
<b>Balance at December 31, 2024</b>	<u>\$ 729.8</u>

The accompanying notes are an integral part of these consolidated financial statements.

# ServiceMaster OpCo Holdings, LLC and Subsidiaries

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

## Consolidated Statements of Cash Flows

Years Ended December 31, 2024, 2023 and 2022

<i>(in millions)</i>	2024	2023	2022
<b>Cash flows from operating activities</b>			
Net income	\$ 52.1	\$ 64.0	\$ 40.9
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation and amortization expense	25.6	24.7	24.3
Impairment charge	-	-	20.5
Amortization of debt issuance costs	2.9	2.9	2.9
Amortization of operating right of use assets	1.7	1.8	1.9
Gain on disposal of fixed asset	(0.3)	-	-
Loss on sale of business	-	4.2	-
Bad debt expense	1.3	-	-
Other, net	-	1.6	-
Share based compensation expense	0.5	1.0	5.1
Changes in operating assets and liabilities			
Accounts receivable and notes receivable	(2.1)	9.8	(4.7)
Inventories	-	-	6.4
Prepaid expenses and other assets	(2.3)	(1.3)	(1.4)
Accounts payable	(3.3)	(4.1)	(2.4)
Deferred revenue	1.1	1.5	(0.7)
Operating right of use assets and lease liabilities, net	(1.8)	(1.9)	(0.5)
Accrued and other current liabilities	1.5	(7.1)	(9.1)
Net cash provided by operating activities	<u>76.9</u>	<u>97.1</u>	<u>83.2</u>
<b>Cash flows from investing activities</b>			
Cash paid to acquire property and equipment	(5.5)	(9.9)	(3.9)
Cash received from fixed assets disposal	0.8	-	-
Sale of AmeriSpec and Furniture Medic	-	21.8	-
Distributor acquisitions	-	-	(47.9)
Cash paid to acquire intangible assets	(1.2)	-	-
Net cash (used in) provided by investing activities	<u>(5.9)</u>	<u>11.9</u>	<u>(51.8)</u>
<b>Cash flows from financing activities</b>			
Payments on finance leases	(0.3)	-	-
Borrowings on finance leases	-	0.3	-
Debt payment	(45.2)	(52.0)	(45.4)
Proceeds from borrowings	30.0	30.0	25.0
Distribution to Member	(50.5)	(103.7)	(38.5)
Contribution from Member	11.0	-	0.2
Contribution from Holdings	-	-	30.0
Distribution to RW Parent	-	-	(2.4)
Net cash used in financing activities	<u>(55.0)</u>	<u>(125.4)</u>	<u>(31.1)</u>
Net increase (decrease) in cash, cash equivalents and restricted cash	16.0	(16.4)	0.3
<b>Cash, cash equivalents and restricted cash</b>			
Beginning of year	<u>17.4</u>	<u>33.8</u>	<u>33.5</u>
End of year	<u>\$ 33.4</u>	<u>\$ 17.4</u>	<u>\$ 33.8</u>
<b>Supplemental disclosure of cash flow information</b>			
Cash paid for interest	\$ 31.7	\$ 31.2	\$ 32.3
<b>Supplemental information on noncash transactions</b>			
Noncash distribution to member in connection with asset transfers	\$ -	\$ 8.1	\$ -
Noncash contribution from RW Parent	-	-	5.1

The accompanying notes are an integral part of these consolidated financial statements.

# ServiceMaster OpCo Holdings, LLC and Subsidiaries

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

## Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

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### 1. Description of Business

ServiceMaster OpCo Holdings, LLC (the “Company”) is a limited liability company and a direct, wholly owned subsidiary of RW Purchaser LLC (“RW Purchaser” or “Member”). ServiceMaster Funding LLC (the “Issuer”), an indirect wholly owned subsidiary of the Company, will guarantee the Notes (as defined in Note 6, Long-term Debt, net), together with the other Guarantors (as defined below), pursuant to the Guarantee and Collateral Agreement. Through its direct wholly owned subsidiary ServiceMaster Holdco, LLC (“Holdco”), the Company acts as the manager of the securitization of restoration, cleaning, moving, junk removal and storage solution services to both residential and commercial customers through the following brands: ServiceMaster Restore, ServiceMaster Recovery Management (“SRM”), ServiceMaster Clean, Merry Maids, Two Men and a Truck (“TMTI”) and Two Men and a Junk Truck (“TMJT”) (collectively, the “ServiceMaster Brands”).

References to “we,” “us,” “our” and “Company” in the accompanying consolidated financial statements (the “financial statements”) are to the Company’s business unless the context otherwise requires.

### 2. Significant Accounting Policies

The significant accounting policies described below, together with the other notes that follow, are an integral part of the financial statements.

#### Principles of Consolidation

The Financial Statements include the accounts of ServiceMaster OpCo Holdings, LLC and all of our consolidated subsidiaries.

#### Basis of Preparation

The historical results of our operations, financial position and cash flows have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). All significant intercompany transactions and balances have been eliminated in consolidation.

#### Use of Estimates

The preparation of the financial statements requires management to make certain estimates and assumptions required under US GAAP that may differ from actual results. The more significant areas requiring the use of management estimates relate to the valuation of tangible and intangible assets.

#### Cash, Cash Equivalents and Restricted Cash

Cash and cash equivalents include highly liquid investments with maturity dates of three months or less from the date of purchase and are recorded at cost.

Restricted cash relates to the 2020 and 2021 securitized notes (as described in Note 6, Long-term Debt, net). As part of the transactions, the Company established certain cash and money market mutual fund accounts in the name of the Trustee for the benefit of the Trustee and the noteholders and are restricted in their use. The Company also established management accounts subject to control agreements among the Trustee, financial institutions and the Company. Restricted cash is comprised of cash collections and reserves held by the Trustee and within management accounts to be used for payments of principal, interest, commitment fees and other permissible operating expenses required for the notes of the Company.

# ServiceMaster OpCo Holdings, LLC and Subsidiaries

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

## Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

### Accounts Receivable and Notes Receivable

Accounts receivable consist primarily of national account revenue, royalties and franchise fees due from franchisees. Notes receivable consist primarily of licenses and equipment sold to franchisees. Accounts receivable are carried at their net realizable value. The Company accounts for credit losses using the Current Expected Credit Loss (CECL) model detailed in the Financial Accounting Standards Board (“FASB”) Accounting Standards Update (“ASU”) No. 2016-13, Financial Instruments – Credit Losses (Topic 326).

The Company’s expected loss allowance methodology for accounts receivable is developed using historical collection experience, current and future economic and market conditions and a review of the current status of customers’ trade accounts receivable. Due to the short-term nature of such receivables, the estimate of accounts receivable that may not be collected is based on aging of the accounts receivable balances and consideration of customers’ financial and macroeconomic conditions. Balances are written off when determined to be uncollectible. The exposure to concentrations of credit risk is limited due to the diverse product offerings and geographic areas covered by our operations.

Estimates are used to determine the allowance. It is based on an assessment of anticipated payment and all other historical, current and future information that is reasonably available.

	December 31, 2024		
	Accounts Receivable	Notes Receivable	Total
<i>(in millions)</i>			
Receivables	\$ 58.1	\$ 2.2	\$ 60.3
Allowance for credit losses	(2.4)	(0.6)	(3.0)
Receivables, net	\$ 55.7	\$ 1.6	\$ 57.3

	December 31, 2023		
	Accounts Receivable	Notes Receivable	Total
<i>(in millions)</i>			
Receivables	\$ 55.4	\$ 3.5	\$ 58.9
Allowance for credit losses	(2.1)	(0.3)	(2.4)
Receivables, net	\$ 53.3	\$ 3.2	\$ 56.5

### Inventories

Inventories are recorded at the lower of cost (primarily on a weighted-average cost basis) or net realizable value. Our inventories primarily consist of finished goods to be used on the customers’ premises or sold to franchisees.

# ServiceMaster OpCo Holdings, LLC and Subsidiaries

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

## Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

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### Property and Equipment and Intangible Assets

Property and equipment consist of the following:

(in millions)	December 31,		Estimated Useful Lives (years)
	2024	2023	
Leasehold improvements	2.9	2.9	1-39
Technology and communications	18.1	14.5	2-10
Machinery and equipment	4.0	4.1	5-10
Office equipment, furniture and fixtures	8.6	7.8	3-17
Accumulated depreciation	(17.1)	(12.7)	
Property and equipment, net	<u>\$ 16.5</u>	<u>\$ 16.6</u>	

Depreciation expense of property and equipment was \$3.8 million, \$4.0 million and \$4.7 million for the years ended December 31, 2024, 2023 and 2022, respectively. Additionally, the depreciation expense of rental equipment from SRM in the amount of \$1.1 million for the year ended December 31, 2024 was recorded under cost of services rendered in the consolidated statements of operations and comprehensive income.

Property and equipment, leasehold improvements and intangible assets with finite lives are depreciated and amortized on a straight-line basis over their estimated useful lives. Property and equipment lives are based on our previous experience for similar assets, potential market obsolescence and other industry and business data. Amortization of leasehold improvements is provided for on a straight-line method over the estimated benefit period of the related assets or the lease term, if shorter. As required by accounting standards for the impairment or disposal of long-lived assets, property and equipment and finite-lived intangible assets are tested for recoverability whenever events or changes in circumstances indicate their carrying amounts may not be recoverable. If the carrying value is no longer recoverable based upon the undiscounted future cash flows of the asset, an impairment loss could be recognized equal to the difference between the carrying amount and the fair value of the asset. Changes in the estimated useful lives or in the asset values could cause us to adjust the book value or future expense accordingly. There were no triggering events identified for the years ended December 31, 2024, 2023 and 2022.

Indefinite-lived intangible assets, primarily trade names, are assessed annually for impairment during the fourth quarter or earlier upon the occurrence of certain events or substantive changes in circumstances. The Company performed an annual impairment analysis as of October 1, 2024 and 2023, which did not result in any intangible assets impairments to continuing operations. The Company performed an annual impairment analysis as of October 1, 2022, which resulted in a \$12.4 million impairment of the Furniture Medic tradename and a \$8.1 million impairment to the AmeriSpec tradename. See Note 4, *Intangible Assets*, for our intangible assets balances.

### Member's Equity

Our equity on the consolidated statements of financial position represents RW Purchaser's net investment in us and is presented as Member's equity. Member's equity includes net cash transfers and other net asset transfers to and from RW Purchaser and us.

# ServiceMaster OpCo Holdings, LLC and Subsidiaries

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

## Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

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### Fair Value Measurement

Fair value is defined as the exchange price that would be received for an asset or an exit price paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The fair value hierarchy defines a three-level valuation hierarchy for disclosure of fair value measurements as follows:

- Level 1 Valuations based on quoted prices in active markets for identical assets or liabilities that an entity has the ability to access;
- Level 2 Valuations based on quoted prices for similar assets or liabilities, quoted prices for identical assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable data for substantially the full term of the assets or liabilities; and
- Level 3 Valuations based on inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The categorization of a financial instrument within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The carrying value of cash equivalents, accounts receivable, and accounts payable approximate fair value due to their short-term nature. The carrying value of the Company's debt approximates fair value due to the variable rate terms of the debt.

### Leases

We determine if an arrangement is a lease at inception. We recognize a right-of-use ("ROU") asset and lease liability for all leases with terms of 12 months or more. ROU assets represent our right to use an underlying asset for the lease term, and lease liabilities represent our obligation to make lease payments arising from the lease.

ROU assets and lease liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. As most of our leases do not provide an implicit rate, we use our incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. We use the implicit rate when readily determinable. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. See Note 6, *Leases* to the accompanying consolidated financial statements for information related to our leases.

### Revenue

#### **Royalty Fees**

The Company has franchise agreements in the ServiceMaster Restore, ServiceMaster Clean, Merry Maids, TMTI and TMJT businesses. Royalty fee revenue consists principally of sales-based royalties received as part of the consideration for the franchise right and is calculated as a percentage of system wide sales. Royalty fees are recognized at the agreed-upon contractual rates over time as the customer-level revenue is generated by the franchisees. Revenue is recognized for an estimate of the unreported royalty fees, which are reported and remitted to us in arrears.

# ServiceMaster OpCo Holdings, LLC and Subsidiaries

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

## Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

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### ***Commercial Cleaning and Other National Accounts***

National account revenues are recognized at the agreed-upon contractual amounts over time as services are completed based on contractual arrangements to provide services at the customers' locations. The Company engages either a franchisee or third-party business to perform the services. Under these agreements, the Company is directly responsible for providing the services and receive payment directly from the customer. A receivable is recorded related to this revenue as the Company has an unconditional right to invoice and receive payment. Payments are typically received shortly after services have been rendered.

### ***Sales of Products***

Revenues are generated from selling products to franchisees. Revenues from product sales are generally recognized once control of the products transfers to the customer. A receivable is recorded related to these sales as the Company has an unconditional right to invoice and receive payment. Payments are typically received shortly after a customer is invoiced.

### ***Franchise Fees***

Initial franchise fees result from the sale of a franchise license, which includes the use of the name, trademarks and proprietary methods. The franchise license is considered symbolic intellectual property and revenue related to the sale of this right is recognized at the agreed-upon contractual amount over the term of the initial franchise agreement.

### ***Referral Fees***

We have contractual arrangements with several national insurance companies to maintain a call center which receives and provides nonrecurring recovery and restoration referrals from the insurers to qualifying franchisees. We receive and recognize referral fees from franchisees at the agreed-upon contractual amount as revenue in the month the referral is issued.

### ***National Advertising Fund***

Franchisees contribute a percentage of customer-level revenue into a national advertising fund managed by us. In cases where we have ultimate control of the marketing and advertising, we recognize both revenue and expense for the amount earned.

### ***Advertising***

Advertising costs are expensed when the advertising occurs and are included in selling and administrative expenses. Advertising costs were \$38.2 million, \$32.9 million and \$19.2 million for the years ended December 31, 2024, 2023 and 2022, respectively. Advertising costs include national advertising fund expenses of \$20.3 million, \$19.0 million and \$18.1 million for the years ended December 31, 2024, 2023 and 2022, respectively, for which there is an equal amount recorded in revenue for the years ended December 31, 2024, 2023 and 2022.

### ***Stock Compensation***

The Company accounts for equity-based compensation in accordance with ASC 718, Compensation – Stock Compensation. Accordingly, in exchange for employee and director services, compensation is given in the form of equity awards. The equity awards are recorded based on the grant date fair value and expensed over the requisite service period for the respective award.

# ServiceMaster OpCo Holdings, LLC and Subsidiaries

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

## Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

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The Company's equity-based awards include profit interest time units and profits interest performance units issued by the Company, which vest based on either time or the achievement of certain performance conditions. The Company records forfeitures as they occur. Compensation expense resulting from time-based vesting awards is recognized in the Company's consolidated statements of operations and comprehensive income, primarily within selling and administrative expenses, at the grant date fair value over the requisite service period. Compensation expense resulting from performance-based awards is recognized over the requisite service period when it is probable that the performance condition will be met. The calculated compensation expense for performance-based awards is adjusted based on an estimate of awards ultimately expected to vest. No performance-based compensation expense has been recorded by the Company as it is not deemed probable that the performance condition will be met.

The Company estimates grant date fair value using a Black-Scholes option pricing model that uses assumptions including expected volatility, expected term, and the expected risk-free rate of return. The Company has determined that the Black-Scholes option pricing model, as well as the underlying assumptions used in its application, is appropriate in estimating the fair value of its award grants.

### **Income Taxes**

The Company is a single-member, limited liability corporation which has elected not to be taxed as a corporation, and consequently is not subject to U.S. federal or state income taxes. As such, for income tax purposes, the Company's earnings flow through directly to the Member.

### **Comprehensive Income**

Comprehensive income represents net income for the period plus the results of certain other changes in Member's equity. The Company's other comprehensive income is equal to its net income.

### **Newly Issued Accounting Standards**

The Company has reviewed all other recently issued, but not yet effective, accounting pronouncements and do not expect the future adoption of any such pronouncements will have a material impact on our financial condition or the results of our operations.

# ServiceMaster OpCo Holdings, LLC and Subsidiaries

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

## Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

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### 3. Revenue

The following table presents our revenues, disaggregated by revenue source. We disaggregate revenue from contracts with customers into major customer acquisition channels. We determined that disaggregating revenue into these categories achieves the disclosure objective to depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors.

<i>(in millions)</i>	Years Ended December 31,		
	2024	2023	2022
<b>Major service line</b>			
Royalty fees	\$ 175.5	\$ 186.8	\$ 175.7
National accounts and self performed	94.5	106.7	101.4
National advertising fund	20.0	19.0	18.1
Sales of products	3.0	2.6	10.5
Other	51.1	46.1	45.7
	<u>\$ 344.1</u>	<u>\$ 361.2</u>	<u>\$ 351.4</u>

#### Costs to Obtain a Contract with a Customer

The Company capitalizes the incremental costs of obtaining a contract with a customer, primarily commissions, and recognizes the expense on a straight-line basis, as adjusted to match the timing of revenue recognition, over the expected customer relationship period. The capitalizable cost to obtain a contract were \$0.2 million for the year ended December 31, 2024. The capitalizable cost to obtain a contract were immaterial for the years ended December 31, 2023 and 2022.

#### Contract Balances

We record a receivable related to revenue recognized on services once we have an unconditional right to invoice and receive payment in the future related to the services provided. All accounts receivables are recorded within accounts receivable, less allowances, on the consolidated statements of financial position.

Deferred revenue from initial franchise fees represents a contract liability and is recognized when cash payments are received in advance of the performance of services, including when the amounts are refundable. Amounts are recognized as revenue in proportion to the costs expected to be incurred in performing services under our contracts.

Revenue is recognized net of any taxes collected from customers, which are subsequently remitted to taxing authorities.

# ServiceMaster OpCo Holdings, LLC and Subsidiaries

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

## Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

### 4. Intangible Assets

The table below summarizes the intangible asset balances:

<i>(in millions)</i>	<b>December 31, 2024</b>		
	<b>Gross</b>	<b>Accumulated Amortization</b>	<b>Net</b>
Trade names <sup>(1)</sup>	\$ 1,459.0	\$ 0.0	\$ 1,459.0
Customer related <sup>(2)(3)</sup>	179.4	(57.3)	122.1
Other <sup>(2)</sup>	52.6	(21.7)	30.9
	<u>\$ 1,691.0</u>	<u>\$ (79.0)</u>	<u>\$ 1,612.0</u>

<i>(in millions)</i>	<b>December 31, 2023</b>		
	<b>Gross</b>	<b>Accumulated Amortization</b>	<b>Net</b>
Trade names <sup>(1)</sup>	\$ 1,459.0	\$ 0.0	\$ 1,459.0
Customer related <sup>(2)</sup>	178.2	(39.7)	138.5
Other <sup>(2)</sup>	52.6	(18.7)	33.9
	<u>\$ 1,689.8</u>	<u>\$ (58.4)</u>	<u>\$ 1,631.4</u>

(1) Trade names are indefinite lived.

(2) These intangible assets are being amortized over the expected period of benefit, with a weighted average life of approximately 8.0 years and 8.9 years for the years ended December 31, 2024 and 2023, respectively. In addition, customer related includes franchise agreement.

(3) In 2024, the Company entered into an agreement in July, 2024 to acquire assets related to Master Franchise Agreement Two Men And A Truck (Canada) for \$1.2 million, which were capitalized into customer related intangible assets.

Amortization expense of \$20.7 million, \$20.7 million and \$19.6 million was recorded for the years ended December 31, 2024, 2023 and 2022, respectively. Amortization expense for 2024 includes \$0.1 million related to a disposal of a franchise branch.

For the existing intangible assets, we anticipate amortization expense for the next five years as follows:

<i>(in millions)</i>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Amortization expense	\$ 20.7	\$ 20.0	\$ 18.9	\$ 18.9	\$ 18.5

# ServiceMaster OpCo Holdings, LLC and Subsidiaries

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

## Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

### 5. Long-term Debt, Net

Outstanding long-term debt, net consists of the following:

<i>(in millions)</i>	<u>December 31,</u>	
	<u>2024</u>	<u>2023</u>
Series 2020 Class A-2-I Notes, due January 2051	\$ 214.5	\$ 215.8
Series 2020 Class A-2-II Notes, due January 2051	386.4	388.4
Series 2020 Class A-1 variable rate notes	-	10.0
Series 2021 Class A-2-1 Notes, due July 2051	142.7	143.5
Series 2021 Class A-2-II Notes, due July 2051	237.9	239.1
Debt issuance costs, net	<u>(14.0)</u>	<u>(17.1)</u>
Total long-term debt, including current portion	967.5	979.7
Amounts payable within one year	<u>(10.3)</u>	<u>(20.3)</u>
Long-term debt, net	<u>\$ 957.2</u>	<u>\$ 959.4</u>

Interest expense was \$30.7 million, \$31.6 million and \$32.4 million for all credit facilities described below for the years ended December 31, 2024, 2023 and 2022, respectively.

The debt issuance costs were capitalized and are shown net of the long-term debt on the consolidated statements of financial position. The debt issuance costs are amortized on a straight-line basis (which approximates the effective interest method) over the term of the respective notes. The Company recognized \$2.9 million of amortization expense for all credit facilities described above for the years ended December 31, 2024, 2023 and 2022, respectively.

### Future Minimum Principal Payments

<i>(in millions)</i>	<b>Amount</b>
2025	\$ 10.3
2026	10.3
2027	10.3
2028	10.3
2029	10.3
Thereafter	<u>930.0</u>
Total future minimum payments	<u>\$ 981.5</u>

# ServiceMaster OpCo Holdings, LLC and Subsidiaries

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

## Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

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### 2020 Securitized Notes

On December 9, 2020 (the “2020 Securitization Date”), a series of agreements (collectively, the “2020 Indenture”) were effectuated and gave rise to a revised legal entity structure of the Company’s subsidiaries as well as the issuance of approximately \$750,000,000 of Notes by the Company’s indirect wholly owned subsidiaries, ServiceMaster Funding LLC (the “Issuer”) and ServiceMaster of Canada Limited (“Canada Limited” and, collectively, the “Co-Issuers”). Pursuant to the agreement the Co-Issuers issued \$250,000,000 of Series 2020-1 2.841% Fixed Rate Senior Secured Notes, Series 2020 Class A-2-I (the “Class A-2-I Notes”), \$450,000,000 of Series 2020-1, 3.337% Fixed Rate Senior Secured Notes, Series 2020 Class A-2-II (the “Class A-2-II Notes”), and \$50,000,000 of variable funding notes, Series 2020 Class A-1 (the “Series 2020-1 Class A-1 Notes” and, collectively with the Series 2020 Class A-2-I Notes and the Series 2020 Class A-2-II Notes, the “2020 Notes”). Interest will accrue on the Series 2020-1 Class A-1 Notes at a variable rate depending on the outstanding amount drawn by the Co-Issuers from time to time thereunder, if any. The legal final maturity date of the Notes is in January 2051.

