

## 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 termination of your franchise and loss of your investment.
3. **Spousal Liability:** Your spouse must sign a document that makes your spouse, if they are in any way involved in the operation of the franchise, liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
4. **Sales Performance Requirement.** 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.
5. **Turnover Rate.** During the last three years, 86 outlets were terminated, not renewed, reacquired, or ceased operations for other reasons. This franchise could be a higher risk investment than a franchise in a system with a lower turnover rate.
6. **Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

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.

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

To simplify the language in this Disclosure Document, “we,” “us,” “our,” or “**Franchisor**” means Merry Maids 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, 14th Floor, Atlanta, Georgia 30328. We do business under the name Merry Maids. Our agents for service of process are listed in Exhibit C.

Our business is limited to franchising residential cleaning businesses under the Merry Maids trademark throughout the United States. We have offered Merry Maids® franchises since March 2021. We operated three Merry Maids businesses from March 2021 to 2022. We do not offer franchises or engage in any other line of business, nor have we done so prior to the date of this Disclosure Document.

### Parents

We are a direct subsidiary of ServiceMaster Systems LLC (“**SM Systems**”), a Delaware limited liability company with a principal address at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328. SM Systems guarantees the performance of our obligations under our franchise agreements and is a supplier of 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 address at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328. SM Manager provides management and support services to us and our franchisees.

SM Manager is a direct subsidiary of RW Purchaser LLC (“**RW Purchaser**”), a Delaware limited liability company with a principal 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 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 predecessor, Merry Maids Limited Partnership (“**Predecessor**”), a Delaware limited partnership, offered Merry Maids® franchises between 1980 and December 2020. Predecessor did not offer franchises in any other line of business. The principal 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.

Type of Fee <sup>1</sup>	Amount	Due Date	Remarks
		the transfer	existing franchise owner and such lead purchases the franchise owner's interest within 18 months of our referral of such lead. See Note 5.
Supplier/Product Review Fee	<del>Cost of our review, which will vary based on the estimated time it will take to evaluate the item.</del> Currently, \$500 per item reviewed, plus any actual expenses we incur in such review. If our representatives travel to conduct such a review, there is an additional \$500 fee, in addition to the actual cost of their travel and living expenses.	As invoiced	Payable if you submit cleaning products, equipment, and supplies for our approval. <u>This fee is subject to change.</u>
Audit	Cost of audit	As invoiced	Payable only if an audit shows an under-statement of at least 1% of Gross Sales for any month. Also, you must pay the Interest Fee on the overdue amount.
Interest on Overdue Payments	18% annual rate (1.5% monthly) or the maximum permitted by law, whichever is less.	When overdue amount is paid	Payable on, and in addition to, an overdue amounts (including underpaid amounts) from the date that the payment was originally due.
Indemnification	Unknown	On demand	You indemnify us and our affiliates in connection with your operation of the Franchised Business.
Complaint Management Fee	Up to \$500	Within 30 days of notification by us	Payable if we respond to any customer complaints to reimburse us for our management costs and the costs to resolve such complaints.
Processing Fee	\$20 per job	As incurred	Payable if you participate in the National Accounts Program for each job that you perform for a National Account.
Annual Convention Registration Fee	The then-current fee, which shall not exceed \$1,200 per person.	As incurred, usually annually	Payable for each person attending our annual convention. This fee is subject to change.
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.

Notes:

fee. See Item 5.

12. **Miscellaneous Opening Costs.** You will incur various miscellaneous costs to open your Franchised Business. These costs include your business license, security deposits, utilities, an insurance deposit, and incorporation fee (if you incorporate). You must also have high speed access internet at your office location. (See Item 11.) Fees for internet access providers will vary but should be approximately \$100 per month. You will incur costs of stationery items, pre-printed customer agreement forms, marketing and advertising collateral. We estimate the cost for a three-month supply to be approximately \$1,000.
13. **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.
14. **Additional Funds (3 Months).** This estimates the additional funds you may need to cover additional expenses you will incur before your Franchised Business 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 and utility bills, ongoing vehicle payments, taxes and licensing of vehicles, bank charges, taxes, additional advertising expenses, miscellaneous supplies and equipment, Technology Fees, and other miscellaneous items. You may incur other categories of expenses or expenses in excess of this estimate. We have based these figures on our and our Predecessor's over 30 years of experience franchising Franchised Businesses.
15. **Total Initial Investment.** These figures are estimates based on our and our Predecessor's many years of experience franchising Franchised Businesses. ~~Your actual investment and expenditures and initial cash outlay may vary from the amounts shown depending on the choices you make, your local market, and the size of your Territory.~~ If you choose to purchase additional equipment, products, supplies, and vehicles, your expenses may be higher.

