FRANCHISE DISCLOSURE DOCUMENT

AMERISPEC SPE LLC
A Delaware Limited Liability Company
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The franchise offered is for the operation of an AmeriSpec® residential and commercial inspection business.

The total investment necessary to begin operation of an AmeriSpec® franchise ranges from: $60,850 to $77,310 (for a new franchise) and $50,615 to $71,310 (for a conversion franchise). This includes $25,065 to $28,800 that must be paid to the franchisor.

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, 14th 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 for additional information. In addition, there may also be laws on franchising in your state. Ask your state agency or visit your public library for other sources of information on franchising.

The issuance date of this disclosure document is April 27, 2022.

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
How much can I earn?	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.
How much will I need to invest?	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.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit B includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only AmeriSpec business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be an AmeriSpec franchisee?	Item 20 or Exhibits D and E lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	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 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 termination of your franchise and loss of your investment.

3. **Spousal Liability**: Your spouse must sign a document that makes your spouse 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.

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.

(a) A prohibition of 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 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years; and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchisee 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 franchisee for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

THE FACT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this Notice shall be directed to the Department of Attorney General, Consumer Protection Division, 670 Law Building, 525 West Ottawa Street, Lansing, Michigan 48913, (517) 335-7567.

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Item 1: The Franchisor and Any Parents, Predecessors and Affiliates

To simplify the language in this Disclosure Document, "**we**," "**us**," "**our**," or "**Franchisor**" means AmeriSpec 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 "AmeriSpec." Our agents for service of process are in Exhibit C.

Our business is limited to franchising residential and commercial building inspection services under the AmeriSpec trademark throughout the United States. We have offered AmeriSpec® franchises since March 2021. 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.

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 predecessors began offering AmeriSpec® franchises in 1988. Our immediate predecessor, AmeriSpec L.L.C. ("**Predecessor**"), a Delaware limited liability company, offered AmeriSpec® franchises between April 1997 and December 2020. Predecessor was originally incorporated as a Delaware corporation on April 3, 1997 and converted to a limited liability company on March 30, 2012. 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.

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 AmeriSpec® system; (ii) Predecessor assigned to us all existing AmeriSpec® franchise agreements and related agreements; (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 AmeriSpec® franchises to a subsidiary of Parent, ServiceMaster Clean/Restore SPE LLC ("**ServiceMaster**"); and (iv) ServiceMaster licensed the Marks and intellectual property related to the operation of AmeriSpec® 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 Under the Control of RW Parent

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

Furniture Medic SPE LLC ("**Furniture Medic**"), a Delaware limited liability company, franchises furniture restoration, repair, and refinishing businesses under the Furniture Medic® mark. The principal address for Furniture Medic is One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328. Furniture Medic and its predecessors began offering franchises in August 1992. As of December 31, 2021, Furniture Medic had 195 franchises in the United States.

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, 2021, Merry Maids had 996 franchises operating three businesses in the United States.

ServiceMaster, a Delaware limited liability company, franchises (i) businesses that provide disaster restoration and heavy-duty cleaning services to residential and commercial customers under the ServiceMaster Restore® mark and (ii) businesses that provide contracted janitorial services and other cleaning and maintenance services under the ServiceMaster Clean® mark. The principal address for ServiceMaster is One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328. ServiceMaster and its predecessors began offering franchises in 1952. As of December 31, 2021, ServiceMaster had 712 ServiceMaster Clean franchises and 2,298 ServiceMaster Restore franchises operating in the United States.

Two Men and a Truck SPE LLC ("**Two Men and a Truck**"), a Delaware limited liability company, franchises 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. 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 franchises in February 1989. As of December 31, 2021, Two Men and a Truck had 284 franchises and three company-owned locations operating in the United States.

ServiceMaster of Canada Limited ("**SM Canada**") offers franchises in Canada. The principal address for SM Canada is 2275 Upper Middle Road East, Suite #200, Oakville, Ontario, L6H 0C3. As of December 31, 2021, there were approximately 422 franchises in Canada under the AmeriSpec®, ServiceMaster Clean®, ServiceMaster Restore®, Merry Maids®, and Furniture Medic® trade names and trademarks serving residential and commercial customers throughout Canada.

ServiceMaster Limited ("**SM UK**") offers franchises in Great Britain. The principal address for SM UK is ServiceMaster House, Tigers Road, Wigston, Leicester, The United Kingdom. As of December 31, 2021, there were approximately 438 franchises in Great Britain that operate using the ServiceMaster Clean®, ServiceMaster Restore®, Merry Maids®, Furniture Medic®, TruGreen®, and Rosemary Bookkeeping® trade names and trademarks.

Furniture Medic, Merry Maids, ServiceMaster, 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, and do not provide products or services to our franchisees.

In this Disclosure Document, we refer to Furniture Medic, Merry Maids, ServiceMaster, Two Men and a Truck, and us collectively as the "**SM Franchisors**."

Other Affiliates with Franchise 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 an AmeriSpec® franchise.