Unless earlier prepaid to the extent permitted, the 2020 Indenture provides for an anticipated repayment date of January 2028 for the Class A-2-I Notes and an anticipated repayment date of January 2031 for the Series 2020 Class A-2-II Notes (as applicable, the “Anticipated Repayment Date”). The lending commitment under the Series 2020-1 Class A-1 Notes will expire in January 2026, subject to two automatic annual renewals at the election of the Co-Issuers if certain conditions are met.

The 2020 Notes have been guaranteed by indirect or direct wholly owned subsidiaries of the Company, ServiceMaster SPE Holdco LLC (“Holdco”) and RW Canada Intermediate Ltd., as well as all of the subsidiaries of the Issuer (collectively, the “Guarantors”). The 2020 Notes are subject to a series of covenants and restrictions customary for transactions of this type, including (i) debt service coverage ratios and senior leverage ratios, (ii) maintenance of specified reserve accounts to be used to make required payments in respect of the 2020 Notes, and (iii) provisions relating to optional and mandatory prepayments, including certain make-whole payments. The 2020 Notes are also subject to customary rapid amortization events provided for in the Indenture and customary events of default.

The 2020 Indenture also provides for quarterly principal amortization in respect of the Series 2020 Class A-2-I Notes and the Series 2020 Class A-2-II Notes equal to 0.25% of their original principal amount through their respective Anticipated Repayment Date, subject to a fall-away provision if the senior leverage ratio is less than a specified threshold on any quarterly test date.

### 2021 Senior Notes

On July 30, 2021, in conjunction with the acquisition of Two Men and a Truck/International, Inc., the Co-Issuers entered into an agreement (the “2021 Indenture”) for a senior note facility in an aggregate principal amount of \$400,000,000 with Citibank. The Issuer issued \$150,000,000 of Series 2021-1 2.865% Fixed Rate Senior Secured Notes, Series 2021 Class A-2-I, \$250,000,000 of Series 2021-1, 3.113% Fixed Rate Senior Secured Notes, Series 2021 Class A-2-II (the “2021 Notes”). The legal final maturity date of the Notes is in July 2051. The 2021 Indenture provides for an anticipated repayment date of July 2028 for the Series 2021 Class A-2-I Notes and an anticipated repayment date of July 2031 for the Series 2021 Class A-2-II Notes (as applicable, the “Anticipated Repayment Date”). The lending commitment under the Series 2021-1 Class A-1 Notes will expire in July 2026, subject to two automatic annual renewals at the election of the Issuer if certain conditions are met.

# ServiceMaster OpCo Holdings, LLC and Subsidiaries

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

## Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

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The 2021 Notes are secured by substantially all of the assets of the Issuer and the Guarantors. The 2021 Notes are subject to a series of covenants and restrictions customary for transactions of this type, including (i) debt service coverage ratios and senior leverage ratios, (ii) maintenance of specified reserve accounts to be used to make required payments in respect of the 2021 Notes, and (iii) provisions relating to optional and mandatory prepayments, including certain make-whole payments. The 2021 Notes are also subject to customary rapid amortization events provided for in the Indenture and customary events of default. The 2021 Indenture also provides for quarterly principal amortization in respect of the Series 2021 Class A-2-I Notes and the Series 2021 Class A-2-II Notes equal to 0.25% of their original principal amount through their respective Anticipated Repayment Date, subject to a fall-away provision if the senior leverage ratio is less than a specified threshold on any quarterly test date.

Under the 2021 Amended and Restated Base Indenture, the Company makes weekly payments of principal and interest for the balances outstanding under the 2021 Notes and the 2020 Notes. The payments are remitted to the Trustee weekly based on retained collections during the previous weekly collection period. The Company classifies such advance debt payments during the period they are held by the Trustee in Prepaid Expenses and Other Assets. The balances of the advance debt payments held by the Trustee amounted to \$10.5 million \$9.8 million and \$10.6 million as of December 31, 2024, 2023 and 2022, respectively.

### Letters of Credit

In connection with the Securitization, a commercial bank issued an interest reserve letter of credit in an amount up to \$8.9 million in favor of Citibank N.A. (the "Trustee") for the benefit of the senior noteholders and/or the servicer of the Securitization (each, a "Beneficiary"). The \$8.9 million funds will be made available to either Beneficiary in order for the Company to comply with the required interest reserve amounts pursuant to the Indenture (as defined in Note 6, Long-term Debt, net). The terms of the letter of credit automatically renew without an amendment on each anniversary of the date of issuance for a one-year period with a final expiry date of January 15, 2027. The Company intends to renew the letter of credit for as long as the Company holds the Notes (as defined in Note 6, Long-term Debt, net). As of December 31, 2024, no amounts were outstanding under the letter of credit.

The Company also has a letter of credit in the amount of \$6.6 million as of December 31, 2024, associated with a captive insurance program within TMTI. As of December 31, 2024, no amounts were outstanding under the letter of credit.

## 6. Leases

The Company accounts for leases under FASB ASC 842, Leases. We determine if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use assets ("ROU"), net; current portion of lease liability; and long-term lease liability on the consolidated statements of financial position. Finance leases are included in property and equipment, net; current portion of finance lease liability and long-term finance lease liability and long-term debt on the consolidated statements of financial position.

Operating lease ROU assets and operating lease liabilities are recognized based on the present value of the future minimum lease payments, including fixed nonlease components, over the lease term at commencement date. Lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option.

# ServiceMaster OpCo Holdings, LLC and Subsidiaries

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

## Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

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Leases, including subleases, with a lease term of 12 months or less are not recorded on the consolidated statements of financial position. Lease expense for minimum lease payments and fixed nonlease components is recognized on a straight-line basis over the lease term.

As of December 31, 2024, 2023 and 2022, no assets were recorded under finance leases. The operating lease cost component of lease expense was \$3.9 million, \$3.6 million and \$2.3 million for the years ended December 31, 2024, 2023 and 2022, respectively. The finance lease cost, depreciation of finance lease ROU assets, short-term lease cost and variable lease cost components of lease expense were immaterial.

As the rates implicit in our leases are not readily determinable, we use a collateralized incremental borrowing rate based on the information available at the lease commencement date in determining the present value of future payments.

We use the portfolio approach and group leases into categories by lease term length, applying the corresponding incremental borrowing rates to these categories of leases.

Supplemental cash flow information and other information for leases was as follows:

<i>(in millions, unless otherwise noted)</i>	<b>Years Ended December 31,</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>ROU assets obtained in exchange for lease obligations</b>			
Operating leases	\$ 0.2	\$ 2.3	\$ -
<b>Weighted average remaining lease term <i>(in years)</i></b>			
Operating leases	6.7 years	7.4 years	8.5 years
<b>Weighted average discount rate</b>			
Operating leases	3.20 %	3.17 %	3.17 %

As of December 31, 2024, there was no finance leases included within current portion of finance lease liability and long-term portion of finance lease liability on the consolidated statements of financial position. As of December 31, 2023, there was no finance leases included within current portion of finance lease liability, and \$0.3 million of finance leases included within long-term portion of finance lease liability on consolidated statements of financial position. As of December 31, 2024 and 2023, there was \$2.5 million and \$2.4 million of operating leases included within current portion of lease liability, and \$10.5 million and \$12.5 million within long-term portion of lease liability, respectively, on the consolidated statements of financial position.

Future minimum lease payments under noncancellable leases as of December 31, 2024 were as follows:

# ServiceMaster OpCo Holdings, LLC and Subsidiaries

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

## Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

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<i>(in millions)</i>	<b>Operating Leases</b>
<b>Year ending December 31,</b>	
2025	\$ 2.6
2026	2.6
2027	2.7
2028	2.6
2029	0.6
Thereafter	<u>3.3</u>
Total future minimum lease payments	14.4
Less: Imputed interest	<u>(1.4)</u>
	<u>\$ 13.0</u>

### 7. Commitments and Contingencies

We lease certain property, equipment and warehouses under various operating lease arrangements. Most of the property leases provide that we pay taxes, insurance, and maintenance applicable to the leased premises. As leases for existing locations expire, we expect to renew the leases or substitute another location and lease. Please refer to Note 6, *Leases*, for further details.

In the ordinary course of conducting business activities, we are and may in the future become involved in various litigation and claims incidental to our business. The outcome of these matters cannot be predicted with certainty and some of these matters may be resolved unfavorably to the Company. Based on currently available information, the Company is subject to certain claims for damages that are performed during the course of business. The Company does not believe that the outcome of these legal matters will have a material adverse effect on its consolidated financial position, results of operations or cash flow.

### 8. Management Services Agreement

The Company has a management agreement with a related party. Under the agreement, the Company pays fees for management services, which totaled approximately \$2.7 million, \$2.9 million and \$3.0 million for the years ended December 31, 2024, 2023 and 2022, respectively. The fees were recorded in the consolidated statements of operations and comprehensive income in selling and administrative expenses.

### 9. Equity Agreements and Equity Incentive Plan

RW Management Holdings LLC, a member of RW Parent, entered into the 2020 RW Management Holdings LLC Profits Interest Incentive Plan (the Equity Plan). The Equity Plan is designed to provide an incentive to employees of RW Parent or any of its subsidiaries.

Under the Plan, interest units ("Unit Awards") of RW Parent may be issued to the employees of the Company or any of its subsidiaries. The Unit Awards are subject to the terms of the Equity Plan, as well as, the terms of the respective unit grant agreements, which among other matters, define the vesting term.

## ServiceMaster OpCo Holdings, LLC and Subsidiaries

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

### Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

As of December 31, 2024, 2023 and 2022, RW Management Holdings LLC had approximately 132,800 132,800 and 132,800 total Profits Interest Units reserved for issuance under the Equity Plan, respectively.

	Profits Interest Time Units	Profits Interest Performance Units
<b>December 31, 2021</b>	40,357	40,357
Granted	6,255	10,480
Forfeited	(17,070)	(25,569)
<b>December 31, 2022</b>	29,542	25,268
Granted	5,707	5,699
Forfeited	(8,228)	(8,234)
<b>December 31, 2023</b>	27,021	22,733
Granted	3,330	3,329
Exercised	(30)	-
Forfeited	(7,933)	(12,192)
<b>End of Period – December 31, 2024</b>	22,388	13,870
<b>Vested</b>	13,357	-

The Company recognized \$0.5 million, \$1.0 million and \$5.1 million in compensation expense in selling and administrative expenses in the consolidated statements of operations and comprehensive income for the Time-Vesting Units for the year ended December 31, 2024, 2023 and 2022, respectively, and is included in the consolidated statements of financial position in Members' Equity. As of December 31, 2024, no compensation expense for the Profits Interest Performance Units was recognized given that none of the performance criteria were met or probable.

The fair value of all incentive units granted was estimated using a Black-Scholes option pricing model using the following assumptions:

	Years Ended December 31,		
	2024	2023	2022
Risk-free interest rate range	3.59%-4.71%	0.03%-4.92%	(1.6)%–1.9%
Expected volatility	28.3 %	26.9 %	28.2 %
Weighted-average expected option life (in years)	6.4 years	5.2 years	5.0 years
Weighted-average grant-date fair value	\$ 510.12	\$ 482.00	\$ 317.00
Dividend yield	0.0 %	0.0 %	0.0 %

The remaining unrecognized compensation expense for these awards were \$8.7 million, \$13.1 million and \$19.7 million as of December 31, 2024, 2023 and 2022, respectively.

# **ServiceMaster OpCo Holdings, LLC and Subsidiaries**

(An indirect wholly owned subsidiary of RW Purchaser, LLC)

## **Notes to Consolidated Financial Statements**

**December 31, 2024, 2023 and 2022**

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The expected term of the incentive units is based on evaluations of historical and expected future employee exercise behavior. The risk-free interest rate is based on the U.S. Treasury rates at the date of grant with maturity dates approximately equal to the expected life at the grant date.

Volatility is based on the historical volatility of several entities that are similar to the Company as the Company does not have sufficient historical transactions of its own shares on which to base expected volatility

### **10. Subsequent Events**

The Company evaluated subsequent events from December 31, 2024 through May 12, 2025 the date the financial statements were available to be issued. There were no matters identified affecting the Company's financial position or requiring further disclosure.

# **ServiceMaster Systems, LLC and Subsidiaries**

(An indirect, wholly owned subsidiary of RW Purchaser, LLC)

**Consolidated Financial Statements**

**December 31, 2024 and 2023 and for the three years  
ended December 31, 2024**

**ServiceMaster Systems, LLC and Subsidiaries**

(An indirect, wholly owned subsidiary of RW Purchaser, LLC)

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**December 31, 2024 and 2023 and for the three years ended December 31, 2024**

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## **Report of Independent Auditors**

To the Board of Managers of RW Parent, LLC and Management of ServiceMaster Systems, LLC

### ***Opinion***

We have audited the accompanying consolidated financial statements of ServiceMaster Systems, LLC and its subsidiaries (the “Company”), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of operations and comprehensive income, of member’s equity, and of cash flows for the three years then ended December 31, 2024, including the related notes (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the three years then ended December 31, 2024 in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Consolidated Financial Statements***

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company’s ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.



### ***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

*PricewaterhouseCoopers LLP*

Atlanta, Georgia  
May 12, 2025

**ServiceMaster Systems, LLC and Subsidiaries**  
 (An indirect, wholly owned subsidiary of RW Purchaser, LLC)  
**Consolidated Statements of Operations and Comprehensive Income**  
**Years Ended December 31, 2024, 2023 and 2022**

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<i>(in millions)</i>	2024	2023	2022
Revenue	\$ 325.2	\$ 344.7	\$ 350.6
Cost of services rendered	89.5	107.2	127.7
Selling and administrative expenses	97.5	84.8	73.6
Depreciation and amortization expenses	22.8	23.0	22.2
Impairment charge	-	-	20.5
Operating expenses	209.8	215.0	244.0
Operating income	115.4	129.7	106.6
Other expense	2.0	2.0	1.8
Net income and comprehensive income	\$ 113.4	\$ 127.7	\$ 104.8

The accompanying notes are an integral part of these consolidated financial statements.

# ServiceMaster Systems, LLC and Subsidiaries

(An indirect, wholly owned subsidiary of RW Purchaser, LLC)

## Consolidated Statements of Financial Position

December 31, 2024 and 2023

<i>(in millions)</i>	2024	2023
<b>Assets</b>		
Accounts receivable, less allowance	\$ 56.4	\$ 53.2
Inventories	0.8	0.8
Prepaid expenses and other assets	3.0	3.2
Total current assets	60.2	57.2
Property and equipment, net	11.1	10.9
Right-of-use asset	1.6	2.0
Notes receivable	-	0.1
Intangible assets, net	1,612.0	1,631.4
Other assets	0.7	0.3
Total assets	\$ 1,685.6	\$ 1,701.9
<b>Liabilities and Member's Equity</b>		
Accounts payable	\$ 7.1	\$ 8.4
Accrued advertising	3.3	4.0
Payroll and other employee benefits	8.6	9.4
Deferred revenue	1.7	1.7
Current portion of lease liability	0.4	0.4
Other current liabilities	11.6	6.3
Total current liabilities	32.7	30.2
Long-term lease liability	1.3	1.7
Long-term portion of finance lease liability	-	0.3
Other long-term liabilities	5.9	4.8
Total liabilities	39.9	37.0
Member's equity	1,645.7	1,664.9
Total liabilities and member's equity	\$ 1,685.6	\$ 1,701.9

The accompanying notes are an integral part of these consolidated financial statements.

# ServiceMaster Systems, LLC and Subsidiaries

(An indirect, wholly owned subsidiary of RW Purchaser, LLC)

## Consolidated Statements of Member's Equity

Years Ended December 31, 2024, 2023 and 2022

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<i>(in millions)</i>	<b>Member's Equity</b>
<b>Balances at December 31, 2021</b>	\$ 1,699.1
Distribution to Member	(88.8)
Net income and comprehensive income	104.8
	<hr/>
<b>Balances at December 31, 2022</b>	1,715.1
Distribution to Member	(177.9)
Net income and comprehensive income	127.7
	<hr/>
<b>Balances at December 31, 2023</b>	1,664.9
Distribution to Member	(132.6)
Net income and comprehensive income	113.4
	<hr/>
<b>Balances at December 31, 2024</b>	<b>\$ 1,645.7</b>

The accompanying notes are an integral part of these consolidated financial statements.

**ServiceMaster Systems, LLC and Subsidiaries**  
(An indirect, wholly owned subsidiary of RW Purchaser, LLC)  
**Consolidated Statements of Cash Flows**  
**Years Ended December 31, 2024, 2023 and 2022**

<i>(in millions)</i>	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>Cash flows from operating activities</b>			
Net income	\$ 113.4	\$ 127.7	\$ 104.8
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation and amortization expense	23.9	23.0	22.2
Impairment charge	-	-	20.5
Amortization of operating right of use assets	0.4	0.3	-
Gain on disposal of fixed assets	(0.3)	-	-
Bad debt expense	0.9	(0.1)	-
Other, net	-	1.6	-
Changes in operating assets and liabilities			
Accounts receivable and notes receivable	(4.0)	8.1	(8.6)
Inventories	-	-	6.4
Prepaid expenses and other assets	(0.2)	(1.1)	0.8
Accounts payable	(1.4)	(6.2)	(0.9)
Deferred revenue	1.1	1.5	(0.7)
Operating right of use assets and lease liabilities, net	(0.4)	(0.2)	0.4
Operating lease liability	-	-	(0.4)
Accrued and other current liabilities	3.9	(1.6)	(8.1)
Net cash provided by operating activities	<u>137.3</u>	<u>153.0</u>	<u>136.4</u>
<b>Cash flows from investing activities</b>			
Cash received from property and equipment disposal	0.8	-	-
Cash paid to acquire property and equipment	(4.0)	(8.8)	0.4
Cash paid to acquire intangible assets	(1.2)	-	-
Distributor acquisitions	-	-	(47.9)
Net cash used in investing activities	<u>(4.4)</u>	<u>(8.8)</u>	<u>(47.5)</u>
<b>Cash flows from financing activities</b>			
Payments of finance leases	(0.3)	-	-
Borrowings on finance leases	-	0.3	-
Debt payment	-	-	(0.1)
Distribution to members	(132.6)	(144.5)	(88.8)
Net cash used in financing activities	<u>(132.9)</u>	<u>(144.2)</u>	<u>(88.9)</u>
Net increase in cash and cash equivalents	-	-	-
<b>Cash and cash equivalents</b>			
Beginning of year	-	-	-
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Noncash investing and financing activities</b>			
Noncash distribution to members in connection with asset transfers	\$ -	\$ 33.4	\$ -

The accompanying notes are an integral part of these consolidated financial statements.

# ServiceMaster Systems, LLC and Subsidiaries

(An indirect, wholly owned subsidiary of RW Purchaser, LLC)

## Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

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### 1. Description of Business

#### **ServiceMaster Systems LLC**

The Company is a single-member limited liability company subsidiary of ServiceMaster Funding LLC (the “Issuer”, “Member”, or together with ServiceMaster of Canada Limited, the “Co-Issuers”), and an indirect wholly owned subsidiary of RW Purchaser. Through its subsidiaries, the Company franchises and provides restoration, cleaning, moving, junk removal and storage solution services to both residential and commercial customers through the following brands: ServiceMaster Restore, ServiceMaster Recovery Management (“SRM”), ServiceMaster Clean, Merry Maids, and Two Men and a Truck (“TMTI”) and Two Men and a Junk Truck (“TMJT”) (collectively, the “ServiceMaster Brands”).

References to “we,” “us,” “our” and “Company” in the accompanying consolidated financial statements (the “financial statements”) are to the Company’s business unless the context otherwise requires.

### 2. Significant Accounting Policies

The significant accounting policies described below, together with the other notes that follow, are an integral part of the financial statements.

#### **Principles of Consolidation**

The Financial Statements include the accounts of Servicemaster Systems LLC and all of our consolidated subsidiaries.

#### **Basis of Preparation**

The historical results of our operations, financial position and cash flows have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). All significant intercompany transactions and balances have been eliminated in consolidation.

#### **Use of Estimates**

The preparation of the financial statements requires management to make certain estimates and assumptions required under US GAAP that may differ from actual results. The more significant areas requiring the use of management estimates relate to the valuation of tangible and intangible assets.

#### **Accounts Receivable and Notes Receivable**

Accounts receivable consist primarily of national account revenue, royalties and franchise fees due from franchisees. Notes receivable consist primarily of licenses and equipment sold to franchisees. Accounts receivable are carried at their net realizable value. The Company accounts for credit losses using the Current Expected Credit Loss (CECL) model detailed in the Financial Accounting Standards Board (“FASB”) Accounting Standards Update (“ASU”) No. 2016-13, Financial Instruments – Credit Losses (Topic 326).

The Company’s expected loss allowance methodology for accounts receivable is developed using historical collection experience, current and future economic and market conditions and a review of the current status of customers’ trade accounts receivable. Due to the short-term nature of such receivables, the estimate of accounts receivable that may not be collected is based on aging of the accounts receivable balances and consideration of customers’ financial and macroeconomic conditions. Balances are written off when determined to be uncollectible. The exposure to concentrations of credit risk is limited due to the diverse product offerings and geographic areas covered by our operations.

# ServiceMaster Systems, LLC and Subsidiaries

(An indirect, wholly owned subsidiary of RW Purchaser, LLC)

## Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

Estimates are used to determine the allowance. It is based on an assessment of anticipated payment and all other historical, current and future information that is reasonably available.

	<b>December 31, 2024</b>
<i>(in millions)</i>	<b>Accounts Receivable</b>
Receivables	\$ 58.8
Less: Allowance for credit losses	(2.4)
Receivables, net	<u>\$ 56.4</u>

	<b>December 31, 2023</b>		
<i>(in millions)</i>	<b>Accounts Receivable</b>	<b>Notes Receivable</b>	<b>Total</b>
Receivables	\$ 55.3	\$ 0.1	\$ 55.4
Less: Allowance for credit losses	(2.1)	-	(2.1)
Receivables, net	<u>\$ 53.2</u>	<u>\$ 0.1</u>	<u>\$ 53.3</u>

### Inventories

Inventories are recorded at the lower of cost (primarily on a weighted-average cost basis) or net realizable value. Our inventories primarily consist of finished goods to be used on the customers' premises or sold to franchisees.

