

## 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

smfranchiseinfo@smrestore.com

www.servicemasterrestore.com

You will operate a ServiceMaster Restore® business (a “**Restore Franchise**”). Restore Franchises provide disaster restoration services directly to residential and commercial customers and to customers following a fire, flood, earthquake or storm.

The total investment necessary to begin operation of a ServiceMaster Restore® franchise ranges from \$255,075 to \$365,310. This total investment includes \$72,500 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 May 1, 2024, as amended on September 9, 2024 and October 3, 2024

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, GA.

**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 the QRV 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 QRV 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 lawsuit remains pending.

**Disclosures Related to Predecessor**

W&P Enterprises, et al v. ServiceMaster Residential/Commercial Services Limited Partnership, et al; U.S.D.C (W.D. TN) Case 2:14-cv-02292-JTF

Suit was filed April 23, 2014 by a franchisee seeking to enjoin Predecessor from selling additional franchises in Tulsa and Creek counties in Oklahoma. The franchisee disputed Predecessor's termination of its exclusivity addendum as a result of the franchisee's breach of the addendum. A temporary injunction was issued; then the franchisee agreed to arbitrate the issues. The parties engaged in settlement discussions and resolved the matter. The parties agreed to the reinstatement of the franchise agreement with a modified exclusivity addendum; agreed to a more clearer definition of the terms of the Franchise Agreement; that Predecessor would waive the franchisee's non-compliance with growth requirements for 2012 and 2013; that the addendum, once reinstated and as modified, would remain in full force and effect and be subject to termination by Predecessor after the effective date; and that each party would pay their own attorney fees. Stipulation of dismissal with prejudice was entered with the Court on June 13, 2014.

**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:

<b>State</b>	<b>Effective Date</b>
California	May 29, 2024, as amended on <del>September 20, 2024</del> <i>Pending</i>
Hawaii	<i>Pending</i>
Illinois	May 1, 2024, as amended on September 9, 2024 and October 3, 2024
Indiana	May 17, 2024, as amended on September 9, 2024 and October 3, 2024
Maryland	September 24, 2024, as amended on <i>Pending</i>
Michigan	May 13, 2024, as amended on September 9, 2024 and October 3, 2024
Minnesota	July 1, 2024, as amended on <i>Pending</i>
New York	July 17, 2024, as amended on <i>Pending</i>
North Dakota	June 27, 2024, as amended on <del>September 17, 2024</del> <i>Pending</i>
Rhode Island	May 18, 2024, as amended on <del>September 20, 2024</del> <i>Pending</i>
South Dakota	May 21, 2024, as amended on September 9, 2024 and October 3, 2024
Virginia	May 31, 2024, as amended on <i>Pending</i>
Washington	August 26, 2024, as amended on <del>September 18, 2024</del> <i>Pending</i>
Wisconsin	May 17, 2024, as amended on September 9, 2024 and October 3, 2024

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.