Focus Brands Inc. ("**Focus Brands**") 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 Juice**"), McAlister's Franchisor SPV LLC ("**McAlister's**"), Moe's Franchisor SPV LLC ("**Moe's**"), and Schlotzsky's Franchisor SPV LLC ("**Schlotzsky's**"). All seven Focus Brands franchisors have a principal place of business at 5620 Glenridge Drive NE, Atlanta, Georgia 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 Focus Brands through an acquisition. Auntie Anne's predecessor began offering franchises in January 1991. As of December 31, 2021, there were approximately 1,126 franchised facilities and 12 affiliate-owned facilities in the United States and approximately 748 franchised facilities operating 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 Focus Brands in November 2004. Carvel's predecessor began franchising retail ice cream shoppes in 1947. As of December 31, 2021, there were 325 domestic retail shoppes (including one shoppe co-branded in a Schlotzsky's restaurant operated by our affiliate), 31 international retail shoppes, and three foodservice locations operated by independent third parties that offer Carvel® ice cream and frozen desserts including cakes and ice cream novelties.

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 Focus Brands

through an acquisition. Cinnabon's predecessor began franchising in 1990. As of December 31, 2021, franchisees operated 938 Cinnabon retail outlets in the United States and 810 Cinnabon retail outlets outside the United States and 170 Seattle's Best Coffee units outside the United States. As of December 31, 2021, Cinnabon LLC operated one affiliate-owned Cinnabon retail outlet in 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 Focus Brands through an acquisition. Jamba's predecessor began franchising in 1991. As of December 31, 2021, there were approximately 747Jamba franchised stores in the United States and 64 franchised Jamba stores outside the United States, and three affiliate-owned Jamba stores in the United States.

McAlister's offers full-size and non-traditional fast casual restaurants offering counter-service, on-premises and take-out services featuring a complete or limited line of deli foods, including hot and cold deli sandwiches, baked potatoes, salads, soups, desserts, iced tea and other food and beverage products under the names MCALISTER'S DELI® or MCALISTER'S SELECT®. McAlister's system became an Affiliated Program through an acquisition in July 2005, and the McAlister's system became affiliated with Focus Brands in October 2013. McAlister's or its predecessor have been franchising since 1999. As of December 31, 2021, there were 472 domestic franchised McAlister's restaurants and 33 affiliate-owned restaurants.

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 Focus Brands through an acquisition. Moe's predecessor Southwest Grill franchises in 2001. As of December 31, 2021, there were 658 franchised Moe's Southwest Grill restaurants operating in the United States, one franchised restaurant operating outside the United States, and one affiliate-owned restaurant operating in the United States.

Schlotzsky's franchises Schlotzsky's® quick-casual restaurants which 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 Focus Brands through an acquisition. Schlotzsky's restaurant franchises have been offered since 1976. As of December 31, 2021, there were 300 franchised Schlotzsky's restaurants and 24 affiliate-owned Schlotzsky's restaurants.

Inspire Brands ("**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 seven franchisors, 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**"), Rusty Taco, Inc. ("**Rusty Taco**"), and Sonic Franchising LLC ("**Sonic**"). All seven 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 and, as of January 2, 2022, there were approximately 3,407 Arby's restaurants operating in the United States (2,291 franchised and 1,116 company-owned), and 160 franchised Arby's restaurants operating internationally. 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.

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 January 2, 2022, there were 1,196 Buffalo Wild Wings Sports Bars operating in the United States (534 franchised and 662 company-owned) and 76 Buffalo Wild Wings or B-Dubs restaurants operating outside the United States (64 franchised and 12 company-owned). As of January 2, 2022, there were 16 BWW-GO Restaurants operating in the United States (one franchised and 15 company-owned).

Rusty Taco is the franchisor of Rusty Taco® (formerly R Taco®) restaurants. Rusty Taco has offered franchises for Rusty Taco restaurants since May 2015, but its predecessors have been franchising Rusty Taco restaurants since 2010. As of January 2, 2022, there were 36 Rusty Taco restaurants (32 franchised and 4 company-owned) in operation.

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 January 2, 2022, there were 3,552 Sonic Drive-Ins (3,232 franchised and 320 company-owned) in operation.

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. Jimmy John's and its predecessor have been franchising since 1993 and, as of January 2, 2022, had 2,657 restaurants operating in the United States (2,616 franchised and 41 affiliate-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 for Dunkin' restaurants since March 2006 and, as of December 25, 2021, there were 9,244 franchised Dunkin' restaurants operating in the United States and an additional 3,713 operating in 39 countries.

Baskin-Robbins franchises 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 for Baskin-Robbins restaurants since March 2006 and, as of December 25, 2021, there were 2,276 franchised Baskin-Robbins restaurants in the United States and an additional 5,394 operating internationally in 54 countries and Puerto Rico.

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 and as of December 31, 2021, had 465 franchised facilities. Primrose has not offered franchises in any other line of business.