### Property and Equipment and Intangible Assets

Property and equipment consist of the following:

	<b>December 31,</b>		<b>Estimated Useful Lives</b>
<i>(in millions)</i>	<b>2024</b>	<b>2023</b>	<b>(years)</b>
Leasehold improvements	1.2	1.2	1–39
Technology and communications	7.4	5.2	2–10
Machinery and equipment	4.0	4.1	5–10
Office equipment, furniture and fixtures	8.0	7.3	3–17
Accumulated depreciation	(9.5)	(6.9)	
Property and equipment, net	<u>\$ 11.1</u>	<u>\$ 10.9</u>	

Depreciation expense of property and equipment was \$2.1 million, \$2.3 million and \$2.6 million for the years ended December 31, 2024, 2023 and 2022, respectively. Additionally, the depreciation expense of rental equipment from SRM in the amount of \$1.1 million for the year ended December 31, 2024 was recorded under cost of services rendered in the consolidated statements of operations and comprehensive income.

# ServiceMaster Systems, LLC and Subsidiaries

(An indirect, wholly owned subsidiary of RW Purchaser, LLC)

## Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

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Property and equipment, leasehold improvements and intangible assets with finite lives are depreciated and amortized on a straight-line basis over their estimated useful lives. Property and equipment lives are based on our previous experience for similar assets, potential market obsolescence and other industry and business data. Amortization of leasehold improvements is provided for on a straight-line method over the estimated benefit period of the related assets or the lease term, if shorter. As required by accounting standards for the impairment or disposal of long-lived assets, property and equipment and finite-lived intangible assets are tested for recoverability whenever events or changes in circumstances indicate their carrying amounts may not be recoverable. If the carrying value is no longer recoverable based upon the undiscounted future cash flows of the asset, an impairment loss could be recognized equal to the difference between the carrying amount and the fair value of the asset. Changes in the estimated useful lives or in the asset values could cause us to adjust the book value or future expense accordingly. There were no triggering events identified for the years ended December 31, 2024, 2023 and 2022.

Indefinite-lived intangible assets, primarily trade names, are assessed annually for impairment during the fourth quarter or earlier upon the occurrence of certain events or substantive changes in circumstances. The Company performed an annual impairment analysis as of October 1, 2024 and 2023, which did not result in any intangible assets impairments to continuing operations. The Company performed an annual impairment analysis as of October 1, 2022, which resulted in a \$12.4 million impairment of the Furniture Medic tradename and a \$8.1 million impairment to the AmeriSpec tradename. See Note 4, Intangible Assets, for our intangible assets balances.

### Member's Equity

Our equity on the consolidated statements of financial position represents the Issuer's net investment in us and is presented as Member's Equity.

### Fair Value Measurement

Fair value is defined as the exchange price that would be received for an asset or an exit price paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The fair value hierarchy defines a three-level valuation hierarchy for disclosure of fair value measurements as follows:

- Level 1 Valuations based on quoted prices in active markets for identical assets or liabilities that an entity has the ability to access;
- Level 2 Valuations based on quoted prices for similar assets or liabilities, quoted prices for identical assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable data for substantially the full term of the assets or liabilities; and
- Level 3 Valuations based on inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The categorization of a financial instrument within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The carrying value of cash equivalents, accounts receivable, and accounts payable approximate fair value due to their short-term nature. The carrying value of the Company's debt approximates fair value due to the variable rate terms of the debt.

# **ServiceMaster Systems, LLC and Subsidiaries**

(An indirect, wholly owned subsidiary of RW Purchaser, LLC)

## **Notes to Consolidated Financial Statements**

**December 31, 2024, 2023 and 2022**

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### **Leases**

We determine if an arrangement is a lease at inception. We recognize a right-of-use (“ROU”) asset and lease liability for all leases with terms of 12 months or more. ROU assets represent our right to use an underlying asset for the lease term, and lease liabilities represent our obligation to make lease payments arising from the lease.

ROU assets and lease liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. As most of our leases do not provide an implicit rate, we use our incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. We use the implicit rate when readily determinable. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

### **Revenue**

#### ***Royalty Fees***

The Company has franchise agreements in the ServiceMaster Restore, ServiceMaster Clean, Merry Maids, TMTI and TMJT businesses. Royalty fee revenue consists principally of sales-based royalties received as part of the consideration for the franchise right and is calculated as a percentage of system wide sales. Royalty fees are recognized at the agreed-upon contractual rates over time as the customer-level revenue is generated by the franchisees. Revenue is recognized for an estimate of the unreported royalty fees, which are reported and remitted to us in arrears.

#### ***Commercial Cleaning and Other National Accounts***

National account revenues are recognized at the agreed-upon contractual amounts over time as services are completed based on contractual arrangements to provide services at the customers’ locations. The Company engages either a franchisee or third-party business to perform the services. Under these agreements, the Company is directly responsible for providing the services and receive payment directly from the customer. A receivable is recorded related to this revenue as the Company has an unconditional right to invoice and receive payment. Payments are typically received shortly after services have been rendered.

#### ***Sales of Products***

Revenues are generated from selling products to franchisees. Revenues from product sales are generally recognized once control of the products transfers to the customer. A receivable is recorded related to these sales as the Company has an unconditional right to invoice and receive payment. Payments are typically received shortly after a customer is invoiced.

#### ***Franchise Fees***

Initial franchise fees result from the sale of a franchise license, which includes the use of the name, trademarks and proprietary methods. The franchise license is considered symbolic intellectual property and revenue related to the sale of this right is recognized at the agreed-upon contractual amount over the term of the initial franchise agreement.

#### ***Referral Fees***

We have contractual arrangements with several national insurance companies to maintain a call center which receives and provides nonrecurring recovery and restoration referrals from the insurers to qualifying franchisees. We receive and recognize referral fees from franchisees at the agreed-upon contractual amount as revenue in the month the referral is issued.

# ServiceMaster Systems, LLC and Subsidiaries

(An indirect, wholly owned subsidiary of RW Purchaser, LLC)

## Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

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### **National Advertising Fund**

Franchisees contribute a percentage of customer-level revenue into a national advertising fund managed by us. In cases where we have ultimate control of the marketing and advertising, we recognize both revenue and expense for the amount earned.

### **Advertising**

Advertising costs are expensed when the advertising occurs and are included in selling and administrative expenses. Advertising costs were \$21.8 million, \$19.8 million and \$19.0 million for the years ended December 31, 2024, 2023 and 2022, respectively. Advertising costs include national advertising fund expenses of \$20.3 million and \$19.0 million and \$18.1 million for the years ended December 31, 2024, 2023 and 2022, respectively, for which expenses were higher than revenue recorded due to an overspend for the years ended December 31, 2024, 2023 and 2022.

### **Income Taxes**

The Company is a single-member limited liability corporation which has elected not to be taxed as a corporation, and consequently is not subject to U.S. federal or state income taxes. As such, for income tax purposes, the Company's earnings flow through directly to the Member.

### **Comprehensive Income**

Comprehensive income represents net income for the period plus the results of certain other changes in Member's equity. The Company's comprehensive income is equal to its net income.

### **Newly Issued Accounting Standards**

We have reviewed all recently issued, but not yet effective, accounting pronouncements and do not expect the future adoption of any such pronouncements will have a material impact on our financial condition or the results of our operations.

## **3. Revenue**

The following table presents our revenues, disaggregated by revenue source. We disaggregate revenue from contracts with customers into major customer acquisition channels. We determined that disaggregating revenue into these categories achieves the disclosure objective to depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors.

<i>(in millions)</i>	<b>Years Ended December 31,</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>Major service line</b>			
Royalty fees	\$ 175.5	\$ 186.8	\$ 175.7
National accounts and self performed	94.5	106.7	101.4
National advertising fund	20.0	19.0	18.1
Sales of products	3.0	2.6	10.5
Other	32.2	29.6	44.9
	<b>\$ 325.2</b>	<b>\$ 344.7</b>	<b>\$ 350.6</b>

# **ServiceMaster Systems, LLC and Subsidiaries**

(An indirect, wholly owned subsidiary of RW Purchaser, LLC)

## **Notes to Consolidated Financial Statements**

**December 31, 2024, 2023 and 2022**

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### **Costs to Obtain a Contract With a Customer**

The Company capitalizes the incremental costs of obtaining a contract with a customer, primarily commissions, and recognizes the expense on a straight-line basis, as adjusted to match the timing of revenue recognition, over the expected customer relationship period. The capitalizable cost to obtain a contract were \$0.2 million for the year ended December 31, 2024. The capitalizable cost to obtain a contract were immaterial for the years ended December 31, 2023 and 2022.

### **Contract Balances**

We record a receivable related to revenue recognized on services once we have an unconditional right to invoice and receive payment in the future related to the services provided. All accounts receivables are recorded within accounts receivable, less allowances, on the consolidated statements of financial position.

Deferred revenue from initial franchise fees represents a contract liability and is recognized when cash payments are received in advance of the performance of services, including when the amounts are refundable. Amounts are recognized as revenue in proportion to the costs expected to be incurred in performing services under our contracts.

Revenue is recognized net of any taxes collected from customers, which are subsequently remitted to taxing authorities.

# ServiceMaster Systems, LLC and Subsidiaries

(An indirect, wholly owned subsidiary of RW Purchaser, LLC)

## Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

### 4. Intangible Assets

The table below summarizes the intangible asset balances:

<i>(in millions)</i>	<b>December 31, 2024</b>		
	<b>Gross</b>	<b>Accumulated Amortization</b>	<b>Net</b>
Trade names <sup>(1)</sup>	\$ 1,459.0	\$ -	\$ 1,459.0
Customer related <sup>(2)(3)</sup>	179.4	(57.3)	122.1
Other <sup>(2)</sup>	52.6	(21.7)	30.9
	<u>\$ 1,691.0</u>	<u>\$ (79.0)</u>	<u>\$ 1,612.0</u>

<i>(in millions)</i>	<b>December 31, 2023</b>		
	<b>Gross</b>	<b>Accumulated Amortization</b>	<b>Net</b>
Trade names <sup>(1)</sup>	\$ 1,459.0	\$ -	\$ 1,459.0
Customer related <sup>(2)</sup>	178.2	(39.6)	138.6
Other <sup>(2)</sup>	52.6	(18.8)	33.8
	<u>\$ 1,689.8</u>	<u>\$ (58.4)</u>	<u>\$ 1,631.4</u>

(1) Trade names are indefinite lived.

(2) These intangible assets are being amortized over the expected period of benefit, with a weighted average life of approximately 8.0 years and 8.9 years for the years ended December 31, 2024 and 2023, respectively. In addition, customer related includes franchise agreement.

(3) In 2024, the Company entered into an agreement in July, 2024 to acquire assets related to Master Franchise Agreement Two Men And A Truck (Canada) for \$1.2 million, which were capitalized into customer related intangible assets.

Amortization expense of \$20.7 million, \$20.7 million and \$19.6 million was recorded for the years ended December 31, 2024, 2023 and 2022, respectively. Amortization expense for 2024 includes \$0.1 million related to a disposal of a franchise branch.

For the existing intangible assets, we anticipate amortization expense for the next five years as follows:

<i>(in millions)</i>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
Amortization expense	\$ 20.7	\$ 20.0	\$ 18.9	\$ 18.9	\$ 18.5

## ServiceMaster Systems, LLC and Subsidiaries

(An indirect, wholly owned subsidiary of RW Purchaser, LLC)

### Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

#### 5. Long-Term Debt, Net

Outstanding debt at ServiceMaster SPE Holdco, LLC for which the Company is a guarantor consists of the following at December 31, 2024 and 2023:

<i>(in millions)</i>	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
Series 2020 Class A-2-I Notes, due January 2051	\$ 214.5	\$ 215.8
Series 2020 Class A-2-II Notes, due January 2051	386.4	388.4
Series 2020 Class A-1 variable rate notes	-	10.0
Series 2021 Class A-2-1 Notes, due July 2051	142.7	143.5
Series 2021 Class A-2-II Notes, due July 2051	237.9	239.1
Debt issuance costs, net	<u>(14.0)</u>	<u>(17.0)</u>
Total long-term debt, including current portion	967.5	979.8
Amounts payable within one year	<u>(10.3)</u>	<u>(20.3)</u>
Long-term debt, net	<u>\$ 957.2</u>	<u>\$ 959.5</u>

#### Future Minimum Principal Payments

<i>(in millions)</i>	<b>Amount</b>
2025	\$ 10.3
2026	10.3
2027	10.3
2028	10.3
2029	10.3
Thereafter	<u>930.0</u>
Total future minimum payments	<u>\$ 981.5</u>

#### 2020 Securitized Notes

On December 9, 2020 (the "2020 Securitization Date"), a series of agreements (collectively, the "2020 Indenture") were effectuated and gave rise to a revised legal entity structure of the Company's subsidiaries as well as the issuance of approximately \$750,000,000 of Notes by the Company's indirect wholly owned subsidiaries, ServiceMaster Funding LLC (the "Issuer") and ServiceMaster of Canada Limited ("Canada Limited" and, collectively, the "Co-Issuers"). Pursuant to the agreement the Co-Issuers issued \$250,000,000 of Series 2020-1 2.841% Fixed Rate Senior Secured Notes, Series 2020 Class A-2-I (the "Class A-2-I Notes"), \$450,000,000 of Series 2020-1, 3.337% Fixed Rate Senior Secured Notes, Series 2020 Class A-2-II (the "Class A-2-II Notes"), and \$50,000,000 of variable funding notes, Series 2020 Class A-1 (the "Series 2020-1 Class A-1 Notes")

# ServiceMaster Systems, LLC and Subsidiaries

(An indirect, wholly owned subsidiary of RW Purchaser, LLC)

## Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

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and, collectively with the Series 2020 Class A-2-I Notes and the Series 2020 Class A-2-II Notes, the “2020 Notes”). Interest will accrue on the Series 2020-1 Class A-1 Notes at a variable rate depending on the outstanding amount drawn by the Co-Issuers from time to time thereunder, if any. The legal final maturity date of the Notes is in January 2051.

Unless earlier prepaid to the extent permitted, the 2020 Indenture provides for an anticipated repayment date of January 2028 for the Class A-2-I Notes and an anticipated repayment date of January 2031 for the Series 2020 Class A-2-II Notes (as applicable, the “Anticipated Repayment Date”). The lending commitment under the Series 2020-1 Class A-1 Notes will expire in January 2026, subject to two automatic annual renewals at the election of the Co-Issuers if certain conditions are met.

The 2020 Notes have been guaranteed by indirect or direct wholly owned subsidiaries of the Company, ServiceMaster SPE Holdco LLC (“Holdco”) and RW Canada Intermediate Ltd., as well as all of the subsidiaries of the Issuer (collectively, the “Guarantors”). The 2020 Notes are subject to a series of covenants and restrictions customary for transactions of this type, including (i) debt service coverage ratios and senior leverage ratios, (ii) maintenance of specified reserve accounts to be used to make required payments in respect of the 2020 Notes, and (iii) provisions relating to optional and mandatory prepayments, including certain make-whole payments. The 2020 Notes are also subject to customary rapid amortization events provided for in the Indenture and customary events of default.

The 2020 Indenture also provides for quarterly principal amortization in respect of the Series 2020 Class A-2-I Notes and the Series 2020 Class A-2-II Notes equal to 0.25% of their original principal amount through their respective Anticipated Repayment Date, subject to a fall-away provision if the senior leverage ratio is less than a specified threshold on any quarterly test date.

### 2021 Senior Notes

On July 30, 2021, in conjunction with the acquisition of Two Men and a Truck/International, Inc., the Co-Issuers entered into an agreement (the “2021 Indenture”) for a senior note facility in an aggregate principal amount of \$400,000,000 with Citibank. The Issuer issued \$150,000,000 of Series 2021-1 2.865% Fixed Rate Senior Secured Notes, Series 2021 Class A-2-I, \$250,000,000 of Series 2021-1, 3.113% Fixed Rate Senior Secured Notes, Series 2021 Class A-2-II (the “2021 Notes”). The legal final maturity date of the Notes is in July 2051. The 2021 Indenture provides for an anticipated repayment date of July 2028 for the Series 2021 Class A-2-I Notes and an anticipated repayment date of July 2031 for the Series 2021 Class A-2-II Notes (as applicable, the “Anticipated Repayment Date”). The lending commitment under the Series 2021-1 Class A-1 Notes will expire in July 2026, subject to two automatic annual renewals at the election of the Issuer if certain conditions are met.

The 2021 Notes are secured by substantially all of the assets of the Issuer and the Guarantors. The 2021 Notes are subject to a series of covenants and restrictions customary for transactions of this type, including (i) debt service coverage ratios and senior leverage ratios, (ii) maintenance of specified reserve accounts to be used to make required payments in respect of the 2021 Notes, and (iii) provisions relating to optional and mandatory prepayments, including certain make-whole payments. The 2021 Notes are also subject to customary rapid amortization events provided for in the Indenture and customary events of default. The 2021 Indenture also provides for quarterly principal amortization in respect of the Series 2021 Class A-2-I Notes and the Series 2021 Class A-2-II Notes equal to 0.25% of their original principal amount through their respective Anticipated

# ServiceMaster Systems, LLC and Subsidiaries

(An indirect, wholly owned subsidiary of RW Purchaser, LLC)

## Notes to Consolidated Financial Statements

December 31, 2024, 2023 and 2022

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Repayment Date, subject to a fall-away provision if the senior leverage ratio is less than a specified threshold on any quarterly test date.

### 6. Commitments and Contingencies

We lease certain property, equipment and warehouses under various operating lease arrangements. Most of the property leases provide that we pay taxes, insurance, and maintenance applicable to the leased premises. As leases for existing locations expire, we expect to renew the leases or substitute another location and lease.

In the ordinary course of conducting business activities, we are and may in the future become involved in various litigation and claims incidental to our business. The outcome of these matters cannot be predicted with certainty and some of these matters may be resolved unfavorably to the Company. Based on currently available information, the Company is subject to certain claims for damages that are performed during the course of business. The Company does not believe that the outcome of these legal matters will have a material adverse effect on its consolidated financial position, results of operations or cash flow.

### 7. Related-Party Transactions

#### Management Fee

The Company entered into a management agreement with Opco (the "Management Agreement") where Opco is to provide, among other things, the managing of respective rights, powers, duties and obligations in connection with the Pre-Contribution Agreements, the franchise assets, the securitization IP, and all other securitization assets. In exchange for the services described above, the Company will pay an annual management fee equal to a base amount of \$7.8 million plus a variable fee of \$11,500 for every integer multiple of \$100,000 of aggregate U.S. retained collections, receivable on a weekly basis. The base management fee will be subject to successive 2% annual increases following each anniversary of the closing date. Such fees are included in selling and administrative expenses in the consolidated statements of operations and comprehensive income. For the years ended December 31, 2024, 2023 and 2022 the Management fee was \$35.8 million, \$31.8 million and \$29.2 million, respectively.

#### License Fee

The Company entered into a license fee agreement with ServiceMaster of Canada Limited ("Canada Limited") and ServiceMaster Limited (UK) ("UK Limited"). Under the license agreement, Canada Limited and UK Limited are permitted to use intellectual property and tradenames in the performance of operational activities. For the years ended December 31, 2024, 2023 and 2022 the license fee for Canada Limited was \$5.7 million, \$5.7 million and \$5.3 million; the license fee for UK Limited was \$0.8 million, \$0.7 million and \$0.3 million, respectively.

### 8. Subsequent Events

The Company evaluated subsequent events from December 31, 2024 through May 12, 2025 the date the financial statements were available to be issued. There were no matters identified affecting the Company's financial position or requiring further disclosure.