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

You must purchase or lease certain items to operate your Franchised Business and to render housecleaning services effectively and economically. Your purchases and leases will include cleaning products, equipment, computer software and various supplies, all pursuant to specifications set forth in our confidential Merry Maids Operations Manual (the "**Operations Manual**"). These specifications include standards for customer satisfaction and performance and are subject to change from time to time. Our specifications require primarily that you render services which meet or exceed any given customer's reasonable expectations for maid cleaning services. While our specifications are general in nature and are designed to assure that you meet our goal of total customer satisfaction, we do specifically require that you clean rooms in accordance with the checklists contained in our confidential Operations Manual and that you abide by all laws and regulations applicable to the cleaning supplies and equipment you choose to use.

We reserve the right to require you to purchase equipment, supplies, uniforms, and products required for the operation of the Franchised Business from us, our affiliates, or vendors that we approve that meet our specifications and standards. To the extent that we designate any required or approved suppliers or any specifications for any goods or services, the list of approved cleaning products, equipment, supplies, and services and approved vendors will be set forth in the Operations Manual and may be revised from time to time.

Currently, we have designated a preferred vendor that we recommend you use for purchasing products, equipment, and supplies that you use in your Franchised Business, but you may purchase these items from any vendor. You are required to purchase local digital marketing and other local marketing/advertising through approved vendors that we have listed in the Operations Manual.

Currently, we are not an approved supplier of any products or services that you will use in your Franchised Business.

**Insurance.** You must purchase and maintain insurance policies that meet our minimum requirements. Currently, you must purchase (i) commercial general liability insurance, including product liability coverage, with minimum limits of \$500,000 per person and \$1,000,000 for bodily injury; (ii) business automobile liability coverage for owned, hired and non-owned auto or any auto, with minimum limits of \$1,000,000 per person/\$1,000,000 per occurrence for bodily injury and \$100,000 for property damage liability; (iii) third party fidelity bond coverage for \$25,000; (iv) worker's compensation with a \$500,000 minimum employee liability; (v) employment practices liability insurance coverage with minimum limit of \$250,000 (or, if obtained as a sublimit to the general liability insurance, then a minimum limit of \$100,000); and (vi) any other insurance required by the laws of the state in which the Franchised Business is operated. We strongly recommend care, custody and control coverage including coverage for damage to property in your employees' control or property they are directly working on, with minimum limits of \$150,000 per occurrence to adequately protect the operation of the business. We and our affiliates must be named as a certificate holder and as an additional insured on such policy or policies (except that we and our affiliates need not be named as an additional insured for worker's compensation and third-party crime bonds). All required policies must be written by an insurer with an A.M. Best rating of at least A-/VII.

You must provide proof of insurance before opening for business. All insurance must be procured prior to attending Initial Training or before the commencement of business in transfer situations. We reserve the right to change the coverage requirements where, in our business judgment such coverage is reasonably appropriate, and you will be required to comply with any new requirements.

**Officer Interests.** Our officers do not have any ownership interests in any approved suppliers.

**Approval Process.** If you wish to use any cleaning products, equipment and supplies, or software we have not previously approved, you may request approval in writing and provide a sample of the item you would like us to consider. We do not publish our criteria for approving such items or suppliers, and we may withhold our approval in our sole discretion. You will be charged a review fee for cleaning products, equipment and supplies you submit for approval. ~~The fee depends on the estimated time it will take our staff to evaluate the item submitted for approval and provide a determination~~ Currently, we charge a fee of \$500 per item, plus any other out-of-pocket expenses we incur. If our representatives travel to conduct such review, there is an additional \$500 fee, in addition to their travel and living expenses. Our review process typically takes 120 days or more before we accept or reject an item or supplier.