Pet Valu Canada Inc. (**"Pet Valu"**) is a franchisor that offers franchises for specialty retail stores operating under the trademark Pet Valu® that sell food and supplies for dogs, cats, birds, fish, reptiles and small animals. Pet Valu's principal place of business is 130 Royal Crest Court, Markham, Ontario L3R 0A1. Pet Valu became an Affiliated Program through an acquisition in August 2009. Pet Valu has been franchising since 1987. As of January 2, 2022, the Pet Valu enterprise operated stores in Canada under 5 different banners: (i) 633 Pet Valu branded stores with 406 franchised stores and 227 company-owned stores; (ii) 16 Paulmac's Pet Foods-branded stores consisting of 14 franchised and 2 company-owned stores; (iii) 80 Bosley's Pet Food Plus-branded stores in British Columbia, Canada consisting of 36 franchised and 44 company-owned stores; (iv) 9 company-owned Tisol-branded stores; and (v)16 company-owned Total Pet-branded stores. Pet Valu stores have not offered franchises in any other line of business and currently only offers franchises for the operation of Pet Valu stores in Canada. Pet Supermarket, an affiliate of Pet Valu through common ownership and/or control, operated 218 Pet Supermarket company-owned stores at the end of fiscal year 2021.

ME SPE Franchising, LLC (**"Massage Envy"**) is a franchisor of businesses that offers 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, 2021, there were 1,110 franchised Massage Envy locations operating in the United States. 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, 2021, there were 10 regional developers operating 12 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 Green Burrito® Mexican food products through a Dual Concept Restaurant. A small number of Carl's Jr. Restaurants offer Red 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 31, 2022, there were 202 company-operated Hardee's restaurants, including 12 Hardee's/Red Burrito Dual Concept restaurants, and there were 1,550 domestic franchised Hardee's restaurants, including 150 Hardee's/Red Burrito Dual Concept restaurants. Additionally, there were 425 franchised Hardee's restaurants operating outside the United States. Carl's Jr. restaurants have been franchised since 1984. As of January 31, 2022, there were 48 company-operated Carl's Jr. restaurants, and there were 1,018 domestic franchised Carl's Jr. restaurants, including 270 Carl's Jr./Green Burrito Dual Concept restaurants. In addition, there were 566 franchised Carl's Jr. restaurants operating outside the United States, including one Carl's Jr. Green Burrito Dual Concept restaurant. 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 10 franchisors, including Meineke Franchisor SPV LLC ("**Meineke**"), Maaco Franchisor SPV LLC ("**Maaco**"), Drive N Style Franchisor SPV LLC ("**DNS**"), Econo Lube Franchisor SPV LLC ("**Econo Lube**"), Merlin Franchisor SPV LLC ("**Merlin**"), CARSTAR Franchisor SPV LLC ("**CARSTAR**"), 1-800-Radiator Franchisor SPV LLC ("**1-800-Radiator**"), 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 (Meineke, Maaco, DNS, 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, DNS, 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. All 10 franchisors have not offered franchises in any other line of business.

Meineke franchises automotive centers which 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 25, 2021, there were 698 Meineke centers, 26 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 25, 2021, there were 411 franchised Maaco centers and no company-owned Maaco centers in the United States.

DNS is the franchisor of 3 franchise systems: Drive N Style® franchises, AutoQual® franchises and Aero Colours® franchises. DNS and its predecessors have offered Drive N Style franchises since October 2006. A Drive N Style business offers both interior and exterior reconditioning and maintenance services, exterior paint repair and refinishing services and interior and exterior protection services for consumer vehicles. As of December 25, 2021, there were 31 Drive N Style franchises and no company-owned Drive N Style businesses in the United States. DNS and its predecessors have offered AutoQual franchises since February 2008. AutoQual businesses offer various services relating to the interior of automotive vehicles, including, among other things, cleaning, deodorizing, dyeing, and masking of carpets, seats, and trim. As of December 25, 2021, there were 8 AutoQual franchises and no company-owned AutoQual businesses in the United States. DNS and its predecessors have offered Aero Colours franchises since 1998. Aero Colours businesses offer various services related to the exterior of automotive vehicles, including paint touch-up, repair and refinishing that is performed primarily on cars at automobile dealerships or at the customer's home or place of business. As of December 25, 2021, there were 2 Aero Colours franchises and no company-owned Aero Colours businesses in the United States.

Merlin franchises shops which 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 200,000 Mile Shops" and "Merlin Shops" since February 2006. As of December 25, 2021, there were 24 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 25, 2021, there were 10 Econo Lube N' Tune franchises and 12 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 25, 2021, 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 25, 2021, 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 25, 2021, there were 419 franchised CARSTAR facilities and 10 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 25, 2021, there were 134 franchised Take 5 outlets operating in the United States. An affiliate of Take 5 currently operates approximately 536 Take 5 outlets and outlets that operate under other brands, including Havoline Xpress, many of which may be converted to the Take 5 brand and operating platform in the future.

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 25, 2021, there were 63 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 25, 2021, there were 181 franchised Fix Auto repair shops operating in the United States, 9 of which are operated by FUSA's affiliate pursuant to a franchise agreement with FUSA.

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. These franchisors have not offered franchises in any other line of business.