**THE FOLLOWING FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THEIR CONTENT OR FORM.**

# **ServiceMaster OpCo Holdings, LLC and Subsidiaries**

**(An indirect wholly owned subsidiary of RW Purchaser, LLC)**

(Unaudited) Condensed Consolidated Financial Information  
For the three months ended March 31, 2025 and 2024

# ServiceMaster OpCo Holdings, LLC and Subsidiaries

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March 31, 2025 and 2024

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**ServiceMaster OpCo Holdings, LLC and Subsidiaries**  
**(Unaudited) Condensed Consolidated Statements of Operations and**  
**Comprehensive Income**

<i>(in millions)</i>	Three months ended	
	2025	2024
	March 31,	
	<b>2025</b>	<b>2024</b>
<b>Revenue</b>	<b>\$ 86.7</b>	<b>\$ 80.5</b>
Cost of services rendered	31.2	24.0
Selling and administrative expenses	23.4	33.9
Depreciation and amortization expenses	6.3	6.2
Operating expenses	<u>60.9</u>	<u>64.1</u>
<b>Operating income</b>	<b>25.8</b>	<b>16.4</b>
Interest expense	8.2	8.5
Other expense	0.6	0.3
<b>Net income and comprehensive income</b>	<b>\$ 17.0</b>	<b>\$ 7.6</b>

**ServiceMaster OpCo Holdings, LLC and Subsidiaries**  
**(Unaudited) Condensed Consolidated Statements of Financial Position**

<i>(in millions)</i>	<b>As at March 31, 2025</b>	<b>As at December 31, 2024</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 37.7	\$ 28.4
Restricted cash	7.4	5.0
Accounts receivable, net	61.3	55.7
Current portion of notes receivable	1.2	0.5
Inventories	0.8	0.8
Prepaid expenses and other assets	16.3	18.2
<b>Total current assets</b>	<b>124.7</b>	<b>108.6</b>
Property and equipment, net	16.0	16.5
Right-of-use asset, net	11.3	11.8
Notes receivable, less allowance and current portion	1.0	1.1
Intangible assets, net	1,606.8	1,612.0
Other assets	0.9	1.0
<b>Total assets</b>	<b>\$ 1,760.7</b>	<b>\$ 1,751.0</b>
<b>Liabilities and Member's Equity</b>		
Accounts payable	\$ 9.2	\$ 8.4
Accrued payroll and other employee benefits	12.3	10.0
Accrued advertising	3.5	3.3
Accrued interest payable	5.3	5.3
Deferred revenue	1.5	1.7
Current portion of operating lease liability	2.5	2.5
Current portion of long-term debt	10.4	10.3
Other current liabilities	3.9	6.1
<b>Total current liabilities</b>	<b>48.6</b>	<b>47.6</b>
Long-term debt, net of debt issuance costs and current portions	955.3	957.2
Long-term operating lease liability	10.0	10.5
Other long-term liabilities	6.0	5.9
<b>Total liabilities</b>	<b>1,019.9</b>	<b>1,021.2</b>
Member's equity	740.8	729.8
<b>Total liabilities and member's equity</b>	<b>\$ 1,760.7</b>	<b>\$ 1,751.0</b>

**ServiceMaster OpCo Holdings, LLC and Subsidiaries**  
**(Unaudited) Condensed Consolidated Statements of Member's Equity**

<i>(in millions)</i>	<b>Member's Equity</b>
<b>Balances at December 31, 2023</b>	<b>\$ 716.7</b>
Share based compensation	0.2
Contribution from Member	5.5
Distribution to Member	(14.0)
Net income and comprehensive income	7.6
<b>Balances at March 31, 2024</b>	<b>716.0</b>
<b>Balances at December 31, 2024</b>	<b>729.8</b>
Share based compensation	0.2
Contribution from Member	1.1
Distribution to Member	(7.3)
Net income and comprehensive income	17.0
<b>Balances at March 31, 2025</b>	<b>\$ 740.8</b>

# ServiceMaster OpCo Holdings, LLC and Subsidiaries

## (Unaudited) Condensed Consolidated Statements of Cash Flows

<i>(in millions)</i>	Three months ended	
	2025	2024
<b>Cash flows from operating activities</b>		
Net income	\$ 17.0	\$ 7.6
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization expense	6.6	6.2
Amortization of debt issuance costs	0.7	0.7
Amortization of operating right of use assets	0.5	0.2
Gain on disposal of fixed asset	—	(0.3)
Bad debt expense	—	0.1
Share based compensation expense	0.2	0.2
Changes in operating assets and liabilities		
Accounts receivable and notes receivable	(6.1)	(3.4)
Prepaid expenses and other assets	1.9	1.2
Accounts payable	0.9	(0.1)
Deferred revenue	(0.2)	1.0
Operating right of use assets and lease liabilities, net	(0.5)	(0.2)
Accrued and other current liabilities	0.4	3.0
<b>Net cash provided by operating activities</b>	<b>21.4</b>	<b>16.2</b>
<b>Cash flows from investing activities</b>		
Cash paid to acquire property and equipment	(0.9)	(1.1)
Cash received from fixed assets disposal	—	0.8
<b>Net cash used in investing activities</b>	<b>(0.9)</b>	<b>(0.3)</b>
<b>Cash flows from financing activities</b>		
Payments on finance leases	—	(0.3)
Debt payment	(2.6)	(12.6)
Proceeds from borrowings	—	30.0
Distribution to Member	(7.3)	(14.0)
Contribution from Member	1.1	5.5
<b>Net cash (used in)/provided by financing activities</b>	<b>(8.8)</b>	<b>8.6</b>
Net increase in cash, cash equivalents and restricted cash	11.7	24.5
<b>Cash, cash equivalents and restricted cash</b>		
Beginning of period	33.4	17.4
End of period	<b>\$ 45.1</b>	<b>\$ 41.9</b>

# **ServiceMaster Systems, LLC and Subsidiaries**

**(An indirect, wholly owned subsidiary of RW Purchaser, LLC)**

(Unaudited) Condensed Consolidated Financial Information

For the three months ended March 31, 2025 and 2024

# ServiceMaster Systems, LLC and Subsidiaries

## Index

March 31, 2025 and 2024

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(Unaudited) Statements of Operations and Comprehensive Income	<u>1</u>
(Unaudited) Statements of Financial Position	<u>2</u>

**ServiceMaster Systems, LLC and Subsidiaries**  
**(Unaudited) Condensed Consolidated Statements of Operations and Comprehensive Income**

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<i>(in millions)</i>	Three Months Ended March 31,	
	2025	2024
<b>Revenue</b>	<b>\$ 84.2</b>	<b>\$ 76.4</b>
Cost of services rendered	23.0	21.7
Selling and administrative expenses	15.7	25.6
Depreciation and amortization expenses	5.8	5.8
Operating expenses	44.5	53.1
<b>Operating income</b>	<b>39.7</b>	<b>23.3</b>
Other expense	0.5	0.5
<b>Net income and comprehensive income</b>	<b>\$ 39.2</b>	<b>\$ 22.8</b>

**ServiceMaster Systems, LLC and Subsidiaries**  
**(Unaudited) Condensed Consolidated Statements of Financial Position**

<i>(in millions)</i>	<b>As at March 31, 2025</b>	<b>As at December 31, 2024</b>
<b>Assets</b>		
Accounts receivable, net	\$ 62.6	\$ 56.4
Inventories	0.8	0.8
Prepaid expenses and other assets	2.6	3.0
<b>Total current assets</b>	<b>66.0</b>	<b>60.2</b>
Property and equipment, net	9.9	11.1
Right-of-use asset, net	1.5	1.6
Intangible assets, net	1,606.8	1,612.0
Other assets	0.8	0.7
<b>Total assets</b>	<b>\$ 1,685.0</b>	<b>\$ 1,685.6</b>
<b>Liabilities and Member's Equity</b>		
Accounts payable	\$ 7.0	\$ 7.1
Accrued advertising	4.5	3.3
Accrued payroll and other employee benefits	9.0	8.6
Deferred revenue	1.5	1.7
Current portion of operating lease liability	0.4	0.4
Other current liabilities	10.5	11.6
<b>Total current liabilities</b>	<b>32.9</b>	<b>32.7</b>
Long-term operating lease liability	1.1	1.3
Other long-term liabilities	6.0	5.9
<b>Total liabilities</b>	<b>40.0</b>	<b>39.9</b>
Member's equity	1,645.0	1,645.7
<b>Total liabilities and member's equity</b>	<b>\$ 1,685.0</b>	<b>\$ 1,685.6</b>

**Exhibit C to the FDD**

**STATE FRANCHISE ADMINISTRATORS AND  
AGENTS FOR SERVICE OF PROCESS**

**STATE FRANCHISE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS**

<b>STATE</b>	<b>STATE ADMINISTRATOR</b>	<b>AGENT FOR SERVICE OF PROCESS</b>
CALIFORNIA	Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013 (213) 576-7500 or (866) 275-2677	Commissioner of Financial Protection and Innovation 320 West 4 <sup>th</sup> Street, Suite 750 Los Angeles, California 90013
HAWAII	Department of Commerce and Consumer Affairs Business Registration Division 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Commissioner of Securities Business Registration Division 335 Merchant Street, Room 203 Honolulu, HI 96813
ILLINOIS	Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	Illinois Attorney General 500 South Second Street Springfield, Illinois 62706
INDIANA	Indiana Securities Division Secretary of State Room E-111 302 West Washington Street Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State Room E-111 302 West Washington Street Indianapolis, IN 46204
MARYLAND	Office of the Attorney General Maryland Division of Securities 200 St. Paul Place Baltimore, MD 21202 (410) 576-7042	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division 525 West Ottawa Street Williams Building, 6th Floor Lansing, MI 48933 (517) 335-7567	Michigan Department of Commerce Corporations and Securities Bureau 525 West Ottawa Street Williams Building, 6th Floor Lansing, MI 48933
MINNESOTA	Minnesota Department of Commerce Securities-Franchise Registration 85 7th Place East Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Minnesota Commissioner of Commerce 85 7th Place East Suite 280 St. Paul, MN 55101-2198
NEW YORK	NYS Department of Law Bureau of Investor Protection and Securities 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8236	Secretary of State of New York One Commerce Plaza 99 Washington Avenue Albany, NY 12231

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard Ave. State Capitol, Fourteenth Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	North Dakota Securities Commissioner 600 East Boulevard Ave. State Capitol, Fourteenth Floor, Dept. 414 Bismarck, ND 58505-0510
RHODE ISLAND	Securities Division Department of Business Regulations 1511 Pontiac Avenue Cranston, RI 02920 (401) 462-9585	Director of Business Regulation 1511 Pontiac Avenue Cranston, RI 02920
SOUTH DAKOTA	South Dakota Department of Labor and Regulation Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563	Director of the Division of Insurance South Dakota Department of Labor and Regulation Division of Insurance 124 S. Euclid, Suite 104 Pierre, SD 57501
VIRGINIA	State Corporation Commission Tyler Building, Ninth Floor 1300 E. Main Street Richmond, VA 23219 (804) 371-9051	Clerk, Virginia State Corporation Commission Tyler Building, Ninth Floor 1300 E. Main Street Richmond, VA 23219
WASHINGTON	Department of Financial Institutions Securities Division P. O. Box 41200 Olympia, Washington 98504-1200 (360) 902-8760	Director of Financial Institutions 150 Israel Road SW Tumwater, WA 98501
WISCONSIN	Division of Securities Department of Financial Institutions 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-9555	Administrator, Division of Securities Department of Financial Institutions 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705

**Exhibit D to the FDD**

**LIST OF FRANCHISEES**

**LIST OF FRANCHISEES**  
(As of December 31, 2024)

#	Entity Name	Address	City	State	Zip	Telephone
2829	R.G.L.G., Inc.	2650 Fairway Drive	Mobile	Alabama	36606	251-344-5105
5806	R.G.L.G., Inc.	2650 Fairway Drive	Mobile	Alabama	36606	251-344-5105
10003	Southern Alabama Janitorial Services LLC	2029B Airport Blvd #260	Mobile	Alabama	36606	251-679-0773
2845	MKV, Inc.	2310 44th Street E	Tuscaloosa	Alabama	35405	205-507-3220
9008	Rhodes Inc.	6726 Greenwood Street	Anchorage	Alaska	99518	907-522-3020
4987	John J. Quattropani and Doreen Quattropani	17802 Placita Mayo	Green Valley	Arizona	85614	520-625-0026
11134	CU ServiceMaster LLC	20819 N. 25th Place B101	Phoenix	Arizona	85050	623-486-0206
7882	TCT Open Door, Inc.	12016 South 45th Street	Phoenix	Arizona	85044	602-442-0429
8343	Paul and Angelica Kuiper	3849 East Broadway Boulevard #271	Tucson	Arizona	85716	520-306-7672
9810	Paul and Angelica Kuiper	3849 East Broadway Boulevard #271	Tucson	Arizona	85716	520-306-7672
5792	T & L Janitorial, Inc.	5418 South 30th	Fort Smith	Arkansas	72903	479-646-4087
11331	BRW, Inc.	6321 Forbing Road	Little Rock	Arkansas	72209	501-568-5000
11361	Industrial Cleaning Pros, Inc.	1011 Linwood Drive	Paragould	Arkansas	72450	713-360-7478
9603	RJRC LLC	6100 Nancy s Vista Terrace	Springdale	Arkansas	72762	479-756-1845
9068	Synergy Business Advisors, LLC	6100 Nancy s Vista Terrace	Springdale	Arkansas	72762	479-756-1845
10244	Synergy Business Advisors, LLC	6100 Nancy s Vista Terrace	Springdale	Arkansas	72762	479-756-1845
8687	ServiceMaster Janitorial Services Inc.	601 Willow Street Unit G	Alameda	California	94501	510-521-2717
10127	Commercial Cleaning by Rogers, LLC	5615 E. Plaza De Vaqueros	Anaheim	California	92807	714-397-8193
7730	Sharjo, LLC	5451 Industrial Way	Benicia	California	94510	800-480-8439
10996	Alfred Gelacio, LLC	98 Carlyn Ave	Campbell	California	95008	408-505-1511
9985	ServiceMaster by J & C Brown, Inc.	2569 S. Sarah Street	Fresno	California	93706	559-275-7858
10544	Hye Prestige Cleaning LLC	3258 La Crescenta Ave	Glendale	California	91208	818-296-9203
3645	ServiceMaster Of Alameda County, Inc.	2246 American Avenue	Hayward	California	94545	510-351-0581
3597	SNS 360, Inc.	17096 Sequoia #115	Hesperia	California	92345	760-947-9962
4590	Clockwerk LLC	220 E Barioni Boulevard	Imperial	California	92251	760-352-0908
8771	Larry Rogers	23811 Washington Ave c110-240	Murrieta	California	92562	951-440-5237

#	Entity Name	Address	City	State	Zip	Telephone
10570	Larry Rogers	23811 Washington Ave c110-240	Murrieta	California	92562	951-440-5237
11077	Obis Holding Inc.	859 N. Glassell Street	Orange	California	92867	714-538-9647
3582	AmeriEast Of California, Inc.	74872 Velie Way Suite 3	Palm Desert	California	92260	760-341-1183
10634	Sharjo, LLC	380 Hamilton Ave. #1175	Palo Alto	California	94301	800-480-8439
11172	J Diaz Janitorial, Inc.	2336 W Treat Ave	Ridgecrest	California	93555	760-608-6293
9150	J Brown Enterprises LLC	1025 Nichols Drive	Rocklin	California	95765	559-275-7858
10610	J Brown Enterprises LLC	1025 Nichols Drive	Rocklin	California	95765	559-275-7858
8345	GIG Maintenance, Inc.	18351 Colima Road #161	Rowland Heights	California	91748	626-789-7167
5137	BO-MIC, Inc.	565B Bragato Rd.	San Carlos	California	94070	650-522-8200
7729	BO-MIC, Inc.	565B Bragato Rd.	San Carlos	California	94070	650-522-8200
7764	Professional Touch Maintenance Services, Inc.	4749 Sunshine Avenue	Santa Rosa	California	95409	707-579-7979
7949	Sharjo, LLC	3069 Wiljan Court	Santa Rosa	California	95407	800-480-8439
10877	Sharjo, LLC	4893 McGrath Street	Ventura	California	93003	805-301-1950
3533	Ron Hellstern	1205 South Crowe Street	Visalia	California	93277	559-738-8927
7098	Natelax, Inc.	2276 Freedom Boulevard	Watsonville	California	95076	831-728-1020
7836	Natelax, Inc.	2276 Freedom Boulevard	Watsonville	California	95076	831-728-1020
9016	Natelax, Inc.	2276 Freedom Boulevard	Watsonville	California	95076	831-728-1020
11440	Obis Holding Inc.	14468 Allegan St	Whittier	California	90604	949-246-1887
2582	Rocky Mountain Service Systems, Inc.	2123 East Saint Vrain Street	Colorado Springs	Colorado	80909	719-471-8313
2591	Rocky Mountain Service Systems, Inc.	2123 East Saint Vrain Street	Colorado Springs	Colorado	80909	719-471-8313
6021	Rocky Mountain Service Systems, Inc.	2123 East Saint Vrain Street	Colorado Springs	Colorado	80909	719-471-8313
7478	Rocky Mountain Service Systems, Inc.	2123 East Saint Vrain Street	Colorado Springs	Colorado	80909	719-471-8313
9635	RBR Cleaning Solutions, LLC	630 Lipan	Denver	Colorado	80204	303-761-0122
9636	RBR Cleaning Solutions, LLC	630 Lipan	Denver	Colorado	80204	303-761-0122
9637	RBR Cleaning Solutions, LLC	630 Lipan	Denver	Colorado	80204	303-761-0122
9638	RBR Cleaning Solutions, LLC	630 Lipan	Denver	Colorado	80204	303-761-0122
2585	D & D Manzanares, Inc.	210 Marmont Lane Unit #B7	Eagle	Colorado	81631	970-328-4444
7368	D & D Manzanares, Inc.	210 Marmont Lane Unit #B7	Eagle	Colorado	81631	970-328-4444
7791	D & D Manzanares, Inc.	210 Marmont Lane Unit #B7	Eagle	Colorado	81631	970-328-4444

#	Entity Name	Address	City	State	Zip	Telephone
9750	J & J Mackey, Inc.	3250 S Zuni Street	Englewood	Colorado	80110	303-791-6000
9166	HS, Inc.	3054 Lake Canal Court Suite 120	Fort Collins	Colorado	80524	970-484-0588
9651	HS, Inc.	3054 Lake Canal Court Suite 120	Fort Collins	Colorado	80524	970-484-0588
9952	Steam Express, LLC	2522 Copper Ridge Drive #B6	Steamboat Springs	Colorado	80487	970-871-4974
8849	New Haven County Janitorial Management, Inc.	2847 Fairfield Avenue	Bridgeport	Connecticut	06605	203-296-3186
8796	ServiceMaster of Darien, Inc.	50 Osbourne Avenue	East Norwalk	Connecticut	06855	203-852-8907
10992	Fairfield County Cleaning Services, Inc.	144 Benton St	Stratford	Connecticut	06615	203-384-8600
10993	Fairfield County Cleaning Services, Inc.	144 Benton St	Stratford	Connecticut	06615	203-384-8600
10994	Fairfield County Services, Inc.	144 Benton St	Stratford	Connecticut	06615	203-384-8600
10583	Thomas Four, Inc.	3558 N. Citrus Avenue	Crystal River	Florida	34428	352-794-0270
11301	Growing Market, LLC	10005 Costa Del Sol Blvd.	Doral	Florida	33178	754-302-4018
11237	A&P Enterprises of Fort Myers Florida, LLC	70 Emily Lane	Fort Meyers Breach	Florida	33931	239-785-3319
10704	Michailidis Enterprises Inc.	117A Auburn Rd.	Fort Walton Beach	Florida	32547	850-864-3737
7505	Succor Building Services, Inc.	3030 Waterfield Lane	Lakeland	Florida	33803	863-667-0998
7506	Succor Building Services, Inc.	3030 Waterfield Lane	Lakeland	Florida	33803	863-667-0998
7507	Succor Building Services, Inc.	3030 Waterfield Lane	Lakeland	Florida	33803	863-667-0998
9820	Succor Building Services, Inc.	3030 Waterfield Lane	Lakeland	Florida	33803	863-667-0998
9178	Lalinde Enterprises, Inc.	18331 Pines Blvd# 115	Pembroke Pines	Florida	33029	954-441-0306
2823	Cole Industries Inc.	3230 North South Street	Pensacola	Florida	32505	850-433-8100
11252	ServiceMaster Commercial Cleaning by WPB Experts, LLC	580 Christina Drive #308	Royal Palm Beach	Florida	33414	424-388-8943
10816	A&P Enterprises of Fort Myers Florida, LLC	1800 Northgate Blvd Suite A-10	Sarasota	Florida	34234	941-223-5998
11063	Ancient City Janitorial LLC	50 Ellis St #205	St. Augustine	Florida	32095	904-535-9531
11430	Ancient City Janitorial LLC	50 Ellis St #205	St. Augustine	Florida	32095	904-535-9531
8397	Lynes Stanfield	2910 Kerry Forest Parkway D4-186	Tallahassee	Florida	32309	850-894-0360
10942	DSI Holdings Corporation	7840 Professional Place	Tampa	Florida	33637	866-623-6633
10943	DSI Holdings Corporation	7840 Professional Place	Tampa	Florida	33637	866-623-6633
9023	Bustos & Strauss, LLC	304 Indian Trace #623	Weston	Florida	33326	954-636-8320
10452	Tandy Jade Nash	2500 West Broad Street Suite 606	Athens	Georgia	30606	470-353-1335

#	Entity Name	Address	City	State	Zip	Telephone
10618	Mobile Pride Properties, LLC	4625 Kent Rd.	Atlanta	Georgia	30337	404-599-6262
10970	Mobile Pride Properties, LLC	4625 Kent Rd.	Atlanta	Georgia	30337	404-599-6262
6480	Fire/Serve, Inc.	111 Kelli Clark Ct. Suite A	Cartersville	Georgia	30121	770-514-1789
8244	Fire/Serve, Inc.	111 Kelli Clark Ct. Suite A	Cartersville	Georgia	30121	770-514-1789
8245	Fire/Serve, Inc.	111 Kelli Clark Ct. Suite A	Cartersville	Georgia	30121	770-514-1789
8347	Fire/Serve, Inc.	111 Kelli Clark Ct. Suite A	Cartersville	Georgia	30121	770-514-1789
11431	Dust Busters Dalton Inc	1219 Frazier Drive	Dalton	Georgia	30721	706-218-9826
6712	CBS Enterprises, Inc.	8301 Fortson Rd	Fortson	Georgia	31808	706-882-0903
8236	Slott's of Services, Inc.	837 Main Street SW	Gainesville	Georgia	30501	770-531-9307
8846	Slott's of Services, Inc.	837 Main Street SW	Gainesville	Georgia	30501	770-531-9307
8493	Gregory Williams	2728 Farmstead Court	Grayson	Georgia	30017	770-808-8068
10690	John Robert Touchton	5412 Sycamore Run	Hahira	Georgia	31632	229-560-0300
5861	Fire/Serve, Inc.	2060 Franklin Way Ste. 110	Marietta	Georgia	30067	866-606-0409
9917	Australis Cleaning Services, LLC	6900 Peachtree Industrial Blvd Suite 1	Norcross	Georgia	30071	770-948-4006
10106	Australis Cleaning Services, LLC	6900 Peachtree Industrial Blvd Suite 1	Norcross	Georgia	30071	770-948-4006
11159	Martin Building Solutions Inc.	6325 Regency Parkway Suite 840	Norcross	Georgia	30071	614-529-8332
11160	Martin Building Solutions Inc.	6325 Regency Parkway Suite 840	Norcross	Georgia	30071	614-529-8332
11161	Martin Building Solutions Inc.	6325 Regency Parkway Suite 840	Norcross	Georgia	30071	614-529-8332
11303	Martin Building Solutions Inc.	6325 Regency Parkway Suite 840	Norcross	Georgia	30071	614-529-8332
8172	Kleidosty Pacific, LLC	6186 Ibia Ave Unit B	Ewa Beach	Hawaii	96706	808-337-2080
8718	Kleidosty Pacific, LLC	65 Mahiai Place	Makawao	Hawaii	96768	808-337-2080
7184	Kleidosty Pacific, LLC	9943 Waimea Road #1077	Waimea	Hawaii	96796	808-337-2080
1260	Weibye LLC	216 W. 38th Street Unit B	Garden City	Idaho	83714	888-444-8888
9838	Weibye LLC	216 W. 38th Street Unit B	Garden City	Idaho	83714	888-444-8888
9840	Weibye LLC	216 W. 38th Street Unit B	Garden City	Idaho	83714	888-444-8888
11235	Evcar, Inc.	1449 Main Street	Lewiston	Idaho	83501	208-798-1685
11236	Evcar, Inc.	1449 Main Street	Lewiston	Idaho	83501	208-798-1685
11070	Roome Enterprises, Inc	5974 W. Seltice Way	Post Falls	Idaho	83854	208-446-5322
10959	Roome Enterprises, Inc.	5974 W. Seltice Way	Post Falls	Idaho	83854	208-446-5322