**Revenue Earned from Purchases.** We and our affiliates may receive discounts, volume rebates, administration fees, commissions, advertising allowances, or other advances from suppliers. Additionally, we and/or our affiliates have the right to be an approved supplier, exclusive or otherwise, and to earn a profit on any products or services sold to you. We do not currently markup products or services we sell you, but we reserve the right to do so.

Currently, certain 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.

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

As noted in Item 1, we have entered into a management agreement with SM Manager for the provision of support and services to Merry Maids® franchisees. 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.

Before you open your Franchised Business, we will:

- a) Designate your exclusive market (Franchise Agreement - Exhibit A);
- b) At your request, provide input regarding the site of your business office. (Franchise Agreement - Section 1.D) We do not review your construction, remodeling or decorating plans or approve your office site;
- c) Furnish an Initial Training Program for one person for all license types, as described below in this Item. (See Franchise Agreement – Section 5.A); ~~and~~
- d) Give you access to our password protected franchisee intranet site (“**mmConnection**”) which contains the Operations Manual with both mandatory and suggested specifications, standards and procedures. (Franchise Agreement - Section 7) The Operations Manual is confidential and remains our property. We may modify the Operations Manual or any medium that replaces it at any time. The modifications will not alter your status and rights under the Franchise Agreement, but you must conduct your Franchised Business in accordance with the modifications. (Franchise Agreement - Section 7.C) The Table of Contents of the Operations Manual (which has a total of 118 pages) is listed in Exhibit G; and
- e) Provide you in the Operations Manual with a list of approved or preferred vendors and any specifications that we may designate for equipment and supplies. We will not supply any equipment, signs, fixtures, inventory, and supplies and will not deliver or install any of these items. (See Franchise Agreement – Section 10.H)

During the operation of your Franchised Business, we will:

- a) Continue to develop new products and/or procedures to offer to your customers and provide you with information about these developments. (Franchise Agreement - Section 11);
- b) Organize and hold meetings, such as annual conventions, regional meetings, and road shows, as often, when, and where we elect to do so. (Franchise Agreement –Section 5.B);
- c) Provide training to you regarding best practices for hiring and training of your employees by providing sample policies and forms that you can use as a starting point. However, you are not required to use them. You need to make sure any forms or procedures you do use are reviewed by competent local counsel for compliance with the laws where you do business. We spend approximately 3 hours during training explaining to you sample hiring procedures set forth in the Operations Manual. You are not required to use them. We train you on the written forms, tools and programs we recommend for attracting prospective employees; setting the application appointment; the application and interview process; and screening and selection. (Franchise Agreement – Section 10.A.1) You are not required to

Franchises throughout the Covered Period. An “**Active Franchise**” is a Franchised Business that (i) opened prior to the Covered Period, (ii) reported Gross Sales in all 12 months of the Covered Period, and (iii) was owned by the same owner throughout the Covered Period.

Currently, we grant Territories with 40,000 or more Qualified Households. In addition, we recommend that all franchisees operate an office within the Territory for each Franchised Business and require new franchisees to have an office that is located within a 60-minute drive of all customer addresses within their Territory. Some of our existing franchisees have been permitted to operate one or more Franchised Businesses from an office that is located outside of their Territory and outside of a 60-minute drive radius and/or have been granted territories with fewer than 40,000 Qualified Households. In this Item 19, we refer to Active Franchises that (i) have been granted a Territory with 40,000 or more Qualified Households and (ii) operate an office within the assigned Territory for such Franchised Business as a “**Qualified Franchise.**” We refer to Active Franchises that (a) have been granted a Territory with fewer than 40,000 Qualified Households and/or (b) do not operate an office within the assigned Territory for such Franchised Business as a “**Legacy Franchise.**” In this Disclosure Document, we offer you the opportunity to own and operate a Qualified Franchise. We currently do not offer Legacy Franchises.

In addition, in this Item 19, we have presented some data by Franchise Ownership Groups. A “**Franchise Ownership Group**” or “**FOG**” consists of one or more Franchised Businesses that are owned by one or more entities that are affiliated with each other by common ownership. We believe Franchise Ownership Groups are the best measurement of our franchisees’ actual business operations, as many of our franchisees operate multiple Franchised Businesses within one overall business.