As of December 25, 2021, there were: (i) 27 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)

7 1-800-Radiator franchises and no company-owned 1-800-Radiator locations in Canada; (iv) 323 franchised CARSTAR facilities and 4 company-owned CARSTAR facilities in Canada; (v) 31 franchised Take 5 outlets and 8 company-owned Take 5 outlets in Canada; (vi) 23 franchised UniglassPlus businesses, 30 franchised UniglassPlus/Ziebart businesses, and 5 franchised Uniglass Express businesses in Canada, and 4 company-owned UniglassPlus businesses and 1 company-owned UniglassPlus/Ziebart business in Canada; (vii) 7 franchised VitroPlus businesses, 60 franchised VitroPlus/Ziebart businesses, and 4 franchised Vitro Express businesses in Canada, and 3 company-owned VitroPlus businesses and 1 company-owned VitroPlus/Ziebart business in Canada; (viii) 31 franchised Docteur du Pare Brise businesses and 2 company-owned Docteur du Pare Brise businesses in Canada; (ix) 12 franchised Go! Glass & Accessories businesses and no franchised Go! Glass businesses 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.

NBC Franchisor LLC ("**NBC**") franchises gourmet bakeries which 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, 2021, there were 409 Northing Bundt Cake franchises and 16 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 2021. Mathnasium has a principal place of business at 5120 West Goldleaf Circle, Suite 400, Los Angeles, California 90056. As of December 31, 2021, there were 948 Mathnasium franchises in the United States and its parent company operated three Mathnasium centers 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, 2021, there were 87 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, 2021, there were 65 franchised Mathnasium centers outside the United States and Canada. Mathnasium Center Licensing, LLC, Mathnasium Center Licensing Canada, Inc. and Mathnasium International Franchising, LLC have a 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.

i9 Sports, LLC ("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 became an Affiliated Program through an acquisition in September 2021. i9 has a principal place of business at 9410 Camden Field Parkway, Riverview, Florida 33578. As of December 31, 2021, there were 192 i9 Sports franchises and one company-owned location. i9 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 Offering

The franchises we offer allow you to operate a business offering inspection services for single-family residences, certain multi-family buildings, and small commercial buildings under our System of Operations and the Marks (each a "**Franchised Business**") under the terms of our franchise agreement (the "**Franchise Agreement**") in a territory that we specify (the "**Territory**"). These services include building inspection services and other residential inspection services and related products such as energy evaluations, infrared technology, radon inspections, mold testing, wood-destroying insect or organism inspections, pool and spa inspections, sewer scoping, water quality testing, lead testing, and winterizing services.

Our "**System of Operations**" includes the business plans and methods to be used in connection with the operation of the Franchised Business, including standards, specifications, methods, procedures, techniques, management systems, approved inspection software, identification schemes and information. Our System of Operations are documented in the AmeriSpec Franchise Operations Manual (the "**Manuals**") and otherwise in writing. We may change, improve, or further develop our System of Operations from time to time.

The "**Marks**" include the AmeriSpec® marks and commercial trade names, trademarks, service marks and other commercial symbols, including associated logos, that we authorize for use in the Franchised Business, which are subject to change from time to time.

Most residential building inspections are performed when people buy or sell a home to disclose to the prospective buyer of the home any defects discovered during the inspection. We expect your customers will be homeowners, homebuyers, and referral sources like real estate brokers and agents, attorneys, mortgage lenders and relocation services.

Existing Franchisees. Our offering for existing franchisees wishing to purchase additional Franchised Businesses may differ slightly due to certain considerations for franchisee's experience with our system (i.e. reduction in required training, computer hardware or software requirements, and a discount of the Initial Franchise Fee as disclosed in Item 5.) Existing franchisees purchasing additional Franchised Businesses must sign our then-current Franchise Agreement.

Conversion Franchises. We also offer franchises to those persons wishing to convert their existing inspection business to a Franchised Business ("**Conversion Franchise**"). Our offering for the Conversion Franchise differs slightly from the other offerings described above to the extent that certain considerations are made to enable a smooth transition of the business operations. These considerations are described throughout this Disclosure Document.

National Accounts Program. The AmeriSpec® National Accounts Program (the "**National Accounts Program**") is a voluntary program in which we offer franchisees the opportunity to offer services to consumers affiliated with national customers who agree to market our inspection services to such consumers ("**National Accounts**"). If you participate in the National Accounts Program, you will be eligible to receive leads for a designated area (usually a designated zip code). You do not have any right, however, to receive leads for jobs to be performed in these designated zip codes. Rather, we have the absolute right to designate an area and/or distribute leads or not distribute leads according to our judgment. You have the option of declining a lead call from a National Account, but you must refer the call back to us.

At the present time, we are not able to predict how many National Accounts will participate in the National Accounts Program. There is no guarantee that if you are part of the National Accounts Program that you will receive any leads. Lead flow varies widely depending on the location of the Territory. Some Territories will receive no leads.

If you choose to participate in the National Accounts Program, you must adhere to the terms and conditions required by these National Accounts when you provide services to a National Account customer. If you do not participate in the National Accounts Program, it is possible that we or our other franchisees will receive leads in your Territory.

Ancillary Inspection Services. After first being certified as an AmeriSpec Home Inspector (a "**Certified Inspector**") and gaining experience in the inspection business, you will have the option to perform other types of inspections or to seek additional certification in other inspection services for residential or non-residential properties, commercial buildings, and apartment buildings (more than 4 units).