#	Entity Name	Address	City	State	Zip	Telephone
10960	Roome Enterprises, Inc.	5974 W. Seltice Way	Post Falls	Idaho	83854	208-446-5322
10961	Roome Enterprises, Inc.	5974 W. Seltice Way	Post Falls	Idaho	83854	208-446-5322
11286	EV Cleaning Solutions, Inc.	296 Cane Garden Circle	Aurora	Illinois	60504	630-849-0371
5664	GPS Solutions, Ltd.	445 Gundersen Drive	Carol Stream	Illinois	60188	630-682-9020
6982	GPS Solutions, Ltd.	445 Gundersen Drive	Carol Stream	Illinois	60188	630-682-9020
9312	GPS Solutions, Ltd.	445 Gundersen Drive	Carol Stream	Illinois	60188	630-682-9020
10204	GPS Solutions, Ltd.	445 Gundersen Drive	Carol Stream	Illinois	60188	630-682-9020
11262	Heartt Solutions, LTD	445 Gundersen Drive	Carol Stream	Illinois	60188	630-682-9020
11263	Heartt Solutions, LTD	445 Gundersen Drive	Carol Stream	Illinois	60188	630-682-9020
5749	Complete Professional Cleaning Services, Inc.	410 Vana Drive	Carpentersville	Illinois	60110	847-426-6133
7924	Complete Professional Cleaning Services, Inc.	410 Vana Drive	Carpentersville	Illinois	60110	847-426-6133
8420	Complete Professional Cleaning Services, Inc.	410 Vana Drive	Carpentersville	Illinois	60110	847-426-6133
8831	Complete Professional Cleaning Services, Inc.	410 Vana Drive	Carpentersville	Illinois	60110	847-426-6133
10976	CU ServiceMaster, LLC	3611 N. Staley Suite F	Champaign	Illinois	61822	217-493-6431
11389	CU ServiceMaster, LLC	3611 N. Staley Suite F	Champaign	Illinois	61822	217-493-6431
11390	CU ServiceMaster, LLC	3611 N. Staley Suite F	Champaign	Illinois	61822	217-493-6431
11391	CU ServiceMaster, LLC	3611 N. Staley Suite F	Champaign	Illinois	61822	217-493-6431
11392	CU ServiceMaster, LLC	3611 N. Staley Suite F	Champaign	Illinois	61822	217-493-6431
5521	DSI Holdings Corporation	2400 Wisconsin Avenue	Downers Grove	Illinois	60515	800-954-9444
5158	T. Brolin, Inc.	253 South Wall	Kankakee	Illinois	60901	815-937-0585
4161	Prince Services, Inc.	3289 Airport Drive Suite 1	Lansing	Illinois	60438	708-474-0200
7850	Tatam, Inc.	6914A Forest Hills Road	Loves Park	Illinois	61111	815-626-2511
10655	Jamroz Nagra, LLC	24920 Cashel Bay Rd.	Manhattan	Illinois	60442	815-436-9622
11088	Clark Executive Maintenance	1602 Tompkin Drive	Normal	Illinois	61761	309-828-4199
10142	S&R Systems LLC	200 Alder Drive	North Aurora	Illinois	60542	630-553-6650
11104	S&R Systems LLC	200 Alder Drive	North Aurora	Illinois	60542	630-896-0030
4156	Glenn Bouck, Inc.	18414 116th Avenue Suites F&G Suite H	Orland Park	Illinois	60467	708-479-7102
7584	Glenn Bouck, Inc.	18414 116th Avenue Suites F&G Suite H	Orland Park	Illinois	60467	708-479-7102
8248	Best Cleaning Solutions, Inc.	4115 Progress Boulevard	Peru	Illinois	61354	815-780-8778

#	Entity Name	Address	City	State	Zip	Telephone
8249	Best Cleaning Solutions, Inc.	4115 Progress Boulevard	Peru	Illinois	61354	815-780-8778
4450	Richard Saalfeld	1413 Sherman Rd. Unit #50	Romeoville	Illinois	60446	708-333-1890
8209	Richard Saalfeld	1413 Sherman Rd. Unit #50	Romeoville	Illinois	60446	708-333-1890
6354	Tatam, Inc.	205 6th Avenue	Sterling	Illinois	61081	815-626-2511
6355	Tatam, Inc.	205 6th Avenue	Sterling	Illinois	61081	815-626-2511
8312	Eric J. Terrell	3419 Columbus Ave.	Anderson	Indiana	46013	765-649-2251
8558	Eric J. Terrell	3419 Columbus Ave.	Anderson	Indiana	46013	765-649-2251
5645	Rhonda M. Boyle, Inc.	8258 Sunny Lane	Fort Wayne	Indiana	46835	260-486-5627
9814	24/7 Disaster Services, LLC	12707 Industrial Park Drive	Granger	Indiana	46530	574-222-2648
10784	24/7 Disaster Services, LLC	12707 Industrial Park Drive	Granger	Indiana	46530	269-428-9335
9591	Crossroads Restoration Services, LLC	2851 N. Webster Ave.	Indianapolis	Indiana	46219	317-286-2999
10324	Crossroads Restoration Services, LLC	2851 N. Webster Ave.	Indianapolis	Indiana	46219	317-286-2999
11083	Fervent Solutions LLC	5522 W. Raymond Street	Indianapolis	Indiana	46241	317-359-2300
1576	Shumway Cleaning Services, LLC	P.O Box 2673	Kokomo	Indiana	46904	765-452-5005
11411	Boen Spaces	3410 Rascal Drive	Lafayette	Indiana	47909	616-552-2644
10705	N7 Property Inspections, LLC	4838 S 775 E	New Ross	Indiana	47968	765-366-3727
8759	G & I Enterprises, LLC	1920 S. Michigan Street	South Bend	Indiana	46613	855-805-2569
1598	Morgan Contract Services, Inc.	1001 College Avenue	Terre Haute	Indiana	47802	812-232-0141
10845	Phil 413, LLC	5704 W Cedar Wapsi Rd	Cedar Falls	Iowa	50613	319-433-1110
11068	JKupka Services LLC	1502 Small Street	Decorah	Iowa	52101	563-382-3100
1464	ServiceMaster Seven Hills Janitorial Service, Inc.	999 South Grand View	Dubuque	Iowa	52003	563-557-7459
5936	Mowen Cleaning Service, LLC	1502 Ave L	Fort Madison	Iowa	52627	319-372-5827
9830	Mowen Cleaning Service, LLC	1502 Ave L	Fort Madison	Iowa	52627	319-372-5827
10557	Mowen Cleaning Service, LLC	1502 Ave L	Fort Madison	Iowa	52627	319-372-5827
10558	Mowen Cleaning Service, LLC	1502 Ave L	Fort Madison	Iowa	52627	319-372-5827
10559	Mowen Cleaning Service, LLC	1502 Ave L	Fort Madison	Iowa	52627	319-372-5827
10560	Mowen Cleaning Service, LLC	1502 Ave L	Fort Madison	Iowa	52627	319-372-5827
4892	ServiceMaster Of Marshalltown, Inc.	707 Maytag Road	Marshalltown	Iowa	50158	641-752-3956
7928	TKQ, Inc.	20847 Osprey Avenue	Mason City	Iowa	50401	641-424-0155

#	Entity Name	Address	City	State	Zip	Telephone
11383	Kelderman Klean, Inc.	1391 8th Street S.E.	Sioux Center	Iowa	51250	712-722-4339
3632	ABM, Limited	3069 99th Street	Urbandale	Iowa	50322	515-255-7775
8521	ABM, Limited	3069 99th Street	Urbandale	Iowa	50322	515-255-7775
6176	Joel A. Harris	432 Locust Street	Waterloo	Iowa	50701	319-291-3991
7561	Eagle Enterprises of Northwest Kansas, Inc.	335 N. Franklin	Colby	Kansas	67701	785-462-3423
10656	Rapid Response Enterprises, LLC	201 West Trail	Dodge City	Kansas	67801	620-227-5343
11416	Rapid Response Enterprises, LLC	201 West Trail	Dodge City	Kansas	67801	620-227-5343
2339	Burkhart Enterprises, Inc.	808 West 1st	Hutchinson	Kansas	67504	620-662-8678
6344	Cleansweep Janitorial, Inc.	423 Hutton Circle	Lawrence	Kansas	66049	785-856-8617
5003	McPherson Professional Cleaning Services, LLC	414 North Mulberry	McPherson	Kansas	67460	620-241-5335
5518	McPherson Professional Cleaning Services, LLC	414 North Mulberry	McPherson	Kansas	67460	620-241-5335
2332	ServiceMaster of Newton	2216 Anderson	Newton	Kansas	67114	316-283-5404
1533	Ron Sieb Enterprises, Inc.	2906 N. Old Rouse Rd	Pittsburg	Kansas	66762	620-232-1230
2331	DNA Enterprises, Inc.	522 Reynolds Street	Salina	Kansas	67401	785-825-6761
10799	DNA Enterprises, Inc.	522 Reynolds Street	Salina	Kansas	67401	785-825-6761
6598	Best Corporation	729 E. Boston	Wichita	Kansas	67211	316-321-1895
6600	Best Corporation	729 E. Boston	Wichita	Kansas	67211	316-321-1895
9284	Circle Enterprises, Inc.	901 S Sabin Street	Wichita	Kansas	67209	316-943-9834
9440	DSI Holdings Corporation	3833 Bridgeport Circle	Wichita	Kansas	67219	800-954-9444
8527	AB & S Services, LLC	122 Production Court	Louisville	Kentucky	40299	502-499-1553
11386	CU ServiceMaster, LLC	11524 Blankenbaker Access Drive	Louisville	Kentucky	40299	217-493-6431
11387	CU ServiceMaster, LLC	11524 Blankenbaker Access Drive	Louisville	Kentucky	40299	217-493-6431
6930	LockPRO, LLC	3727 Dixie Hwy	Louisville	Kentucky	40216	502-895-1990
10711	National Food Services LLC	2610 Wareham Rd.	Louisville	Kentucky	40242	502-665-9697
10086	Nelson Services, LLC	2868 Brooks Parkway	Owensboro	Kentucky	42303	270-903-0147
10323	Nelson Services, LLC	2868 Brooks Parkway	Owensboro	Kentucky	42303	270-903-0147
2763	J.B. Clark Services, Inc.	3923 Independence Drive	Alexandria	Louisiana	71303	318-442-7378
9870	KNS Industrial Cleaning Services LLC	4150 Florida Blvd.	Baton Rouge	Louisiana	70806	225-923-1878
2799	Gene Rhodes Enterprises, Inc.	301 Howard Avenue	Houma	Louisiana	70363	985-872-1029

#	Entity Name	Address	City	State	Zip	Telephone
2775	Primero Services, Inc.	1759 L & A Road	Metairie	Louisiana	70001	504-832-9944
2785	B & WA, LLC	2000 Tower Drive Att: Brent	Monroe	Louisiana	71201	318-325-6400
2770	Service Master Contract Cleaners, Inc.	101 Verret Street	New Orleans	Louisiana	70114	504-362-4700
6789	Service Master Contract Cleaners, Inc.	101 Verret Street	New Orleans	Louisiana	70114	504-362-4700
8777	Mary Miller	119 Credit Drive	Scott	Louisiana	70583	337-234-1289
7165	Gracsam, Inc.	60 Gray Road #9 Portland North	Falmouth	Maine	04105	207-797-6060
8573	Gracsam, Inc.	60 Gray Road #9 Portland North	Falmouth	Maine	04105	207-797-6060
3178	M.H.C., Inc.	109 Freedom Parkway	Hermon	Maine	04401	207-848-0745
5499	M.H.C., Inc.	109 Freedom Parkway	Hermon	Maine	04401	207-848-0745
4080	R & J Bostwick Company, Inc.	6631 Quad Avenue	Baltimore	Maryland	21237	410-780-1700
10547	P.A.C.E. LLC	11700 Old Valley Road NE	Cumberland	Maryland	21502	301-514-1642
10548	P.A.C.E. LLC	11700 Old Valley Road NE	Cumberland	Maryland	21502	301-514-1642
6788	SFTK, Inc.	14409 ServiceMaster Lane S.E.	Cumberland	Maryland	21502	301-722-8459
9839	SFTK, Inc.	14409 ServiceMaster Lane S.E.	Cumberland	Maryland	21502	301-722-8459
10052	SFTK, Inc.	14409 ServiceMaster Lane S.E.	Cumberland	Maryland	21502	301-722-8459
10054	SFTK, Inc.	14409 ServiceMaster Lane S.E.	Cumberland	Maryland	21502	301-722-8459
10712	MD Property Solutions LLC	9319 Baltimore National Pike Unit 121	Elicott City	Maryland	21042	443-410-9505
10545	KEP, Inc.	1517 W. Patrick Street #814	Frederick	Maryland	21702	301-662-7664
11130	Eagle Integrated Solutions LLC	1035 J Benfield Blvd	Millersville	Maryland	21108	202-934-3570
11002	Makadia Management Group, Inc.	8019 Belair Road Unit 14	Nottingham	Maryland	21236	410-618-4527
11003	Makadia Management Group, Inc.	8019 Belair Road Unit 14	Nottingham	Maryland	21236	410-618-4527
11129	Eagle Integrated Solutions LLC	203 Romancoke Road Unit 104	Stevensville	Maryland	21666	410-987-2727
4094	KEP, Inc.	85 West Main Street	Westminster	Maryland	21157	410-751-9470
5162	KEP, Inc.	85 West Main Street	Westminster	Maryland	21157	410-751-9470
6152	Hattie and Alfred, Inc.	58-60 Gallivan Boulevard	Boston	Massachusetts	02124	617-288-3503
2668	NNJ Cleaning Services, Inc.	25 Canal Street	Lawrence	Massachusetts	01845	978-459-2232
6145	NNJ Cleaning Services, Inc.	25 Canal Street	Lawrence	Massachusetts	01845	978-459-2232
6146	NNJ Cleaning Services, Inc.	25 Canal Street	Lawrence	Massachusetts	01845	978-459-2232
2614	ServiceMaster of Springfield, Inc.	572 Monson Road	Wilbraham	Massachusetts	01095	413-543-8282

#	Entity Name	Address	City	State	Zip	Telephone
2601	ServiceMaster of Springfield, Inc.	572 Monson Road	Wilbraham	Massachusetts	01095	413-543-8282
5886	Snyder Enterprises, Inc.	22 Etre Drive	Worcester	Massachusetts	01604	508-752-2122
7531	Snyder Enterprises, Inc.	22 Etre Drive	Worcester	Massachusetts	01604	508-752-2122
10122	A.N.D. Services, LLC	937 W. Beecher Street Suite C	Adrian	Michigan	49221	517-265-8084
10125	A.N.D. Services, LLC	937 W. Beecher Street Suite C	Adrian	Michigan	49221	517-265-8084
5090	R & K Services, Inc.	128 Grant St	Alpena	Michigan	49707	989-358-2600
7211	R & K Services, Inc.	128 Grant St	Alpena	Michigan	49707	989-358-2600
6188	Air Care of Michigan, Inc.	979 South Old US Highway 23	Brighton	Michigan	48114	810-222-2323
6189	Air Care of Michigan, Inc.	979 South Old US Highway 23	Brighton	Michigan	48114	810-222-2323
6191	Air Care of Michigan, Inc.	979 South Old US Highway 23	Brighton	Michigan	48114	810-222-2323
6965	Clark Service Corporation	979 South Old US Highway 23	Brighton	Michigan	48114	810-222-2323
6966	Clark Service Corporation	979 South Old US Highway 23	Brighton	Michigan	48114	810-222-2323
7959	Priority Restoration Services, Inc.	977 S Old US Highway 23	Brighton	Michigan	48114	810-222-2323
7960	Priority Restoration Services, Inc.	977 S Old US Highway 23	Brighton	Michigan	48114	810-222-2323
7962	Priority Restoration Services, Inc.	977 S Old US Highway 23	Brighton	Michigan	48114	810-222-2323
11341	Fuson Bros., LLC	3387 E. Bristol Road	Burton	Michigan	48529	9894231311
11342	Fuson Bros., LLC	3387 E. Bristol Road	Burton	Michigan	48529	9894231311
10854	Floorstar Floor Care and Building Services, LLC	603 Washington Ave.	Grand Haven	Michigan	49460	616-312-8286
10855	Floorstar Floor Care and Building Services, LLC	603 Washington Ave.	Grand Haven	Michigan	49460	616-312-8286
10856	Floorstar Floor Care and Building Services, LLC	603 Washington Ave.	Grand Haven	Michigan	49460	616-312-8286
11265	Boen Spaces	719 Century Ave SW	Grand Rapids	Michigan	49503	616-299-8254
4845	Kal-Kleen, Inc.	3344 Ravine Road	Kalamazoo	Michigan	49006-1423	269-344-3600
11264	Boen Spaces	7201 W. Saginaw Highway Suite 125	Lansing	Michigan	48917	517-327-5650
9981	A&J Janitorial, Inc.	18974 Bainbridge	Livonia	Michigan	48152	810-231-1261
3122	David Bannister	2770 South Lapeer	Metamora	Michigan	48455	810-667-3463
10490	RAI Restoration LLC	2871 Jolly Road	Okemos	Michigan	48864	800-336-5789
3140	Mark Kulbaba, Inc.	21186 Bridge Street	Southfield	Michigan	48033	248-353-0111
3158	S.M. Tri-Counties, Inc.	13671 LaChene Avenue	Warren	Michigan	48088	586-585-0392

#	Entity Name	Address	City	State	Zip	Telephone
3160	S.M. Tri-Counties, Inc.	13671 LaChene Avenue	Warren	Michigan	48088	586-585-0392
9524	S.M. Tri-Counties, Inc.	13671 LaChene Avenue	Warren	Michigan	48088	586-585-0392
4046	DVCM of the Lakes Area, Inc.	203 Lake Street	Alexandria	Minnesota	56308	320-763-5551
4027	Retka Enterprises, Inc.	7611 College Road South	Baxter	Minnesota	56425	218-829-4076
4043	Retka Enterprises, Inc.	7611 College Road South	Baxter	Minnesota	56425	218-829-4076
7301	Retka Enterprises, Inc.	7611 College Road South	Baxter	Minnesota	56425	218-829-4076
4022	SERCOMSYS, Inc.	7800 Computer Avenue #125	Bloomington	Minnesota	55435	952-881-5226
5175	SERCOMSYS, Inc.	7800 Computer Avenue #125	Bloomington	Minnesota	55435	952-881-5226
5176	SERCOMSYS, Inc.	7800 Computer Avenue #125	Bloomington	Minnesota	55435	952-881-5226
5177	SERCOMSYS, Inc.	7800 Computer Avenue #125	Bloomington	Minnesota	55435	952-881-5226
10390	DSI Holdings Corporation	3205 Mike Collins Dr.	Eagan	Minnesota	55121	651-483-3636
9393	Jeff Peterson	1100 Pokegama Avenue S	Grand Rapids	Minnesota	55744	218-326-3948
9586	T & G Enterprises, Inc.	611 11th Street	International Falls	Minnesota	56649	218-283-4775
4372	OSC of Northfield, Inc.	450 Armstrong Road	Northfield	Minnesota	55057	507-366-7149
10675	OSC of Northfield, Inc.	450 Armstrong Road	Northfield	Minnesota	55057	507-366-7149
8714	QSC of Northfield, Inc.	450 Armstrong Road	Northfield	Minnesota	55057	507-366-7149
10677	QSC Of Northfield, Inc.	450 Armstrong Road	Northfield	Minnesota	55057	507-366-7149
10679	QSC Of Northfield, Inc.	450 Armstrong Road	Northfield	Minnesota	55057	507-366-7149
10958	QSC Of Northfield, Inc.	450 Armstrong Road	Northfield	Minnesota	55057	507-366-7149
11006	Rhino Seven Brand LLC	2040 Neal Street Suite 200	Red Wing	Minnesota	55066	651-955-6796
11007	Rhino Seven Brand LLC	2040 Neal Street Suite 200	Red Wing	Minnesota	55066	651-955-6796
1448	R.J. Betts Enterprises, Inc.	3611 Vista View Court S.W.	Rochester	Minnesota	55902	507-281-2494
4455	Premiere Cleaning Services, Inc.	1525 N. Concord Street	South St. Paul	Minnesota	55075	651-306-9842
7447	Premiere Cleaning Services, Inc.	1525 N. Concord Street	South St. Paul	Minnesota	55075	651-306-9842
10644	Premiere Cleaning Services, Inc.	1525 N. Concord Street	South St. Paul	Minnesota	55075	651-306-9842
4035	VJ, Inc.	P.O. Box 234	Thief River Falls	Minnesota	56701	218-681-1070
7437	VJ, Inc.	P.O. Box 234	Thief River Falls	Minnesota	56701	218-681-1070
4045	St. Cloud Restoration, LLC	525 Progress Road	Waite Park	Minnesota	56387	320-252-4622
5131	St. Cloud Restoration, LLC	525 Progress Road	Waite Park	Minnesota	56387	320-252-4622

#	Entity Name	Address	City	State	Zip	Telephone
5182	St. Cloud Restoration, LLC	525 Progress Road	Waite Park	Minnesota	56387	320-252-4622
7554	St. Cloud Restoration, LLC	525 Progress Road	Waite Park	Minnesota	56387	320-252-4622
10701	St. Cloud Restoration, LLC	525 Progress Road	Waite Park	Minnesota	56387	320-252-4622
10703	St. Cloud Restoration, LLC	525 Progress Road	Waite Park	Minnesota	56387	320-252-4622
10821	WMD, LLC	3100 15th Street	Gulfport	Mississippi	39501	228-213-0230
2399	Warner, Inc.	1179 Old Brandon Road	Jackson	Mississippi	39232	601-936-8188
9931	Warner, Inc.	1179 Old Brandon Road	Jackson	Mississippi	39232	601-936-8188
2386	Robert L. Ponds	315 Bellevue Drive	Madison	Mississippi	39130	601-605-2382
10021	Duckworth McCoy Management, LLC	6200 I Street	Meridian	Mississippi	39307	601-483-4107
8731	Great South Management Inc.	6200 I Street	Meridian	Mississippi	39307	601-483-4107
9831	Montgomery Cleaning and Restoration, Inc.	382 Highway 30 East	Oxford	Mississippi	38655	662-236-7867
9832	Montgomery Cleaning and Restoration, Inc.	382 Highway 30 East	Oxford	Mississippi	38655	662-236-7867
9833	Montgomery Cleaning and Restoration, Inc.	382 Highway 30 East	Oxford	Mississippi	38655	662-236-7867
9834	Montgomery Cleaning and Restoration, Inc.	382 Highway 30 East	Oxford	Mississippi	38655	662-236-7867
9835	Montgomery Cleaning and Restoration, Inc.	382 Highway 30 East	Oxford	Mississippi	38655	662-236-7867
11340	David H. Lee Enterprises, Inc.	216 West 5th Street	Petal	Mississippi	39465	601-582-0101
10232	WMD, LLC	1430 Louisville Street	Starkville	Mississippi	39759	601-826-5926
9246	C & M Commercial Services, Inc.	1746 Cliff Gookin Boulevard	Tupelo	Mississippi	38801	662-842-5301
10269	C & M Commercial Services, Inc.	1746 Cliff Gookin Boulevard	Tupelo	Mississippi	38801	662-842-5301
2401	Mutter & Associates, Inc.	2223 Grove Street	Vicksburg	Mississippi	39183	601-636-5630
5546	CP Restoration, Inc.	731 North Scott	Belton	Missouri	64012	816-331-6456
6877	CP Restoration, Inc.	731 North Scott	Belton	Missouri	64012	816-331-6456
8326	CP Restoration, Inc.	731 North Scott	Belton	Missouri	64012	816-331-6456
8327	CP Restoration, Inc.	731 North Scott	Belton	Missouri	64012	816-331-6456
7387	Commercial Cleaning by Citchen, Inc.	3812 Hartack Court	Florissant	Missouri	63034	314-839-2211
4142	ServiceMaster Original Maintenance Services, Inc.	3772 Greenmoor Gardens Court	Florissant	Missouri	63034	314-890-0033
1531	Gerald D. Graham	P.O Box 449	Higginsville	Missouri	64037	660-584-7534
10778	BRKC, LLC	2915 Sandtrip Dr.	O'Fallon	Missouri	63368	314-862-4010
10779	BRKC, LLC	2915 Sandtrip Dr.	O'Fallon	Missouri	63368	314-862-4010