This Item 19 does not include data related to (i) company-owned units and (ii) Franchised Businesses that were not an Active Franchise operating throughout all of the Covered Period, because such Franchised Businesses opened, closed, were reacquired by us, or were transferred to a new owner during the Covered Period or did not report Gross Sales for all 12 months of the Covered Period.

In the tables below, we have presented (i) Gross Sales data for all Qualified Franchises that operated throughout the Covered Period, (ii) Gross Sales data for all Franchise Ownership Groups with Active Franchises that operated throughout the Covered Period, and (iii) Gross Sales data for both Active Franchises and Franchise Ownership Groups, organized by number of Active Franchises within each Franchise Ownership Group.

**TABLE 1:**  
**GROSS SALES FOR QUALIFIED FRANCHISES**  
**IN THE COVERED PERIOD**

Subset	Number of Qualified Franchises	Average Gross Sales	Number and Percentage of Qualified Franchises Attaining or Exceeding Average Gross Sales	Median Gross Sales	Lowest Gross Sales	Highest Gross Sales
Top 10%	34	\$1,556,478	14 / 41.2%	\$1,499,683	\$1,289,471	\$2,506,782
Top Quartile	86	\$1,261,553	34 / 39.5%	\$1,177,963	\$934,724	\$2,506,782
2 <sup>nd</sup> Quartile	86	\$787,423	41 / 47.7%	\$774,876	\$649,579	\$932,690
3 <sup>rd</sup> Quartile	86	\$521,137	42 / 48.8%	\$519,333	\$410,271	\$647,459
Bottom Quartile	86	\$268,099	53 / 61.6%	\$287,249	\$3,275	\$407,540
Bottom 10%	34	\$170,209	18 / 52.9%	\$174,845	\$3,275	\$268,431

**TABLE 2:  
GROSS SALES FOR FRANCHISE OWNERSHIP GROUPS WITH ACTIVE FRANCHISES  
IN THE COVERED PERIOD**

Subset	# of FOGs	Average Gross Sales	Number and Percentage of FOGs Attaining or Exceeding Average Gross Sales	Median Gross Sales	Lowest Gross Sales	Highest Gross Sales
Top 10%	27	\$3,241,966	9 / 33.3%	\$2,597,756	\$1,974,298	\$6,045,569
Top Quartile	65	\$2,267,595	17 / 26.2%	\$1,849,013	\$1,272,448	\$6,045,569
2nd Quartile	67	\$998,749	30 / 44.8%	\$972,523	\$790,710	\$1,250,777
3rd Quartile	66	\$611,572	36 / 54.5%	\$621,722	\$469,492	\$784,857
Bottom Quartile	66	\$303,830	33 / 50%	\$304,916	\$35,227	\$463,586
Bottom 10%	25	\$200,148	16 / 64%	\$220,119	\$35,227	\$273,817
Total	264	\$1,040,630	87 / 33%	\$787,783	\$35,227	\$6,045,569

**Notes to Table 2:**

- As of December 31, 2023 (the end of the Covered Period), there were 312 Franchise Ownership Groups. Of those 312 Franchise Ownership Groups, 264 (84.6%) Franchise Ownership Groups had at least one Active Franchise throughout the Covered Period and are represented in this table. This table does not include 48 Franchise Ownership Groups that did not report Gross Sales through all 12 months of the Covered Period. This table also do not include 10 Franchise Ownership Groups that ceased operating all of their Franchised Businesses` in the Covered Period.
- This table reflects the financial performance of both Qualified Franchises, which are offered under this Disclosure Document, and Legacy Franchises, which are no longer offered.

**TABLE 3:  
GROSS SALES BY NUMBER OF ACTIVE FRANCHISES  
IN FRANCHISE OWNERSHIP GROUP  
IN THE COVERED PERIOD**

Subset	Number of Active Franchises in Franchise Ownership Group					
	1	2	3 to 4	5 to 7	8 to 24	All
<b>Gross Sales for Franchise Ownership Groups in each Category</b>						
# of FOGs	83	66	69	33	13	264
Average Gross Sales	\$527,480	\$731,601	\$1,113,096	\$1,784,731	\$3,603,707	\$1,040,206
# and % At or Above Avg. Gross Sales	35 / 42.2%	29 / 43.9%	28 / 40.6%	12 / 36.4%	5 / 38.5%	87 / 33%
Median Gross Sales	\$496,609	\$660,876	\$972,523	\$1,506,213	\$3,094,817	\$787,783
Lowest Gross Sales	\$35,227	\$188,119	\$227,956	\$794,430	\$954,072	\$35,227
Highest Gross Sales	\$1,686,624	\$1,861,891	\$4,702,007	\$4,632,073	\$6,045,569	\$6,045,569
<b>Gross Sales for Active Franchises in Each Category</b>						