Commercial customers may include property owners, prospective purchasers, and property managers. A Commercial Property Inspection may include specialty inspections, such as inspection of the heating and cooling systems, as well as the condition of the property. To perform such inspections, you will need additional training and, for some services, certification, which you can obtain from third party vendors for a fee. Before seeking certification, you must meet the experience standards as outlined on our franchise intranet (the "**AmeriSpec Connection**"), as well as have the approval of our Manager of Technical Training and Development.

Competition

The competition for the services you offer will vary depending on the type of service. The competition for our primary service, the residential home inspection service, will come from other building inspection services in the same geographic area, including independent local companies and those that may be franchised by national or regional building inspection franchise companies. In some areas of the country, residential sales may be seasonal, and this will cause your business to be seasonal in those areas. Also, your business will depend on the number of real estate transactions in your Territory and will therefore fluctuate depending on the real estate market.

Other inspection services offered by many of our franchisees include a variety of environmental inspections, such as energy evaluations, radon testing, mold testing, and wood destroying insect and organism inspections and inspections using infrared technology. We believe the market and the competition for these services are generally the same as for our building inspection services. There are some competitors that offer only these services, or that offer other services as part of another business, such as pest control inspections, that does not compete with our building inspection service. Other AmeriSpec® franchisees or subcontractors may serve customers in your Territory.

Industry-Specific Regulations

You should be aware that there are specific statutory requirements in many states that apply to home inspector licensing, registration or certification, or otherwise regulate the operation of a home inspection business and other Ancillary Inspection Services. Some states require attendance at their training sessions and passing a test before you can be licensed in that state. These requirements may apply to your Franchised Business. Several states may also have legislation pending regarding the licensing, registration or certification of home inspectors and specific requirements for home inspection reports. You should check with your state's real estate commission, licensing boards, home inspection association, or local municipality to confirm the existence of state and local statutory requirements and pending legislation in your state. Other laws regulating businesses in general also may apply to your Franchised Business. It is your responsibility to comply with any applicable laws, rules or regulations.

Item 2: Business Experience

Chief Executive Officer: Elane Stock

Ms. Stock has been the Chief Executive Officer for (i) us and each of the other SM Franchisors (except Two Men and a Truck) since December 2020 and (ii) SM Manager, RW Purchaser, and a number of other related entities since October 2020. She has also been President of Two Men and a Truck since August 2021 and a Manager of RW Parent since October 2020. From October 2020 to December 2020, she was the Chief Executive Officer of AmeriSpec L.L.C. ("**ASL**"), FM Medic L.L.C. ("**FML**"), Merry Maids L.L.C. ("**MML**"), and SM Clean L.L.C. ("**SML**," and collectively with ASL, FML and MML, the "**Former Operators**"). Since September 2018, she has served as a non-executive Director for Reckitt Benckiser Group plc (RB) in Slough, United Kingdom. Since April 2014, she has served as a non-executive Director for YUM! Brands in Louisville, Kentucky. From February 2017 to November 2020, she served as a non-executive Director for Equifax in Atlanta, Georgia. Ms. Stock serves in her present capacities in Atlanta, Georgia.

President: Randy Shacka

Mr. Shacka has been our President since August 2021. In addition, Mr. Shacka has been President of Two Men and A Truck/International, LLC since August 2012 and Furniture Medic since August 2021. Mr. Shacka serves in his present capacities in Lansing, Michigan.

Chief Financial Officer: Vipul Soni

Mr. Soni has been the Chief Financial Officer for us, each of the other SM Franchisors (except Two Men and a Truck), SM Manager, RW Parent, RW Purchaser, and a number of other related entities since January 2021. He has also served as Treasurer of Two Men and a Truck since August 2021. From February 2012 to January 2021, he was the Managing Director of Brynwood Partners in Greenwich, Connecticut. Mr. Soni serves in his present capacities in Atlanta, Georgia.

Chief Legal & Compliance Officer: Tricia Kinney

Ms. Kinney has been the Chief Legal & Compliance Officer for us, each of the other SM Franchisors (except Two Men and a Truck), SM Manager, RW Parent, RW Purchaser, and a number of other related entities since March 2021. She has also been the General Counsel and Secretary of Two Men and a Truck since August 2021. From September 2020 to March 2021, she worked with various non-profit organizations. From July 2019 to August 2020, she served as Vice President and Deputy General Counsel - Kimberly-Clark Professional® and Global Supply Chain for Kimberly-Clark Corporation in Roswell, Georgia. From January 2015 to July 2019, she served as Vice President and Deputy General Counsel - Kimberly-Clark Professional® for Kimberly-Clark Corporation in Roswell, Georgia. Ms. Kinney serves in her present capacities in Atlanta, Georgia.

Vice President of Franchise Development: Timothy Arpin

Mr. Arpin has been Vice President of Franchise Development for us, Furniture Medic, Merry Maids, and Two Men and a Truck since April 2022. From October 2021 to April 2022, he served as Head of Franchising for Tim Hortons, USA in Miami, Florida. From August 2019 to October 2021, Mr. Arpin served as Vice President, Franchise Recruitment for Scooters Coffee, LLC in Omaha, Nebraska. And, from October 2008 to August 2019, he served as Vice President, Franchise Development for Self Esteem Brands, LLC in Woodbury, Minnesota. Mr. Arpin serves in his present capacities in Woodbury, Minnesota.