#	Entity Name	Address	City	State	Zip	Telephone
10780	BRKC, LLC	2915 Sandtrip Dr.	O'Fallon	Missouri	63368	314-862-4010
6968	DSI Holdings Corporation	2800 NW Platte Road	Riverside	Missouri	64150	800-954-9444
7690	DSI Holdings Corporation	6537 W. Independence Drive	Springfield	Missouri	65802	800-954-9444
7692	DSI Holdings Corporation	6537 W. Independence Drive	Springfield	Missouri	65802	800-954-9444
7861	DSI Holdings Corporation	6537 W. Independence Drive	Springfield	Missouri	65802	800-954-9444
5036	N.A.C.K., Inc.	2221 W. Battlefield Road Unit 9	Springfield	Missouri	65807	417-818-1020
6073	N.A.C.K., Inc.	2221 W. Battlefield Road Unit 9	Springfield	Missouri	65807	417-818-1020
9937	All Purpose Cleaning, Inc.	2400 River Drive North	Great Falls	Montana	59401	406-761-0032
11410	Helena Commercial Cleaning Services LLC	503 Wilkinson	Helena	Montana	59601	406-226-8212
6024	Dale Motley and Debra Sue Motley	2150 Highway 35	Kalispell	Montana	59901	406-752-4511
10999	JDS Moline, Inc.	2021 Lee Ave	Bismarck	ND	58501	701-204-6276
9056	Shevlin Family Enterprises, LLC	2104 13th Street	Columbus	Nebraska	68601	402-564-9192
7256	B & H Services, Inc.	702 North Adams	Lexington	Nebraska	68850	308-324-3072
7257	B & H Services, Inc.	702 North Adams	Lexington	Nebraska	68850	308-324-3072
8300	Paolini & Company, Inc.	2626 O Street	Lincoln	Nebraska	68506-0488	402-476-2194
11096	D & A Cleaners, Inc.	1118 Riverside Blvd	Norfolk	Nebraska	68701	402-379-0357
9035	Stemm Resources, Inc.	5008 S 110th Street	Omaha	Nebraska	68137	402-697-9818
2684	Manley Enterprises, Inc.	1905 A Street	South Sioux City	Nebraska	68776	800 577-3188
2724	Manley Enterprises, Inc.	1905 A Street	South Sioux City	Nebraska	68776	800 577-3188
9334	Top Shelf Building Maintenance LLC	213 N. Stephanie Street #G-240	Henderson	Nevada	89074	702-944-4804
3817	MT Investments, Inc.	4948 E. Tropicana Avenue	Las Vegas	Nevada	89121	702-436-4421
4538	Talarico Building Services, Inc.	73 Coolidge Avenue	Bellmawr	New Jersey	08031	856-931-3300
2055	Talarico Building Services, Inc.	73 Coolidge Avenue	Bellmawr	New Jersey	08031	856-931-3300
4378	Talarico Building Services, Inc.	73 Coolidge Avenue	Bellmawr	New Jersey	08031	856-931-3300
10073	Talarico Building Services, Inc.	73 Coolidge Avenue	Bellmawr	New Jersey	08031	856-931-3300
10847	Talarico Building Services, Inc.	73 Coolidge Avenue	Bellmawr	New Jersey	08031	856-931-3300
10848	Talarico Building Services, Inc.	73 Coolidge Avenue	Bellmawr	New Jersey	08031	856-931-3300
11201	Talarico Building Services, Inc.	73 Coolidge Avenue	Bellmawr	New Jersey	08031	856-931-3300

#	Entity Name	Address	City	State	Zip	Telephone
8491	Absolute Commercial Cleaning, LLC	70 Ambar Place	Bernardsville	New Jersey	07924	908-399-9442
8499	Cathie Sabtino Stefan	40 Cranberry Lane	Delran	New Jersey	08075	609-877-9666
8488	Janitorial By Nate, LLC	13 Brielle Avenue	Egg Harbor Township	New Jersey	08234	800-233-8689
8943	Janitorial By Nate, LLC	13 Brielle Avenue	Egg Harbor Township	New Jersey	08234	800-233-8689
11422	C.A Multicargo Corp.	TBD	Egg Harbor Twp	New Jersey	08234	9176403521
6813	A & Q Professional Service Inc.	24 John Street	Haledon	New Jersey	07508	973-942-7711
6913	A & Q Professional Service Inc.	24 John Street	Haledon	New Jersey	07508	973-942-7711
6924	A & Q Professional Service Inc.	24 John Street	Haledon	New Jersey	07508	973-942-7711
6998	A & Q Professional Service Inc.	24 John Street	Haledon	New Jersey	07508	973-942-7711
7305	A & Q Professional Service Inc.	24 John Street	Haledon	New Jersey	07508	973-942-7711
8202	A & Q Professional Service Inc.	24 John Street	Haledon	New Jersey	07508	973-942-7711
10709	T & D Janitorial, LLC	204 Valley Rd.	Neptune	New Jersey	07753	732-375-1230
10341	Alliance Commercial Cleaning Inc.	7905 Browning Road Suite 100	Pennsauken	New Jersey	08110	856-521-9111
10343	Alliance Commercial Cleaning Inc.	7905 Browning Road Suite 100	Pennsauken	New Jersey	08110	856-521-9111
10346	Alliance Commercial Cleaning Inc.	7905 Browning Road Suite 100	Pennsauken	New Jersey	08110	856-521-9111
11091	Tri-State Clean & Restoration LLC	188 Route 628	Wantage	New Jersey	07461	973-875-6700
10619	SRSNM, LLC.	2416 Candelaria Road NE	Albuquerque	New Mexico	87107-2037	505-821-5500
10620	SRSNM, LLC.	2416 Candelaria Road NE	Albuquerque	New Mexico	87107-2037	505-821-5500
10621	SRSNM, LLC.	2416 Candelaria Road NE	Albuquerque	New Mexico	87107-2037	505-821-5500
10622	SRSNM, LLC.	2416 Candelaria Road NE	Albuquerque	New Mexico	87107-2037	505-821-5500
10623	SRSNM, LLC.	2416 Candelaria Road NE	Albuquerque	New Mexico	87107-2037	505-821-5500
8010	RMR, Inc.	850 S. Hill Road	Bernalillo	New Mexico	87004	505-880-1233
10782	Corner2Corner Cleaning Services, LLC	12009 231st St.	Cambria Heights	New York	11411	917-754-3915
10650	Dolce Professional Cleaning LLC	114-59 211th St.	Cambria Heights	New York	11411	347-988-7357
11131	Happy2Assist LLC	2579 Kennedy Lane Road	Canastota	New York	13032	315-225-7010
9886	All Pride LLC	1649 Columbia Turnpike Suite 341	East Schodack	New York	12063	518-813-5454

#	Entity Name	Address	City	State	Zip	Telephone
4490	Disaster Restoration Recovery, Inc.	243 Old Ithaca Road	Horseheads	New York	14845	607-739-7236
4492	Disaster Restoration Recovery, Inc.	243 Old Ithaca Road	Horseheads	New York	14845	607-739-7236
11234	Sunflower Solutions LLC	1901 Military Road	Kenmore	New York	14217	716-634-7454
2661	ONAGAP, Inc.	38 Chapel Street	Mount Morris	New York	14510	585-658-4704
5282	Burch Family Enterprises, Inc.	13 Railroad Street	Otego	New York	13825	607-334-6564
7528	Hawk's Specialty Cleaning Services, Inc.	875 Atlantic Avenue Suite B	Rochester	New York	14609	585-325-4120
10265	Hawk's Specialty Cleaning Services, Inc.	875 Atlantic Avenue Suite B	Rochester	New York	14609	585-325-4120
10464	Commercial Janitorial Services, LLC	133 Tarleton Circle	Boone	North Carolina	28607	828-719-0816
6276	DSI Holdings Corporation	3909 Miriam Drive	Charlotte	North Carolina	28205	704-527-1151
8684	TSJAC, LLC	4107 Rose Lake Drive Ste. H	Charlotte	North Carolina	28217	704-588-8980
10817	Commercial Building Services of Northwest North Carolina, LLC	231 Michael Dr.	Dobson	North Carolina	27017	336-713-1317
9494	BellPham, LLC	4900 NC Hwy 55 Suite 160-163	Durham	North Carolina	27713	919-324-1643
6550	MOTH Corporation	1445 Old Highway 17 South	Elizabeth City	North Carolina	27909	252-331-1331
3228	DMKD, Inc.	2606 Phoenix Drive Suite #610	Greensboro	North Carolina	27406	336-299-9441
4508	DMKD, Inc.	2606 Phoenix Drive Suite #610	Greensboro	North Carolina	27406	336-299-9441
1839	Maran, Inc.	811 Rhodes Avenue	Kings Mountain	North Carolina	28086-	734-355-3100
7177	Simko, Inc.	811 Rhodes Avenue	Kings Mountain	North Carolina	28086-	734-355-3100
7004	Clark Service Corporation	8820 Gulf Court Suite A	Raleigh	North Carolina	27617	877-744-0325
4777	R.W. Daniels Enterprises, Inc.	2736 Rowland Road	Raleigh	North Carolina	27615	919-981-6553
8346	R.W. Daniels Enterprises, Inc.	2736 Rowland Road	Raleigh	North Carolina	27615	919-981-6553
9384	R.W. Daniels Enterprises, Inc.	2736 Rowland Road	Raleigh	North Carolina	27615	919-981-6553
8349	On Call Cleaning, LLC	107 West Main Street	Sanford	North Carolina	27332	919-294-8941
10555	On Call Cleaning, LLC	107 West Main Street	Sanford	North Carolina	27332	919-294-8941
10600	On Call Cleaning, LLC	107 West Main Street	Sanford	North Carolina	27332	919-294-8941
8473	Cape Fear Janitorial LLC	1612 Harbour Drive	Wilmington	North Carolina	28401	910-343-0990
9363	Cape Fear Janitorial LLC	1612 Harbour Drive	Wilmington	North Carolina	28401	910-343-0990
10870	Commercial Janitorial Services, LLC	3935 West Point Blvd Suite 111	Winston Salem	North Carolina	27103	828-719-0816

#	Entity Name	Address	City	State	Zip	Telephone
5562	Scott Hawley	424 3rd Street South	Devils Lake	North Dakota	58301	701-662-3456
7039	TRI-JD, INC.	116 7th Avenue Southeast	Jamestown	North Dakota	58401	701-252-5504
4528	LDL Clean, Inc.	2500 20th Avenue SE Suite 12	Minot	North Dakota	58701-	701-839-2239
4067	Danco, Inc.	211 2nd Street NE	Valley City	North Dakota	58072	701-845-4959
8058	Danco, Inc.	211 2nd Street NE	Valley City	North Dakota	58072	701-845-4959
8258	JDS Moline, Inc.	2210 Shiloh Street Unit C	West Fargo	North Dakota	58078	701-478-9968
9989	JDS Moline, Inc.	2210 Shiloh Street Unit C	West Fargo	North Dakota	58078	701-478-9968
9990	JDS Moline, Inc.	2210 Shiloh Street Unit C	West Fargo	North Dakota	58078	701-478-9968
11098	JK Premier Services, Inc	416 Mt. Pleasant Ave	Lancaster	OH	43130	614-327-3584
11099	JK Premier Services, Inc	416 Mt. Pleasant Ave	Lancaster	OH	43130	614-327-3584
11100	JK Premier Services, Inc	416 Mt. Pleasant Ave	Lancaster	OH	43130	614-327-3584
11101	JK Premier Services, Inc	416 Mt. Pleasant Ave	Lancaster	OH	43130	614-327-3584
4469	Xeno Entro, Inc.	P.O Box 2826	Ashtabula	Ohio	44005	440-964-3353
3934	Robert L. Froehlich	89A Columbus Road	Athens	Ohio	45701	740-592-2826
11360	Circle of Contractors, LLC	2000 Auburn Dr.	Beachwood	Ohio	44122	216-272-0040
10136	TRK Investments Montgomery, LLC	1310 Research Park Drive	Beavercreek	Ohio	45432	937-331-9755
10137	TRK Investments Hamilton, LLC	3045 Williams Creek Drive	Cincinnati	Ohio	45244	513-885-1712
7905	Davis Professional Services, LLC	1306 East 55th Street	Cleveland	Ohio	44103	216-595-1750
8156	Davis Professional Services, LLC	1306 East 55th Street	Cleveland	Ohio	44103	216-595-1750
9867	Davis Professional Services, LLC	1306 East 55th Street	Cleveland	Ohio	44103	216-595-1750
6878	Integrity Concepts LLC, Inc.	3500 Millikin Court	Columbus	Ohio	43228	614-529-8332
10652	Integrity Concepts LLC, Inc.	3500 Millikin Court	Columbus	Ohio	43228	614-529-8332
10837	Michael Braun	470 Keyser Pkwy	Cuyahoga Falls	Ohio	44223	330-936-3909
2872	Fort Defiance ServiceMaster, Inc.	1255 Carpenter Road	Defiance	Ohio	43512	800-466-5570
7548	Fort Defiance ServiceMaster, Inc.	1255 Carpenter Road	Defiance	Ohio	43512	800-466-5570
8895	Demart Building Services, Inc.	5955 Wilcox Pl. Suite B	Dublin	Ohio	43016	614-633-9288
10592	ServiceMaster By Staten, Inc.	589 Amity Road	Galloway	Ohio	43119	614-870-8834
10593	ServiceMaster By Staten, Inc.	589 Amity Road	Galloway	Ohio	43119	614-870-8834

#	Entity Name	Address	City	State	Zip	Telephone
8663	ServiceMaster By Sidwell, Inc.	430 E. Mulberry Street	Lancaster	Ohio	43130	740-687-1077
11415	Fort Defiance ServiceMaster, Inc.	2150 Baty Road	Lima	Ohio	45807	419-784-5570
10318	Anthony Gene Carter	10651 Fallis Road	Loveland	Ohio	45140	513-617-9116
9277	Rick A. Sandlin	644 Lazenby Road	Midland	Ohio	45148	513-932-8003
6365	Park-Ellis ServiceMaster Cleaning Company	6935 Mc Nerney Dr.	Northwood	Ohio	43619	419-841-5575
10753	Christine Hites	27264 Emerald Oval N	Olmsted Township	Ohio	44138	440-221-2128
10215	Oklahoma Hi-Tech, Inc.	19116 Highway 1E	Ada	Oklahoma	74820	580-795-3448
4692	Dale R. Montgomery	17400 Wain Bridge Avenue	Edmond	Oklahoma	73012	405-330-5444
10794	AAAG LLC	5700 North Bryant #A104	Oklahoma City	Oklahoma	73121	405-216-8000
11364	AAAG LLC	5700 North Bryant #A104	Oklahoma City	Oklahoma	73121	405-216-8000
9098	BMD Management, LLC	168 Old Highway 99 South	Seminole	Oklahoma	74868	405-395-9890
4195	Allpro Cleaning Service, Inc.	10838 E Newton Place	Tulsa	Oklahoma	74116	918-745-0669
1716	Crandall Enterprises, Inc.	4022 E Commercial Way SE	Albany	Oregon	97322	541-757-0888
1721	Crandall Enterprises, Inc.	4022 E Commercial Way SE	Albany	Oregon	97322	541-757-0888
1706	Terrell Enterprises, Inc.	15790 South East Piazza Suite 102	Clackamas	Oregon	97015	503-285-5221
7865	Terrell Enterprises, Inc.	15790 South East Piazza Suite 102	Clackamas	Oregon	97015	503-285-5221
10145	Terrell Enterprises, Inc.	15790 South East Piazza Suite 102	Clackamas	Oregon	97015	503-285-5221
9296	Terrell Enterprises, Inc.	15790 South East Piazza Suite 102	Clackamas	Oregon	97015	503-285-5221
7388	Winston Enterprise, Inc.	1243 W 7th Avenue	Eugene	Oregon	97402	541-338-0101
9478	Mike Colahan	853 S. Alameda Avenue	Klamath Falls	Oregon	97603	541-884-4743
8303	ServiceMaster C/S of Klamath Falls	853 S. Alameda Avenue	Klamath Falls	Oregon	97603	541-884-4743
1675	Kann Enterprises, Inc.	1016 N.E. 61st Avenue	Portland	Oregon	97213	503-249-1933
1679	Kann Enterprises, Inc.	1016 N.E. 61st Avenue	Portland	Oregon	97213	503-249-1933
6200	Kann Enterprises, Inc.	1016 N.E. 61st Avenue	Portland	Oregon	97213	503-249-1933
7749	Kann Enterprises, Inc.	1016 N.E. 61st Avenue	Portland	Oregon	97213	503-249-1933
6075	WeCleanTheNorthwest, Inc.	315 SE Jackson Street	Redmond	Oregon	97756	541-389-3003
2432	Round The Clock Services, Inc.	2320 Brodhead Road	Bethlehem	Pennsylvania	18020	610-868-7900
11455	Round The Clock Services, Inc.	2320 Brodhead Road	Bethlehem	Pennsylvania	18020	610-868-7900

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2102	Bernard D. Smigovsky and Diane C. Smigovsky, LLC	91 Vesta #7 Road	Brownsville	Pennsylvania	15417	724-785-9378
10881	Jaime Herbst	2320 Tower Dr.	Dover	Pennsylvania	17315	717-308-0001
10882	Jaime Herbst	2320 Tower Dr.	Dover	Pennsylvania	17315	717-308-0001
10884	Jaime Herbst	2320 Tower Dr.	Dover	Pennsylvania	17315	717-308-0001
11228	FGT Enterprises, LLC	3431 Colonial Drive	Duncansville	Pennsylvania	16635	412-372-7771
2418	Treeline Enterprises, Inc.	933 Chestnut Street	Emmaus	Pennsylvania	18049	610-965-6058
2427	Treeline Enterprises, Inc.	933 Chestnut Street	Emmaus	Pennsylvania	18049	610-965-6058
11120	Pro Clean Unlimited Inc	2962 West 22nd Street	Erie	Pennsylvania	16506	814-455-2033
10328	Pro Clean Unlimited, Inc.	2962 West 22nd Street	Erie	Pennsylvania	16506	814-455-2033
2058	R.J.C., Inc.	623 Jeffers Circle	Exton	Pennsylvania	19341	610-363-5766
5429	R.J.C., Inc.	623 Jeffers Circle	Exton	Pennsylvania	19341	610-363-5766
8186	All-Service Building Maintenance, Inc.	6055 Deerfield Drive	Fairview	Pennsylvania	16415	814-825-6040
8497	J & A Maintenance Services, Inc.	5913 Linglestown Road	Harrisburg	Pennsylvania	17112	717-541-0618
5411	Rachelle Cooper	17 N. 3rd Street Suite #3	Indiana	Pennsylvania	15701	724-465-7008
10275	Rachelle Cooper	17 N. 3rd Street Suite #3	Indiana	Pennsylvania	15701	724-465-7008
2107	Stiffey Enterprises Limited Partnership	2887 Radebaugh Road	Jeannette	Pennsylvania	15644	724-834-8889
2085	Modern Building Maintenance Services, Inc.	418 Constitution Boulevard	New Brighton	Pennsylvania	15066	724-728-8893
9005	JS Associated Services, Inc.	745 Allegheny Avenue	Oakmont	Pennsylvania	15139	412-242-4815
9006	JS Associated Services, Inc.	745 Allegheny Avenue	Oakmont	Pennsylvania	15139	412-242-4815
9007	JS Associated Services, Inc.	745 Allegheny Avenue	Oakmont	Pennsylvania	15139	412-242-4815
2054	Covenant Cleaning, Inc.	4455 North 6th Street Suite 200	Philadelphia	Pennsylvania	19140	215-324-4500
4840	Covenant Management Systems, Inc.	4455 North 6th Street Suite 200	Philadelphia	Pennsylvania	19140	215-324-4500
8234	ServiceMaster Omega Restoration	4455 North 6th Street Suite 200	Philadelphia	Pennsylvania	19140	215-324-4500
2087	Cleaning Services Corporation	1330 Wall Avenue	Pitcairn	Pennsylvania	15140	412-372-7771
3729	Randon E. Bell and Cynthia L. Bell	1328 Rehobeth Road	Strattanville	Pennsylvania	16258	814-764-3232
3730	Randon E. Bell and Cynthia L. Bell	1328 Rehobeth Road	Strattanville	Pennsylvania	16258	814-764-3232
8740	Robert Slepsky Sr. Enterprises LLC	300 Wall Avenue	Wilmerding	Pennsylvania	15148	412-856-8626
8756	Danco Inc.	25 South Main Street	Yardley	Pennsylvania	19047	267-393-1200