Subset	Number of Active Franchises in Franchise Ownership Group					
	1	2	3 to 4	5 to 7	8 to 24	All
# of Active Franchises	83	132	232	187	160	794
Average Gross Sales	\$527,480	\$365,801	\$331,050	\$314,953	\$292,801	\$345,862
# and % At or Above Avg. Gross Sales	35 / 42.2%	54 / 40.9%	82 / 35.3%	70 / 37.4%	60 / 37.5%	293 / 36.9%
Median Gross Sales	\$496,609	\$301,395	\$239,952	\$237,788	\$230,657	\$261,145
Lowest Gross Sales	\$35,227	\$45,148	\$21,823	\$11,270	\$10,983	\$10,983
Highest Gross Sales	\$1,686,624	\$1,374,131	\$1,721,488	\$1,475,465	\$1,257,903	\$1,721,488

**Notes to Table 3:**

1. See Note 1 to Table 2 for details about the Franchise Ownership Groups and Franchised Businesses included and excluded from this table.
2. As of December 31, 2023 (the end of the Covered Period), there were 933 Franchised Businesses. Of those 933 Franchised Businesses, 794 (85%) were Active Franchise throughout the Covered Period and are represented in these tables. These tables do not include (i) 74 Franchised Businesses that did not operate through all 12 months of the Covered Period and (ii) 66 Franchised Businesses that were transferred to a new owner in the Covered Period. These tables also do not include 37 Franchised Businesses that ceased operating in the Covered Period (none of which had opened within the 12 months prior to the date such Franchised Business closed).
3. This table reflects the financial performance of both Qualified Franchises, which are offered under this Disclosure Document, and Legacy Franchises, which are no longer offered.

## 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 Sales" means all billings of the Franchised Business, whether or not collected, including but not limited to cash sales and sales on account, monies billed for maid cleaning services whether performed by you or subcontracted, monies billed in connection with trade or barter agreements, or monies billed for any other cleaning and/or maintenance of any structure, interior or exterior, excluding sales tax or use tax.
3. We calculated the figures in the tables in these financial performance representations using financial reports submitted by franchisees. In order to properly allocate revenue to each Franchised Business, we identified each sale by zip code and assigned the revenue to the appropriate Franchised Business. Some Franchised Businesses earned revenue through sales made outside of their Territories in Territories that have not yet been licensed or in Territories licensed to other franchisees. We have not included in the data any Gross Sales earned from zip codes outside of the Territories licensed to each Franchised Business, because most Franchised Businesses are not authorized to accept orders from customers outside of their defined Territories.
4. These sales figures do not reflect the costs of sales, operating expenses or other costs or expenses that must be deducted from the Gross Sales figures to obtain your net income or profit.
- ~~5. We have not audited or independently verified the financial reports submitted by our franchisees nor have we asked questions of the submitting franchisees to determine whether they are in fact accurate and complete, although we have no information or other reason to believe that they are unreliable.~~
5. ~~6.~~ Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.
6. ~~7.~~ We encourage you to consult with your own accounting, business, and legal advisors to assist you to prepare your budgets and projections, and to assess the likely or potential financial performance of your franchise. We also encourage you to contact existing franchisees to discuss their experiences with the system and their franchise business. ~~Notwithstanding the information set forth in this financial performance representation, our existing franchisees are your best source of information about franchise operations.~~

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, Merry Maids 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 a licensed Territory as explained in Item 12 above.