Senior Director and Brand Leader: Christopher Gammill

Mr. Gammill has been Senior Director and Brand Leader for AmeriSpec and Furniture Medic since December 2020. He served in the same positions for ASL and FML from March 2018 to December 2020. From August 2012 to February 2017, he was a Regional Field Team Manager and Organizational Change Leader for O2E Brands and 1-800-GOT-JUNK? located in Vancouver of British Columbia, Canada. Mr. Gammill serves in his present capacities in Atlanta, Georgia.

Item 3: Litigation

Disclosures Regarding 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 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 Attorneys General 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 denies these conclusions but decided to enter into the 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. E25636618, filed on March 19, 2019). On March 14, 2019, our affiliate, Dunkin Brands, Inc. ("**DBI**"), entered into a settlement agreement with the Attorneys General 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 prohibit 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 contain a no-poaching provision that prevents Dunkin' franchisees and DBI from hiring each other's employees. Under the terms of the settlement, DBI agreed not to enforce either version of the no-poaching provision or assist Dunkin's franchisees in enforcing that provision. In addition, 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. DBI expressly denied in the settlement agreement that it had engaged in any conduct that had violated state or federal law and, furthermore, that the settlement 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). In this matter, the N.Y. 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 the 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

The initial franchise fee is $24,900 (the "**Initial Franchise Fee**"). We treat each Franchised Business purchased as a single franchise with its own Franchise Agreement.

At any given time, we may offer incentives of cash, materials, supplies or related items or services, 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 currently offer the following discounts off the Initial Franchise Fee (you may take advantage of only one discount):

1. Military Discount - A discount of 20% off the Initial Franchise Fee is available if you, or the majority of the shareholders, members, or partners of the franchisee entity, were honorably discharged from the U.S. Army, Navy, Air Force, Marines or Coast Guard. This discount also is offered through the International Franchise Association's VetFran Program in which we participate.

2. Existing Franchisee Discount – A discount of 15% off the Initial Franchise Fee is available if you are an existing franchisee of us or our affiliates in good standing and you are approved to buy an additional Franchised Business.

3. Conversion Franchise Discount - A discount of 15% off the Initial Franchise Fee is available you are a Conversion Franchise with an existing revenue level of at least $200,000.

4. Woman-Owned or Minority Owned Business Discount – A discount of 10% off the Initial Franchise Fee is available if you are a business which is (a) at least 51% owned by one or more women who have

full operational control of the business and otherwise meet our requirements to purchase a Franchised Business or (b) at least 51% owned by one or more people who have full operational control of the business, are African American, Hispanic, Native American, Asian or other similar minority race designation, and otherwise meet our requirements to purchase a Franchised Business.

In 2021, the Initial Franchise Fee ranged from $18,862 to $22,410.

The Initial Franchise Fee includes access to our initial training program ("**Initial Training**") and some meals if you are acquiring your first Franchised Business. You must pay for your travel, hotel, some meals and incidentals.

Marketing and Technology Bundle

In addition to the Initial Franchise Fee, you must purchase from us an opening package of marketing and technology items (the "**Marketing and Technology Bundle**"), which includes (i) computer equipment, including a laptop, (ii) the initial license fee for the AmeriSpec Inspection Software, which is the in-field software (the "**AIS**"), (iii) the initial license fee for the AmeriSpec Management System, which is an online business management tool (the "**AMS**"), (iv) a marketing bundle that includes an initial order of stationery supplies, business cards, and other start-up marketing materials, and (v) the admission fee for one attendee to attend your first franchisee convention. These items are further described in Item 11. The Marketing and Technology Bundle currently costs $3,900.

Initial Fees

The Initial Franchise Fee and the Marketing and Technology Bundle are payable in full at the signing of the Franchise Agreement and are nonrefundable. We do not offer direct or indirect financing to franchisees for any of these fees.

Item 6: Other Fees

OTHER FEES

(Note 1)

Type of Fee	Amount	Due Date	Remarks
Royalties	The greater of 7% of Gross Receipts; or a minimum of $280, except that minimum fee does not apply for first 90 days after completion of Initial Training.	Payment Due Date (See Note 1)	See Note 2 for the definition of "**Gross Receipts**." See Note 3 for an explanation of the Royalties. If we are charged a tax by your state or an agency in your state on the fee that we receive from you (other than federal income taxes), you must pay an additional Royalty equal to the amount of the tax.
Advertising Contribution	The greater of 3% of Gross Receipts or a minimum of $160, except that minimum fee does not apply for first 90 days after completion of Initial Training.	Payment Due Date	The Advertising Contribution will be contributed to an advertising fund that we account for separately.