#	Entity Name	Address	City	State	Zip	Telephone
11314	P F & H, Inc.	3228 Industry Drive	Charleston	South Carolina	29418	843-760-0404
7252	ServiceMaster Advanced Cleaning LLC	7634 Southrail Road Suite 304	Charleston	South Carolina	29420	605-280-0427
8670	Weeks Service, Inc.	2800 Bush River Road Suite 8	Columbia	South Carolina	29210	803-561-1384
2868	C. F. NOBLITT, INC.	1601 Cedar Lane Road Unit 6 Center West Shopping Center	Greenville	South Carolina	29617	864-246-8441
4370	Persel, L.L.C.	3001 N Kings Highway #230	Myrtle Beach	South Carolina	29577	843-903-3737
2870	George B. McBride, Sr.	228 John B White Sr. Blvd	Spartanburg	South Carolina	29306	864-488-0071
8400	Jennifer and William Monroe	380 Wingo Heights Road Suite 7A PO Box 171026	Spartanburg	South Carolina	29303	864-574-1195
10484	Monroe LLC	380 Wingo Heights Road Suite 7A PO Box 171026	Spartanburg	South Carolina	29303	864-574-1195
10554	Doing It Right Together (D.I.R.T.), LLC	317 West Highway 14/34	Ft. Pierre	South Dakota	57532	605-224-9919
6594	JIM Enterprises of Sioux Falls, Inc.	623 South Lyons Avenue Suite 100	Sioux Falls	South Dakota	57106	605-335-1200
10755	Yankton Cleaning and Restoration, LLC	2510 9th Ave SW	Waterton	South Dakota	57201	605-665-7080
11005	Black Hills Cleaning and Restoration, LLC	PO Box 331	Watertown	South Dakota	57201	605-886-6006
10984	Prins Cleaning and Restoration, LLC	PO Box 331	Watertown	South Dakota	57201	605-886-6006
4218	ServiceMaster Building Maintenance Contracts, Inc.	2121 McCallie Avenue	Chattanooga	Tennessee	37404	423-622-0445
4225	ServiceMaster Building Maintenance Contracts, Inc.	2121 McCallie Avenue	Chattanooga	Tennessee	37404	423-622-0445
4226	ServiceMaster Building Maintenance Contracts, Inc.	2121 McCallie Avenue	Chattanooga	Tennessee	37404	423-622-0445
9668	Commercial Cleaning by J.A.M., Inc.	919 Conference Drive Suite 4 #321	Goodlettsville	Tennessee	37072	888-747-5010
6596	Richard & Melony Ogan	201 Free Hill Road	Gray	Tennessee	37615	423-467-0800
11388	CU ServiceMaster, LLC	201 Molly Walton Drive #A	Hendersonville	Tennessee	37075	217-493-6431
2482	Edwards Enterprises of Kingsport, Inc.	1413 High Ridge Drive	Kingsport	Tennessee	37664	423-288-6234
6028	Edwards Enterprises of Kingsport, Inc.	1413 High Ridge Drive	Kingsport	Tennessee	37664	423-288-6234
6964	Edwards Enterprises of Kingsport, Inc.	1413 High Ridge Drive	Kingsport	Tennessee	37664	423-288-6234
5761	KND Enterprises, Inc.	250 Rutledge Road	Kingsport	Tennessee	37663	423-279-0479
2480	J.T. of Knoxville, Inc.	6634 Central Avenue Pike Suite 108	Knoxville	Tennessee	37912	865-281-0220
9904	Merk Elite Services, Inc.	448 N. Cedar Bluff Road Suite 315	Knoxville	Tennessee	37923	865-323-7005

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11158	Paragon Clean, LLC	1019 Mays Glade Dr.	Lakeland	Tennessee	38002	901-218-5978
11315	C & C Facility Services, LLC	307 Madison Ave	Memphis	Tennessee	38103	901-683-0064
10699	Commercial Cleaning by J.A.M., Inc.	4056 Homewood Drive Suite 1	Memphis	Tennessee	38118	888-747-5010
8638	Complete Facilities Maintenance Inc.	4395 South Mendenhall	Memphis	Tennessee	38141-6714	901-795-5515
8776	Complete Facilities Maintenance Inc.	4395 South Mendenhall	Memphis	Tennessee	38141-6714	901-795-5515
8881	Complete Facilities Maintenance Inc.	4395 South Mendenhall	Memphis	Tennessee	38141-6714	901-795-5515
9360	Complete Facilities Maintenance Inc.	4395 South Mendenhall	Memphis	Tennessee	38141-6714	901-795-5515
9361	Complete Facilities Maintenance Inc.	4395 South Mendenhall	Memphis	Tennessee	38141-6714	901-795-5515
7288	Complete Facilities Maintenance, Inc.	4395 South Mendenhall	Memphis	Tennessee	38141-6714	901-795-5515
8730	Complete Facilities Maintenance, Inc.	4395 South Mendenhall	Memphis	Tennessee	38141-6714	901-795-5515
9326	Complete Facilities Maintenance, Inc.	4395 South Mendenhall	Memphis	Tennessee	38141-6714	901-795-5515
9328	Complete Facilities Maintenance, Inc.	4395 South Mendenhall	Memphis	Tennessee	38141-6714	901-795-5515
9329	Complete Facilities Maintenance, Inc.	4395 South Mendenhall	Memphis	Tennessee	38141-6714	901-795-5515
2384	Stratos, Inc.	307 Madison Ave	Memphis	Tennessee	38103	901-683-0064
2412	Stratos, Inc.	307 Madison Ave	Memphis	Tennessee	38103	901-683-0064
2844	Stratos, Inc.	307 Madison Ave	Memphis	Tennessee	38103	901-683-0064
4842	Stratos, Inc.	307 Madison Ave	Memphis	Tennessee	38103	901-683-0064
5501	Stratos, Inc.	307 Madison Ave	Memphis	Tennessee	38103	901-683-0064
6432	Stratos, Inc.	307 Madison Ave	Memphis	Tennessee	38103	901-683-0064
7289	Ray Forge	4815 Keller Springs Road	Addison	Texas	75001	214-529-8756
10754	VLS Enterprises, LLC	1842 W Division St. Suite 103	Arlington	Texas	76012	214-603-8888
11332	VLS Enterprises, LLC	1842 W Division St. Suite 103	Arlington	Texas	76012	214-603-8888

#	Entity Name	Address	City	State	Zip	Telephone
7797	Jeffrey T. Kent	13359 N. Highway 183 Suite B 406 PMB #210	Austin	Texas	78750	512-518-0600
10691	Jeffrey T. Kent	13359 N. Highway 183 Suite B 406 PMB #210	Austin	Texas	78750	512-518-0600
11298	JSM Commercial Cleaning and Maintenance, LLC	13359 N. Highway 183 Suite B 406 PMB #210	Austin	Texas	78750	512-518-0600
11148	Kent Management Group Corporation	13359 N. Highway 183 Suite B 406 PMB #210	Austin	Texas	78750	512-518-0600
9844	G G Leavell Inc.	307 Poenisch Drive	Corpus Christi	Texas	78412	361-739-4261
10246	HCV Enterprises, LLC	648 Milton Henry	El Paso	Texas	79932	915-701-2180
2360	Disaster Restoration Services by Gilmer, LLC	3126 National Circle	Garland	Texas	75041	972-840-8888
2369	Disaster Restoration Services by Gilmer, LLC	3126 National Circle	Garland	Texas	75041	972-840-8888
9568	Michael A. Cortez	1327 E. Washington Avenue #230	Harrington	Texas	78550	956-893-1964
9765	Industrial Cleaning Pros, Inc.	8500 Commerce Park Drive	Houston	Texas	77036	713-360-7478
9826	Industrial Cleaning Pros, Inc.	8500 Commerce Park Drive	Houston	Texas	77036	713-360-7478
11300	North-West Balsam Company, LLC	14507 Telfair Ct	Houston	Texas	77084	281-546-6433
10254	TGG Corporation	11757 Katy Freeway Suite 1300	Houston	Texas	77079	281-242-3241
10331	VantEdge Disaster Group LLC	115 W Front St.	Hutto	Texas	78634	512-646-2135
11108	VantEdge Disaster Group LLC	115 W Front St.	Hutto	Texas	78634	512-646-2135
9850	VantEdge Disaster Group LLC	32014 Tamina	Magnolia	Texas	77354	832-460-5535
11173	Industrial Cleaning Pros, Inc.	705 W Wadley Ave Suite 210	Midland	Texas	79705	281.574.5637
10838	Enviro Commercial Cleaning Provider, LLC	5205 Broadway Ste. #188	Pearland	Texas	77551	832-978-1481
8780	David E Solsberry	3415 Custer Road Suite 185	Plano	Texas	75023	972-618-5223
9699	VB Quality Solutions, LLC	5720 Bozeman Drive #11521	Plano	Texas	75024	945-338-9370
10616	VB Quality Solutions, LLC	5720 Bozeman Drive #11521	Plano	Texas	75024	945-338-9370
11393	VB Quality Solutions, LLC	5720 Bozeman Drive #11521	Plano	Texas	75024	945-338-9370
11227	Dogwood Services, LLC	12440 State Hwy 155	Tyler	Texas	75703	(903) 279-7930
5474	KBSR, Inc.	2221 WSW Loop 323 Suite. F	Tyler	Texas	75701	903-509-4390
8715	KBSR, Inc.	2221 WSW Loop 323 Suite. F	Tyler	Texas	75701	903-509-4390
8716	KBSR, Inc.	2221 WSW Loop 323 Suite. F	Tyler	Texas	75701	903-509-4390

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9707	CST Restoration, LLC	7940 Seymour Hwy.	Wichita Falls	Texas	76310	940-723-4722
3774	Fairbanks Investment Company	2550 South 2570 West	West Valley City	Utah	84119	801-506-0027
5556	Fairbanks Investment Company	2550 South 2570 West	West Valley City	Utah	84119	801-506-0027
6490	Zaatar Services, Inc.	2160B Berkmar Drive Suite A	Charlottesville	Virginia	22901	434-979-7762
7188	Zaatar Services, Inc.	2160B Berkmar Drive Suite A	Charlottesville	Virginia	22901	434-979-7762
9403	SLL, Inc.	126 Woodside Drive Suite B	Danville	Virginia	24540	434-835-0212
5261	HKL, Inc.	510 North Main Street	Franklin	Virginia	23851	757-569-1777
10947	Commercial Cleaning of Fredericksburg, LLC	129 Industrial DR. Suite C	Fredericksburg	Virginia	22408	804-239-2311
8164	Teachey, Inc.	503 Old Plantation Rd. Suite 205	Lynchburg	Virginia	24502	252-331-1331
9819	Teachey, Inc.	503 Old Plantation Rd. Suite 205	Lynchburg	Virginia	24502	252-331-1331
7896	Peninsula Commercial Services, Inc.	12672 Patrick Henry Drive	Newport News	Virginia	23602	757-867-6670
8504	Peninsula Commercial Services, Inc.	12672 Patrick Henry Drive	Newport News	Virginia	23602	757-867-6670
8562	Peninsula Commercial Services, Inc.	12672 Patrick Henry Drive	Newport News	Virginia	23602	757-867-6670
10651	Peninsula Commercial Services, Inc.	12672 Patrick Henry Drive	Newport News	Virginia	23602	757-867-6670
11000	Thompson Services, Inc.	6580 Valley Center Drive	Radford	Virginia	24141	540-641-1104
11001	Thompson Services, Inc.	6580 Valley Center Drive	Radford	Virginia	24141	540-641-1104
11277	BNBL II, Inc.	2109 N. Hamilton St. Suite C	Richmond	Virginia	23230	804-840-2320
11278	BNBL II, Inc.	2109 N. Hamilton St. Suite C	Richmond	Virginia	23230	804-840-2320
6092	Leo & Mar Services, Inc.	7941-L2 Angus Court	Springfield	Virginia	22153	703-913-2300
11478	Milstead Services Company, Inc.	252 LaGrange Industrial Drive	Tappahannock	Virginia	22560	804-443-2687
10775	Eida Cristina Salas	2320 Malraux Drive	Vienna	Virginia	22182	508-381-9813
10351	World Class Cleaning LLC	421 South Lynnhaven Rd. Suite 102	Virginia Beach	Virginia	23452	757-578-2560
5911	Williams Maintenance of Winchester, Inc.	326 Independence Drive	Winchester	Virginia	22602	540-545-7837
7189	Williams Maintenance of Winchester, Inc.	326 Independence Drive	Winchester	Virginia	22602	540-545-7837
8747	Williams Maintenance of Winchester, Inc.	326 Independence Drive	Winchester	Virginia	22602	540-545-7837
2275	Jay S. Kelley, LLC	2615 W. Casino Road 1E	Everett	Washington	98204	425-347-3926
2278	Jay S. Kelley, LLC	2615 W. Casino Road 1E	Everett	Washington	98204	425-347-3926
11093	Jay S. Kelley, LLC	2615 W. Casino Road 1E	Everett	Washington	98204	425-347-3926
7212	Foundation Praise Services, Inc.	8300 28th Ct. NE	Lacey	Washington	98516	360-951-1135

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11452	GLPK LLC	7403 43rd Ave NE	Marysville	Washington	98270	425-773-9353
2324	JC Services, Inc.	8661 154th Avenue NE Ste 140	Redmond	Washington	98052	425-867-5035
7104	Scott & Co. On the Job, Inc.	22917 N. E. 16th Pl	Sammamish	Washington	98074	206-368-4034
10787	RBD Construction and Restoration, LLC	1240 Industrial Way	Union Gap	Washington	98903	509-452-8906
10880	RBD Construction and Restoration, LLC	1240 Industrial Way	Union Gap	Washington	98903	509-452-8906
10696	Fern Bros LLC	3724 Olympic Blvd	University Place	Washington	98466	206-601-7184
11369	SMBYSPARKLETEAM, LLC	2818 SE Bella Vista Rd	Vancouver	Washington	98683	360-624-7837
2301	L & M Services, Inc.	21220 87th Ave SE	Woodinville	Washington	98072	800-767-2332
7451	Snomish Restoration Services, LLC	21220 87th Ave SE	Woodinville	Washington	98072	800-767-2332
7983	SBB Disaster Cleaning & Restoration, LLC	10477 Williamsport Pike	Falling Waters	West Virginia	25419	304-262-2600
7984	SBB Disaster Cleaning & Restoration, LLC	10477 Williamsport Pike	Falling Waters	West Virginia	25419	304-262-2600
2255	S & M Services Plus, Inc.	401 7th Avenue	Huntington	West Virginia	25701	304-529-7378
8451	S & M Services Plus, Inc.	401 7th Avenue	Huntington	West Virginia	25701	304-529-7378
5860	Jacobson Entities, Inc.	716 Beartrap Lane	Amery	Wisconsin	54001	715-821-7716
10717	Drexler Enterprises, LLC	8791 County Rd V	Chili	Wisconsin	54420	715-743-7007
7784	Triple R Business Services, LLC	171 5th Avenue	Clayton	Wisconsin	54004	715-231-3200
8675	Triple R Business Services, LLC	171 5th Avenue	Clayton	Wisconsin	54004	715-231-3200
3837	Team Clean, Inc.	353 Pioneer Road	Fond du Lac	Wisconsin	54935	920-923-0652
8890	Team Clean, Inc.	353 Pioneer Road	Fond du Lac	Wisconsin	54935	920-923-0652
7095	Team Clean, Inc.	N115 W18950 Edison Drive Unit C	Germantown	Wisconsin	53022	262-334-7677
8669	Team Clean, Inc.	N115 W18950 Edison Drive Unit C	Germantown	Wisconsin	53022	262-334-7677
5088	Daniel Renier	1560 Van Road	Green Bay	Wisconsin	54311	920-494-8287
7735	The RM Calnavez Company	209 E Milwaukee Street	Janesville	Wisconsin	53545	608-755-9570
9112	Jose Vasquez	2122 22nd Street	Kenosha	Wisconsin	53140	224-730-1555
8353	ServiceMaster Facility Management	2122 22nd Street	Kenosha	Wisconsin	53140	224-730-1555
8925	JKS of Wisconsin, Inc.	2522 Fish Hatchery Road Suite 100	Madison	Wisconsin	53713	608-256-2129
8926	JKS of Wisconsin, Inc.	2522 Fish Hatchery Road Suite 100	Madison	Wisconsin	53713	608-256-2129
8927	JKS of Wisconsin, Inc.	2522 Fish Hatchery Road Suite 100	Madison	Wisconsin	53713	608-256-2129
8928	JKS of Wisconsin, Inc.	2522 Fish Hatchery Road Suite 100	Madison	Wisconsin	53713	608-256-2129

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5625	Vik Enterprises, Corp.	3410 Dewey Street	Manitowoc	Wisconsin	54221	920-683-3885
1442	J & K of La Crosse Inc.	600 2nd Avenue S	Onalaska	Wisconsin	54650	608-783-6161
5174	J & K of LaCrosse, Inc.	600 2nd Avenue S	Onalaska	Wisconsin	54650	608-783-6161
10841	H&A Cleaning, Inc.	3323 N 13th Street	Sheboygan	Wisconsin	53083	920-208-9994
10573	Genesis Nexus, LLC	2519 N. 28th Street	Superior	Wisconsin	54880	218-727-8373
10643	Genesis Nexus, LLC	2519 N. 28th Street	Superior	Wisconsin	54880	218-727-8373
11376	Genesis Nexus, LLC	2519 N. 28th Street	Superior	Wisconsin	54880	218-727-8373
6681	Professional Building Maintenance Services, LLC	N16W22033 Jericho Drive #7	Waukesha	Wisconsin	53186	262-781-5555
4905	Winterhoff Enterprises, Inc.	1014 Merrill Avenue	Wausau	Wisconsin	54401	715-849-5656
10044	Triple R Business Services, LLC	2331 Industrial St.	Wisconsin Rapids	Wisconsin	54494	715-421-4448
10048	Triple R Business Services, LLC	2331 Industrial St.	Wisconsin Rapids	Wisconsin	54494	715-421-4448

**Franchise Agreements Signed But Units Not Open**  
**(As of December 31, 2024)**

None

**Exhibit E to the FDD**

**LIST OF FORMER FRANCHISEES**

## **LIST OF FORMER FRANCHISEES**

(As of December 31, 2024)

### **Terminations, Non-Renewals, and Ceased Operations**

The following is a compilation of the name, and last known address, and telephone number of every franchisee who has had an outlet terminated, cancelled, not renewed, or otherwise voluntarily ceased to do business under the ServiceMaster Clean® Franchise Agreement(s) or who have not communicated with us within ten weeks of the issuance date.

<b># of Franchises</b>	<b>First Name</b>	<b>Last Name</b>	<b>City</b>	<b>State</b>	<b>Telephone</b>	<b>Category</b>
1	Chad	Greer	Foley	Alabama	251-709-1976	Terminated
1	Charles	Rich	Foley	Alabama	251-943-3899	Ceased Operations
2	Sam	Sharma	Santa Rosa	California	707-579-7979	Non-Renewal
1	Bryce	Beller	Indianapolis	Indiana	317-602-8070	Non-Renewal
1	Cathy	Andrews	Junction City	Kansas	785-238-4818	Ceased Operations
1	Robert	Ponds	Madison	Mississippi	601-605-2382	Ceased Operations
1	Edward	Acevedo	Lake St Louis	Missouri	630-995-0483	Terminated
1	Brett	Berryman	Great Falls	Montana	406-761-0032	Ceased Operations
1	Fred	Higginbotham	Westfield	New York	716-326-3474	Non-Renewal
1	Justin	Harrington	Delaware	Ohio	740-833-6455	Non-Renewal
1	Jon	Buckalew	Klamath Falls	Oregon	541-882-5049	Ceased Operations
1	Martin	Zupancic	Canonsburg	Pennsylvania	724-745-4980	Ceased Operations
1	Fred	Higginbotham	Erie	Pennsylvania	716-326-3474	Non-Renewal
1	Rhonda	Franklin	Collierville	Tennessee	901-649-0063	Ceased Operations
1	Bob	Llorente	League City	Texas	281-332-3900	Non-Renewal
1	Hope	Nester	Princeton	West Virginia	304-425-5714	Ceased Operations
1	Ed	Schroeder	Plymouth	Wisconsin	920-893-5518	Non-Renewal

## Transfers

The following is a list of every ServiceMaster Clean® franchise that was transferred in 2024:

# of Franchises	First Name	Last Name	City	State	Telephone / Email	Category
1	Rick	Harris	Springdale	Arkansas	479-756-1845	Transfer
1	Michel	Succar	Jacksonville	Florida	904-708-7838	Transfer
1	Carol	Bartolomucci	Tunnel Hill	Georgia	706-673-4965	Transfer
2	Jeff	Turner	Lafayette	Indiana	765-471-6000	Transfer
1	Randy	Harlow	Sioux Center	Iowa	712-722-4339	Transfer
1	Kevin	Nocktonick	Topeka	Kansas	785-862-9800	Transfer
2	Brian	Sampson	Louisville	Kentucky	502-261-1755	Transfer
1	David	Lee	Petal	Mississippi	601-582-0101	Transfer
1	Tom	Hoenigsberg	Helena	Montana	406-449-1337	Transfer
1	Mike	Kleman	Lima	Ohio	419-339-0871	Transfer
1	Todd	George	Lancaster	Ohio	740-687-1077	Transfer
1	Steve	Stamper	Clinton	Oklahoma	580-323-3391	Transfer
1	Karen	Heimbach	Nazareth	Pennsylvania	610-837-8111	Transfer
1	Brian	Sampson	Hendersonville	Tennessee	502-261-1755	Transfer
1	Mark	Milstead	Tappahannock	Virginia	804-443-2687	Transfer

Please note, if you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

## **Exhibit F to the FDD**

### **STATE ADDENDA TO DISCLOSURE DOCUMENT AND TO FRANCHISE AGREEMENT**

#### **ADDENDUM TO THE DISCLOSURE DOCUMENT FOR THE STATES OF**

**CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN,  
MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA,  
VIRGINIA, WASHINGTON, AND WISCONSIN**

The following provision applies only to franchisees and Franchised Businesses that are subject to the state franchise disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and/or Wisconsin:

No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the franchise.

**ADDENDUM TO THE DISCLOSURE DOCUMENT  
FOR THE STATE OF CALIFORNIA**

The following information applies to franchises and Franchisees subject to the California Franchise Investment Act. Item numbers correspond to those in the main body:

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

2. Item 3. Item 3 is amended to provide that neither we nor any other person identified in Item 2 is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

3. Item 17.

- A. The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.
- B. California Business & Professions Code Sections 20000 through 20043 provide rights to you concerning termination or nonrenewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.
- C. Section 31125 of the California Corporations Code requires us to give the Franchisee a disclosure document, in a form and containing such information as the Commissioner may by rule or order require, prior to a solicitation of a proposed material modification of an existing franchise.
- D. 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.).
- E. The Franchise Agreement requires you to sign a general release if you transfer your franchise. California Corporations Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).
- F. The Franchise Agreement requires application of the laws of the State of Georgia. This provision may not be enforceable under California law.

- G. The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.
- H. The Franchise Agreement requires binding arbitration to be conducted in the metropolitan area of our then-current principal place of business (currently, Atlanta, Georgia). You 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 a Franchise Agreement restricting venue to a forum outside the State of California.
- I. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF OUR WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT [www.dfpi.ca.gov](http://www.dfpi.ca.gov).

4. No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on behalf of us. This provision supersedes any other term of any document executed in connection with the franchise.

**ADDENDUM TO THE FRANCHISE AGREEMENT  
FOR THE STATE OF CALIFORNIA**

This Addendum relates to franchises sold in the state of California and is intended to comply with California statutes and regulations. In consideration of the execution of the Franchise Agreement (“Agreement”), the parties agree to amend the Agreement as follows:

The following paragraph shall be added as a new Section 13.7:

13.7 The 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.).

The following paragraphs shall be added as new Sections 14.13 and 14.14:

14.13 Sections 20000 through 20043 of the California Business and Professions Code provide rights to the franchisee concerning termination or non-renewal of a franchise. If the Agreement contains a provision that is inconsistent with the law, the law still controls.