**Table No. 1  
Systemwide Outlet Summary for Years 2021 to 2023**

<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>	2021	1000	996	-4
	2022	996	957	-39
	2023	957	933	-24
<b>Company-Owned</b>	2021	3	3	0
	2022	3	0	-3
	2023	0	0	0
<b>Total Outlets</b>	2021	1003	<del>996</del> 999	<del>-7</del> -4
	2022	<del>996</del> 999	957	<del>-39</del> -42
	2023	957	933	-24

**Table No. 2  
Transfer of Franchised Outlets for Years 2021 to 2023**

<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>	<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>	<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
<b>AL</b>	2021	2	<b>IL</b>	2021	2	<b>NY</b>	2021	1
	2022	0		2022	0		2022	2
	2023	1		2023	3		2023	0
<b>AZ</b>	2021	0	<b>IN</b>	2021	0	<b>OH</b>	2021	0
	2022	0		2022	0		2022	10
	2023	3		2023	4		2023	0
<b>CA</b>	2021	2	<b>MD</b>	2021	0	<b>TX</b>	2021	1
	2022	3		2022	0		2022	1
	2023	14		2023	2		2023	7
<b>CO</b>	2021	0	<b>MN</b>	2021	0	<b>UT</b>	2021	0
	2022	0		2022	0		2022	0
	2023	1		2023	1		2023	8
<b>CT</b>	2021	0	<b>MO</b>	2021	1	<b>VA</b>	2021	2
	2022	0		2022	0		2022	0
	2023	2		2023	1		2023	2
<b>FL</b>	2021	1	<b>MS</b>	2021	0	<b>WA</b>	2021	1
	2022	2		2022	0		2022	0
	2023	4		2023	1		2023	3

Franchisee's repeated failure to resolve material, substantiated customer complaints shall constitute a breach of this Agreement.

G. Adhere to and abide by all the requirements and standards for the Franchised Business as specified in this Agreement and in the Operations Manual, as said Operations Manual may, from time to time be modified by Franchisor.

H. Purchase the approved equipment, supplies, uniforms and products required for the operation of the Franchised Business from Franchisor or its affiliates, as listed in the Operations Manual, or from manufacturers, suppliers or distributors who shall with respect to such equipment, supplies or products, meet all of Franchisor's specifications and standards, which may be contained in part in the Operations Manual, and who shall adequately demonstrate their capacity and facilities to supply Franchisee's needs, at all times, in the quantities and with the reliability requisite to an efficient operation. For purposes of this paragraph, specifications may include minimum standards for performance, warranties, design, quality, safety, efficiency, uniformity, appearance and other restrictions.

1. If Franchisee proposes to purchase any products, equipment and supplies not approved by Franchisor as meeting its specifications, Franchisee shall first notify Franchisor and Franchisor may require submission of sufficient specifications, photographs, drawings and/or other information and samples to determine whether such items meet its specifications. Franchisor will advise Franchisee within a reasonable time whether such equipment or supplies meet its specifications. Franchisor may, in its sole discretion, withhold its approval of any product, equipment or supplies. Franchisor may charge Franchisee a reasonable fee for Franchisor to review a proposed item and shall be entitled to be reimbursed by Franchisee for any expenses that Franchisor incurs related to such review.

2. In the event Franchisor rejects Franchisee's intended purchase of new equipment, supplies, uniforms, or products, Franchisor must, within one hundred twenty (120) days of the receipt of Franchisee's notice, notify Franchisee in writing of its rejection. Said "Notice of Rejection" must list in detail how and in what respects the intended new item(s) fails to meet Franchisor's specifications and standards or other requirements as contained herein. Failure to so notify Franchisee within such time period shall constitute a waiver of any and all objections by Franchisor to Franchisee's purchase of intended new item(s).

3. Franchisee understands and agrees that the identification of the Franchised Business is important to Franchisee, Franchisor, and the System and that strict control of the identification of the business can only be maintained through compliance with the standards and specifications established by Franchisor for such products.

I. Offer and provide all the services to its customers as required by Franchisor and refrain from offering and providing any services not specifically authorized by Franchisor. The services will be offered in accordance with the terms of a standard form of contract, in a form acceptable to Franchisee. Such contract will specify the services, warranties and standards of services offered to the customer.

J. Franchisee agrees that all services licensed under this Agreement shall be performed solely by Franchisee and/or Franchisee's employees, including leased and/or temporary employees. It is expressly agreed and understood by the parties that Franchisee is an independent contractor and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venture, partner, employee or servant of the other for any purpose whatsoever. 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 or other employment related materials or information provided 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 your operations, personnel decisions or relationships with your employees. Franchisee is