Type of Fee	Amount	Due Date	Remarks
Transfer Fee	$7,000, except (i) $3,500 if the transfer is to an owner's adult child who is at least 18 years of age and (ii) no fee if the transfer is to a spouse of an existing owner.	Before completing transfer	Payable by you or the buyer when you transfer 50% or more ownership of the Franchise Agreement or the Franchised Business to one owner or a group of owners in one or more transactions.
Lead Fee	$5,000	At closing	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 3.
Change Fee	$200 per Franchise Agreement .	Before completing a change to the Franchise Agreement.	Payable if adding, deleting, or changing owner's name (other than an owner's spouse); changing business entity name; changing DBA (doing business as) name; or changing business structure. No charge to change DBA name or business structure during first year of initial term.
AMS Software License Fee	$300 per year	Annually on June 1	Payable for the right to use the AMS. We reserve the right to increase the fee.
AIS Software Services Fee	$250 per year per inspector license	Annually	Payable for the right to use the AIS. This fee is subject to change from time to time. Currently, this fee is payable directly to the vendor.
National Accounts Work Order Fee	Currently, $4.50 per completed work order	As incurred	Payable for jobs that you perform for National Account customers. We may change this fee from time to time. Currently, this fee is payable directly to the vendor.
Additional Training Fee	Currently, $75 to $1,200	As incurred	Payable if you send more than three inspectors to our Initial Training or to other training programs that we may conduct from time to time. The fees will vary by program and are subject to change.
Renewal Fee	No charge	N/A	If you enter into a renewal term, we may audit the Franchised Business and charge the Audit Fee, but we will not charge a separate renewal fee.
Convention Fee	Typically, between $650 and $850 per person. The non-attendance fee for failure to attend the Brand Conference is currently $500.	As invoiced	Payable for each person that is required to attend our franchise convention, which is held once every 12 to 24 months, whether or not they attend. We may increase the fee periodically.
Delinquency Fee	$50	The day after a monthly report is due	Payable if you fail to submit monthly reports to us when due.

Type of Fee	Amount	Due Date	Remarks
Interest on Overdue Payments	1.5% per month on unpaid balances or, if less, the maximum allowable by law	Immediately after notice from us	Payable if you fail to timely pay any amounts owed to us.
Audit Fee	Cost of audit up to $2,000, plus any unpaid amounts with interest.	10 days after receipt of audit report	Payable if we exercise our right to audit your books. If you fail to fully cooperate with any reasonable request by us or if you understate your Gross Receipts by 3% or more, you must pay us the entire cost of the audit, including any amounts over $2,000 and all travel and living expenses and compensation of our auditors or inspectors.
Indemnification	Varies by nature of claims	On demand	You must indemnify us and our affiliates in connection with your operation of the Franchised Business.

Notes to Item 6, Other Fees:

1. Unless otherwise stated, all fees are uniformly imposed and are nonrefundable. You must participate in our current electronic funds transfer and reporting program(s). For monthly fees, such as the Royalties and Advertising Contribution (the "**Monthly Fees**"), the fee must be reported by the 10th day of the month and paid electronically by the date specified by us following the month in which Gross Receipts are made (currently, the 20th day of the month) (the "**Payment Due Date**"). If you have not reported Gross Receipts for any reporting period, we will be authorized to debit your bank account (the "**Account**") in an amount equal to the greater of the non-reported payment (if we can reasonably estimate or determine the owed amount) or one hundred twenty percent (120%) of the Monthly Fees transferred from such Account for the last reporting period for which a report of Gross Receipts was provided to us. If at any time we determine that you have underreported Gross Receipts 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, 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 we and you determine that such credit is due.

2. "**Gross Receipts**" means the total amount of revenues received by you or any affiliates from all products and services offered by the Franchised Business or offered from the premises of the Franchised Business, and all other services or products sold under the Marks, or using any branded systems (including any branded software) or tools, or otherwise related to the Franchised Business or sold to customers of the Franchised Business, whether payment is received by cash or credit, plus the fair market value of goods delivered and services rendered to you, or your designee, in consideration for goods and services provided in, from, or in conjunction with the Franchised Business. "Gross Receipts" exclude (i) bona fide refunds, (ii) credits given or allowed by you to customers, (iii) uncollectible checks, (iv) amounts collected from customers and remitted by you to any governmental taxing authority in satisfaction of sales taxes, and (v), if you are a Conversion Franchise, revenue we agree to exclude.

3. Royalties are generally understood to be the fees the franchisee pays to use something that someone else created (i.e. the Franchised Business idea and trademarks and branding). Franchisees use our ideas, trademarks and branding to create sales, and a percentage of the Gross Receipts is paid to us as a royalty fee in exchange for permission to use our proprietary trademarks and processes.

4. A qualified lead is defined as someone who has passed our screening process, our national background check, credit check, and at a minimum a phone interview of the prospect. 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.

Item 7: Estimated Initial Investment

YOUR ESTIMATED INITIAL INVESTMENT FOR A NEW FRANCHISED BUSINESS

Type of Expenditure	Amount (Note 1)		Method of Payment	When Due	To Whom Payment Is To Be Made
	Low	High			
Initial Franchise Fee (Note 2)	$24,900	$24,900	Lump Sum	Upon signing the Franchise Agreement	Us
Marketing and Technology Bundle (Note 3)	$3,900	$3,900	Lump Sum	Upon signing the Franchise Agreement	Us
Uniforms (Note 4)	$200	$200	Lump Sum	As incurred	Third-party suppliers
Equipment (Note 5)	$1,500	$4,100	As arranged	As incurred	Third-party suppliers
Computer Equipment and Services (Note 6)	$1,100	$1,300	As arranged	As incurred	Third-party suppliers
Vehicle Expenses (Note 7)	$1,650	$4,000	As incurred	As incurred	Third-party suppliers
Opening Promotional Expenses (Note 8)	$1,500	$2,000	As incurred	As incurred	Third-party suppliers
Travel and Living Expenses While Training (Note 9)	$2,150	$5,710	As incurred	Before and during training	Airlines, hotels, and restaurants, etc.
Insurance (Note 10)	$3,950	$6,200	As incurred	Before opening	Insurance broker
Additional Funds (3 Months) (Note 11)	$20,000	$25,000	As incurred	As incurred	Employees, third party suppliers, and various parties.
TOTAL (Note 12)	$60,850	$77,310			