14.14 The Agreement contains a covenant not to compete, which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

Section 15.3~~–~~ is amended by the addition of the following language at the end of the paragraph:

The Franchisee’s obligations stated in this Section 15.3 shall apply only where the fulfillment of such obligations would inherently call upon the Franchisee to disclose and/or use any portion of the Franchisor’s trade secrets or other confidential information. All other provisions of this agreement apply and will be fully enforced to the maximum extent permitted by law whether or not California law applies.

The following paragraph shall be added as new Section 24.1.3.1:

24.1.3.1 The Agreement requires binding arbitration. The arbitration will occur in the metropolitan area of the Franchisor’s then-current principal place of business (currently, Atlanta, Georgia) with the costs being borne by the non-prevailing party to the arbitration. 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 a franchise agreement restricting venue to a forum outside the State of California.

The following paragraph shall be added as Section 25.1:

25.1 The Agreement requires application of the laws of the State of Georgia. This provision may not be enforceable under California law.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Addendum to the Agreement on the same day and year that the Agreement has been executed.

SERVICEMASTER CLEAN/RESTORE SPE  
LLC:

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

## ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT FOR THE STATE OF HAWAII

The following information applies to franchises and Franchisees subject to the Hawaii statutes. Item numbers correspond to those in the main body:

1. Cover Page

Risk Factors:

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF SECURITIES OR A FINDING BY THE COMMISSIONER OF SECURITIES THAT THE INFORMATION PROVIDED HEREIN 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 THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.**

**THIS 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 THE FRANCHISOR AND THE FRANCHISEE.**

REGISTERED AGENT IN THE STATE AUTHORIZED TO RECEIVE SERVICE OF PROCESS: COMMISSIONER OF SECURITIES OF STATE OF HAWAII, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, 335 MERCHANT STREET, ROOM 203, HONOLULU, HAWAII 96813.

2. Item 17. The following paragraph is added to the end of Item 17 of the Franchise Disclosure Document:

No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

**ADDENDUM TO FRANCHISE AGREEMENT  
FOR THE STATE OF HAWAII**

In recognition of the requirement of the State of Hawaii, the parties to the attached ServiceMaster Clean/Restore SPE LLC Franchise Agreement (the "**Franchise Agreement**") agree as follows:

1        **BACKGROUND**. This Addendum is annexed to and forms part of the Franchise Agreement. This Addendum is being signed because (a) the Franchised Business that Franchisee will operate under the Franchise Agreement will be located in Hawaii, (b) any of the franchise offer or sales activity occurred in Hawaii, and/or (c) Franchisee is a resident of Hawaii.

2.        **ACKNOWLEDGEMENTS**. The acknowledgements in Section 27.3 of the Franchise Agreement are hereby deleted.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Addendum to the Franchise Agreement on the same day and year that the Franchise Agreement has been executed.

SERVICEMASTER CLEAN/RESTORE SPE  
LLC:

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT  
FOR THE STATE OF ILLINOIS**

The following information applies to franchises and Franchisees subject to the Illinois Disclosure Act of 1987. Item numbers correspond to those in the main body:

1. Cover Page

The risk factors stated on this cover page may be affected by Illinois law, 815 ILCS §§ 705/4 and 705/41, pertaining to jurisdiction, venue and waiver of rights.

2. Item 5

Item 5 is amended by the addition of the following language to the original language that appears therein:

ServiceMaster Systems LLC has absolutely and unconditionally guaranteed to assume the duties and obligations of ServiceMaster under the Franchise Agreement should ServiceMaster become unable to perform its duties and obligations. A current Guaranty of Performance executed by ServiceMaster Systems LLC is included in Exhibit B, Financial Statements of this Disclosure Document.

3. Item 17

Item 17v and 17w, under the heading "Choice of forum" and "Choice of law", is amended by the addition of the following language to the original language that appears therein:

Illinois law applies, subject to the Illinois Franchise Disclosure Act.

**ADDENDUM TO FRANCHISE AGREEMENT  
FOR THE STATE OF ILLINOIS**

In recognition of the requirement of the Illinois Franchise Disclosure Act, the parties to the attached ServiceMaster Clean/Restore SPE LLC Franchise Agreement (the "Agreement") agree as follows:

1. The conditions under which the Franchise Agreement can be terminated and the rights upon nonrenewal may be affected by Illinois Law, 815 ILCS 705/19 and 705/20.
2. Section 25 of the Agreement, under the heading "Governing Law", is amended by the addition of the following language to the original language that appears therein:

This Agreement takes effect upon its acceptance and execution by ServiceMaster Clean/Restore SPE LLC, and except for matters governed by the Illinois Franchise Disclosure Act, is to be governed by and construed in accordance with the laws of the State of Georgia it being understood that

Illinois courts have jurisdiction and venue in matters concerning Illinois franchisees.

3. Section 21.1 of the Agreement, under the heading "Entire Agreement" shall not be construed to mean that Franchisee may not rely on representations in the Franchise Disclosure Document that Franchisor provided to Franchisee in connection with the offer and purchase of the franchise granted under the Franchise Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Amendment to the Agreement on the same day and year that the Agreement has been executed.

SERVICEMASTER CLEAN/RESTORE  
SPE LLC:

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

## **ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT FOR THE STATE OF MARYLAND**

The following information applies to franchises and Franchisees subject to Maryland statutes and regulations. Item numbers correspond to those in the main body:

1. Item 5

Based on the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

2. Item 17

A. Items 17v and w, under the heading "Choice of forum" and "Choice of law", are amended by the addition of the following language to the original language that appears therein:

The Maryland Franchise Registration and Disclosure Law allows a franchisee to bring a lawsuit in Maryland for claims arising under this law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

B. Item 17c and 17m, under the heading "Requirements for you to renew or extend" and "Conditions for our approval of transfer", is amended by the addition of the following language to the original language that appears therein:

The general release required as a condition of renewal and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

C. Item 17f, under the heading "Termination by us without cause", is amended by the addition of the following language to the original language that appears therein:

The provision in the franchise agreement which provides for termination upon bankruptcy of the franchise may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

D. Item 17t, under the heading "Integration/merger clause", is amended by the addition of the following language to the original language that appears therein:

No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting

on behalf of us. This provision supersedes any other term of any document executed in connection with the franchise.

## **ADDENDUM TO THE FRANCHISE AGREEMENT FOR THE STATE OF MARYLAND**

This Addendum relates to franchises sold in the State of Maryland and is intended to comply with Maryland statutes and regulations. In consideration of the execution of the Franchise Agreement (“Agreement”), the parties to the attached ServiceMaster Clean/Restore SPE LLC Franchise Agreement agree as follows:

1. (a) Section 2.2.2.11 of the Agreement, and (b) Section 12.2.4.5 of the Agreement are amended by the addition of the following language to the original language that appears therein:

The general release required as a condition of assignment or transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. Section 4.1.1 of the Agreement, under the heading “Initial License Fee” is amended by the addition of the following language:

Based on the Franchisor’s financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by Franchisee shall be deferred until Franchisor completes its pre-opening obligations under this Agreement.

3. Section 21.3 of the Agreement, under the heading “No Other Representations,” is hereby deleted.

4. Sections 24.1.3.1 under the heading “Arbitration Procedure” and 24.2.3. under the heading "Forum for Litigation" of the Agreement, is amended by the addition of the following language:

The Maryland Franchise Registration and Disclosure Law allows a franchisee to bring a lawsuit in Maryland for claims arising under this Law.

5. Section 24.6 of the Agreement, under the heading “One-Year Limitation of Claims,” is amended by the addition of the following language:

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

6. Section 27 of the Agreement, under the heading "Acknowledgments", is amended by the addition of the following language:

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.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Amendment to the Agreement on the same day and year that the Agreement has been executed.

SERVICEMASTER CLEAN/RESTORE  
SPE LLC:

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

## **ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT FOR THE STATE OF MINNESOTA**

This Addendum relates to the franchises and Franchisees subject to the Minnesota Franchise Act. Item numbers correspond to those in the main body:

1. Cover Page

Risk Factors:

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE AGREEMENT OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OF AGREEMENT SHOULD BE REFERRED TO FOR UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND FRANCHISEE.

2. Item 13

Item 13 is amended by the addition of the following language to the original language that appears therein:

The Franchisor will protect the Franchisee's right to use the trademarks, service marks, trade names, logotypes of other commercial symbols or indemnify the Franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

3. Item 17

Item 17e and f is amended by the addition of the following language to the original language that appears therein:

With respect to franchises governed by Minnesota law, we will comply with Minnesota Stat. Sec. 80C.14 subs. 3, 4 and 5 which require, except in certain specified cases, that you will be given 90 days' notice of termination

(with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement.

Item 17v and w is amended by the addition of the following language to the original language that appears therein:

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit franchisor from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or agreement can abrogate or reduce any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or franchisee's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release.

**ADDENDUM TO THE FRANCHISE AGREEMENT  
FOR THE STATE OF MINNESOTA**

This Addendum relates to the franchises and Franchisees in the State of Minnesota and is intended to comply with Minnesota statutes and regulations. In consideration of the execution of the Franchise Agreement (“Agreement”), the parties to the attached ServiceMaster Clean/Restore SPE LLC Franchise Agreement (“the Agreement”) agree as follows:

Section 2.2.2.11 of the Agreement is amended by the addition of the following language to the original language that appears therein:

Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release.

Section 2.2 of the Agreement, under the heading “Renewal” and Section 13.1 of the Agreement, under the heading “Termination after Opportunity to Cure”, respectively, are amended by the addition of the following language to the original language that appears therein:

With respect to franchises governed by Minnesota law, we will comply with Minnesota Stat. Sec. 80C.14 subs. 3, 4 and 5 which require, except in certain specified cases, that you will be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non-renewal of the franchise agreement.

Sections 24.1.3.1 under the heading “Arbitration Procedure” and 24.2.3. under the heading “Forum for Litigation” of the Agreement are amended by the addition of the following language to the original language that appears therein:

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit franchisor from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or agreement can abrogate or reduce any of the franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C or franchisee’s rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Amendment to the Franchise Agreement on the same day and year that the Franchise Agreement has been executed.

SERVICEMASTER CLEAN/RESTORE  
SPE LLC:

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT  
FOR THE STATE OF NORTH CAROLINA**

**Disclosures Related to Distributors**

Our Distributor, ServiceMaster Distributor of the Carolinas (“**SM Carolinas**”) may provide support services to you on our behalf, including some of the services disclosed in Item 11 of this Disclosure Document. George B. McBride, Sr. has served as President of SM Carolinas since 1997. No litigation is required to be disclosed in this Disclosure Document related to SM Carolinas. No bankruptcy information is required to be disclosed in this Disclosure Document related to SM Carolinas.

Our Distributor, ServiceMaster Associates of Virginia, Inc. (“**SMVA**”) may provide support services to you on our behalf, including some of the services disclosed in Item 11 of this Disclosure Document. David Meyer has served as the President of SMVA since 1985. No litigation is required to be disclosed in this Disclosure Document related to SMVA. No bankruptcy information is required to be disclosed in this Disclosure Document related to SMVA.

**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT  
FOR THE STATE OF NORTH DAKOTA**

The following information applies to franchises and franchisees subject to North Dakota statutes and regulations. Item numbers correspond to those in the main body:

1. Item 17. The following is added to Item 17:
  - a. North Dakota Century Code Section 9-08-06 states "Every contract by which anyone is restrained from exercising a lawful profession, trade, or business of any kind is to that extent void, except: 1) One who sells the goodwill of a business may agree with the buyer to refrain from carrying on a similar business within a specified county, city, or a part of either, so long as the buyer or any person deriving title to the goodwill from him carries on a like business therein and 2) Partners, upon or in anticipation of a dissolution of the partnership business has been transacted, or within a specified part thereof."
  - b. Any provision of the Franchise Agreement requiring you to execute a general release in is hereby made null and void.
  - c. Any provision of the Franchise Agreement requiring you to consent to liquidated damages is hereby made null and void pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law.
  - d. Arbitration and mediation proceedings shall be conducted within the State of North Dakota.
  - e. The venue of any litigation arising out of the franchise relationship between you and us will be within the State of North Dakota.
  - f. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorneys' fees.
  - g. Any provision of the Franchise Agreement requiring you to consent to a waiver of a jury trial is hereby made null and void.
  - h. Any provision of the Franchise Agreement requiring you to consent to waiver of exemplary and punitive damages is hereby made null and void pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law.

**ADDENDUM TO FRANCHISE AGREEMENT  
FOR THE STATE OF NORTH DAKOTA**

This Addendum relates to the franchises and franchisees in the State of North Dakota and is intended to comply with North Dakota statutes and regulations. In consideration of the execution of the Franchise Agreement, the parties to the attached ServiceMaster Clean/Restore SPE LLC Franchise Agreement (the "Franchise Agreement") agree as follows:

- a. Notwithstanding anything to the contrary contained in the Franchise Agreement and franchise disclosure document, the laws of the State of North Dakota shall govern the Agreement.
- b. North Dakota Century Code Section 9-08-06 states "Every contract by which anyone is restrained from exercising a lawful profession, trade, or business of any kind is to that extent void, except: 1) One who sells the goodwill of a business may agree with the buyer to refrain from carrying on a similar business within a specified county, city, or a part of either, so long as the buyer or any person deriving title to the goodwill from him carries on a like business therein and 2) Partners, upon or in anticipation of a dissolution of the partnership business has been transacted, or within a specified part thereof."
- c. Any provision of the Franchise Agreement requiring you to execute a general release in is hereby made null and void.
- d. Any provision of the Franchise Agreement requiring you to consent to liquidated damages is hereby made null and void pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law.
- e. Arbitration and mediation proceedings shall be conducted within the State of North Dakota.
- f. The venue of any litigation arising out of the franchise relationship between you and us will be within the State of North Dakota.
- g. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorneys' fees.
- h. Any provision of the Franchise Agreement requiring you to consent to a waiver of a jury trial is hereby made null and void.
- i. Any provision of the Franchise Agreement requiring you to consent to waiver of exemplary and punitive damages is hereby made null and void pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Addendum to the Agreement on the same day and year that the Agreement has been executed.

SERVICEMASTER CLEAN/RESTORE  
SPE LLC:

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT  
FOR THE STATE OF RHODE ISLAND**

This Addendum relates to the franchises and Franchisees subject to the Rhode Island Franchise Act. Item numbers correspond to those in the main body:

1. Item 17

Item 17v and w is amended by the addition of the following language to the original language that appears therein:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the Act."

**ADDENDUM TO THE FRANCHISE AGREEMENT  
FOR THE STATE OF RHODE ISLAND**

This Addendum relates to the franchises and Franchisees in the State of Rhode Island and is intended to comply with Rhode Island statutes and regulations. In consideration of the execution of the Franchise Agreement, the parties to the attached ServiceMaster Clean/Restore SPE LLC Franchise Agreement (“the Agreement”) agree as follows:

Sections 24.1.3.1 under the heading “Arbitration Procedure” and 24.2.3. under the heading “Forum for Litigation” of the Agreement are amended by the addition of the following language to the original language that appears therein:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the Act.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Addendum to the Agreement on the same day and year that the Agreement has been executed.

SERVICEMASTER CLEAN/RESTORE  
SPE LLC:

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT  
FOR THE STATE OF SOUTH CAROLINA**

**Disclosures Related to Distributors**

Our Distributor, ServiceMaster Distributor of the Carolinas (“**SM Carolinas**”) may provide support services to you on our behalf, including some of the services disclosed in Item 11 of this Disclosure Document. George B. McBride, Sr. has served as President of SM Carolinas since 1997. No litigation is required to be disclosed in this Disclosure Document related to SM Carolinas. No bankruptcy information is required to be disclosed in this Disclosure Document related to SM Carolinas.

Our Distributor, ServiceMaster Associates of Virginia, Inc. (“**SMVA**”) may provide support services to you on our behalf, including some of the services disclosed in Item 11 of this Disclosure Document. David Meyer has served as the President of SMVA since 1985. No litigation is required to be disclosed in this Disclosure Document related to SMVA. No bankruptcy information is required to be disclosed in this Disclosure Document related to SMVA.

**ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT  
FOR THE STATE OF VIRGINIA**

The following information applies to franchises and Franchisees subject to Virginia statutes and regulations.

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.

**Disclosures Related to Distributor**

Our Distributor, ServiceMaster Associates of Virginia, Inc. (“SMVA”) may provide support services to you on our behalf, including some of the services disclosed in Item 11 of this Disclosure Document. David Meyer has served as the President of SMVA since 1985. No litigation is required to be disclosed in this Disclosure Document related to SMVA. No bankruptcy information is required to be disclosed in this Disclosure Document related to SMVA.

**WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT,  
THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS**

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.
2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.
3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).
5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.
7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.
8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term

of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

**9. Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

**10. Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

**11. Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

**12. Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

**13. Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

**14. Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

**15. Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

**16. Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state

franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**17. Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

**18. Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a “franchise broker” is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

**19. Deferral of Initial Fees.** Section 4.1.1 of the Franchise Agreement is revised to add the following:

The Washington Department of Financial Institutions Securities Division requires the franchisor to defer collection of the Initial License Fee until the franchisor has fulfilled its initial pre-opening obligations under this Agreement and the franchisee is open for business.

**20. Representations.** Sections 21.3 (No Other Representations), 27.3 (Acknowledgements in Certain States), and 29 (Representations by Franchisee) of the Franchise Agreement are deleted in their entirety.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Addendum to the Agreement on the same day and year that the Agreement has been executed.

SERVICEMASTER CLEAN/RESTORE  
SPE LLC:

FRANCHISEE:

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

# Exhibit G to the FDD

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**Exhibit H to the FDD**

**CONVERSION RAMP-UP AMENDMENT**

**CONVERSION FRANCHISE**  
**CLEANING RAMP-UP AMENDMENT**  
**TO FRANCHISE AGREEMENT # \_\_\_\_\_ DATED \_\_\_\_\_ BETWEEN**  
**(FRANCHISEE NAME) AND SERVICEMASTER CLEAN/RESTORE SPE LLC**  
**D/B/A/ SERVICEMASTER CLEAN**

**A) Ramp-Up Schedule for Royalties:**

Exhibit A to the Franchise Agreement, Monthly Royalties shall be amended to provide for the following Conversion Royalties Schedule:

The franchisee will submit a list of current cleaning contracts showing: 1) the name of the account, 2) the address where the cleaning takes place, and 3) the customary monthly revenue and any project revenue of each contract.

For each of these contracts, the royalty fee will be 1.0% of the monthly revenue for the concurrent length of time that the franchisee retains this contract. If the revenue from a contract is increased due to an increase in the size of the area to be cleaned, the royalty fee on this increased revenue will be paid as per Exhibit A. Royalties on revenue increases on current contracts due to annual or cost-of-living price increases will be at the 1.0% ramp-up rate.

The royalty rate on all new contracts secured since the signing date of this Franchise Agreement and increases in current contracts (as discussed in the above paragraph) will be at the rates stated in Exhibit A.

**B) Advertising Fund Contribution:**

The Advertising Fund Contribution will be as per Exhibit A in all cases and is not subject to a ramp-up period or rate.

SERVICEMASTER CLEAN/RESTORE SPE LLC

By: \_\_\_\_\_

Title: \_\_\_\_\_

FRANCHISEE:

BY: \_\_\_\_\_  
(Signature of owners, partners or duly authorized officer - title)

BY: \_\_\_\_\_  
(Signature of owners, partners or duly authorized officer - title)

BY: \_\_\_\_\_  
(Signature of owners, partners or duly authorized officer - title)

## **Exhibit I to the FDD**

### **STATE EFFECTIVE DATES AND FDD RECEIPTS**

## State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration:

California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	July 15, 2025, as amended <i>Pending</i>
Hawaii	<del>July 8, 2025, as amended July 22, 2025</del> <i>Pending</i>
Illinois	June 19, 2025 <del>_____2025</del>
Indiana	<del>June 30, 2025, as amended July 8, 2025 and December 10, 2025</del>
Maryland	<i>Pending</i>
Michigan	June 19, 2025
Minnesota	July 11, 2025, as amended <del>July 23, 2025</del> <i>Pending</i>
New York	<u>November 13, 2025, as amended</u> <i>Pending</i>
North Dakota	June 30, 2025, as amended <del>July 14, 2025</del> <i>Pending</i>
Rhode Island	June 19, 2025, as amended <del>July 15, 2025</del> <i>Pending</i>
South Dakota	June 30, 2025
Virginia	<del>August 18</del> <u>July 23, 2025, as amended</u> <i>Pending</i>
Washington	<i>Pending</i>
Wisconsin	June 20, 2025, as amended July 10, <del>2025</del> and December 10, 2025

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.



**Item 23: Receipt**

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If ServiceMaster Clean/Restore SPE LLC d/b/a ServiceMaster Clean, d/b/a ServiceMaster Restore, and d/b/a ServiceMaster Recovery Management 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, ServiceMaster or an affiliate in connection with the proposed franchise sales or sooner if required by applicable state law.

New York and Iowa require that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days (14 days for Iowa) before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Michigan requires that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If ServiceMaster Clean/Restore SPE LLC d/b/a ServiceMaster Clean, d/b/a ServiceMaster Restore, and d/b/a ServiceMaster Recovery Management 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency list in Exhibit C.

The franchise seller(s) for this offering is (are):

- Ender Cobo                       Amber James                       Charles Kowanetz                       \_\_\_\_\_ Jeff Todd
- \_\_\_\_\_                       \_\_\_\_\_                       \_\_\_\_\_                       \_\_\_\_\_

at ServiceMaster Clean/Restore SPE LLC, One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328; Phone 800-756-5656.

See Exhibit C for our agent for service of process in your state.

Issuance Date: June 19, 2025, as amended on July 7, 2025 and December 9, 2025

I have received a Franchise Disclosure Document with an issuance date of June 19, 2025, as amended on July 7, 2025 and December 9, 2025. This Disclosure Document includes the following Exhibits:

- A. Franchise Agreement and Related Agreements
- B. Financial Statements and Guaranty
- C. State Agencies and Agents for Service of Process
- D. List of Franchisees
- E. List of Former Franchisees
- F. State Addenda to Disclosure Document and to Franchise Agreement (where applicable)
- G. Manual Table of Contents
- H. Conversion Ramp-up Amendments
- I. State Effective Dates and FDD Receipts

Signature	Print Name	Date
Signature	Print Name	Date

***(Please return this copy to ServiceMaster)***