YOUR ESTIMATED INITIAL INVESTMENT
FOR A CONVERSION FRANCHISE

Type of Expenditure	Amount (Note 1)		Method of Payment	When Due	To Whom Payment Is To Be Made
	Low	High			
Initial Franchise Fee (Note 2)	$21,165	$24,900	Lump Sum	Upon signing the Franchise Agreement	Us
Marketing and Technology Bundle (Note 3)	$3,900	$3,900	Lump Sum	Upon signing the Franchise Agreement	Us
Uniforms (Note 4)	$200	$200	Lump Sum	As incurred	Third-party suppliers
Equipment (Note 5)	$0	$3,100	As arranged	As incurred	Third-party suppliers
Computer Equipment and Services (Note 6)	$1,100	$1,300	As arranged	As incurred	Third-party suppliers
Vehicle Expenses (Note 7)	$1,650	$4,000	As incurred	As incurred	Third-party suppliers
Opening Promotional Expenses (Note 8)	$1,500	$2,000	As incurred	As incurred	Third-party suppliers
Travel and Living Expenses While Training (Note 9)	$2,150	$5,710	As incurred	Before and during training	Airlines, hotels, and restaurants, etc.
Insurance (Note 10)	$3,950	$6,200	As incurred	Before opening	Insurance broker
Additional Funds (3 Months) (Note 11)	$15,000	$20,000	As incurred	As incurred	Employees, third party suppliers, and various parties.
TOTAL (Note 12)	$50,615	$71,310			

Notes to Item 7:

1. General. The estimated amounts included in this Item 7 are estimates based on our and Predecessor's many years of experience offering and supporting Franchised Businesses. Amounts paid to us are non-refundable, except as noted below. The refundability of amounts paid to third party suppliers depends upon arrangements between you and the suppliers. We and our affiliates do not directly or indirectly offer financing for these expenses.

2. Initial Franchise Fee. The Initial Franchise Fee may vary depending on whether a discount applies. If you are a Conversion Franchise with an existing revenue level of at least $200,000, your Initial Franchise Fee may be reduced by 15%. See Item 5 for a description of other available discounts.

3. Marketing and Technology Bundle. The Marketing and Technology Bundle is described in Item 5.

4. Uniforms. You must purchase AmeriSpec® branded uniforms from a vendor that we approve.

5. Equipment. We recommend you purchase and maintain, at a minimum, the following tools-of-the-trade to perform home inspections: (i) combination screwdriver, (ii) short awl, (iii) long awl,

(iv) tool pouch, (v) knee/elbow pads, (vi) face mask respirator, (vii) voltage tester, (viii) tape measure, (ix) water pressure gauge, (x) gloves, (xi) two GFCI testers- 3-prong, (xii) 2-prong outlet tester (adapter), (xiii) 2,000 cp rechargeable AC/DC flashlight, (xiv) two probe-type thermometers, (xv) overalls, (xvi) binoculars (minimum 8 X 20 X 50 IRO), (xvii) ladder (minimum 17 foot), (xviii) carbon monoxide detector, (xix) gas leak detector, (xx) moisture meter, and (xxi) safety goggles. If you are a Conversion Franchise, you may already own all or a portion of these items, as reflected in the estimate for Conversion Franchises.

6. Computer Equipment and Services. This estimate includes the printer, computer, software, and Internet connection that are described in Item 11 that are not included in the Marketing and Technology Bundle.

7. Vehicle Expenses. Your Franchised Business requires at least one vehicle, which must be white, red or navy blue (any exceptions must be approved by us), must be identified according to our vehicle identity standards using our approved vehicle graphics, and must be dependable and in good working condition and appearance. You may use a vehicle you presently own if it meets these specifications, or you may choose to lease or purchase another vehicle. If you live in a community that prohibits identified vehicles, you will be granted an exception from us to use magnetic sign vehicle identification. Magnetic signs are available for you to supply to your Certified Inspectors. The estimated amount includes estimated (i) gasoline expenses for three months, (ii) vehicle license, tax, and title, (iii) three monthly payments, and (iv) vehicle graphics ($300 to $1,500 plus shipping and handling) and installation costs ($120 to $160). Your actual expenses may vary depending on your locality, your choice of vehicle, and the number of inspectors who are furnished a company vehicle.

8. Opening Promotional Expenses. This estimate is for the cost of marketing materials to be used to promote your opening, including specialty items, giveaways, apparel, flyers and other printed pieces. You are not required to buy these materials.

9. Travel and Living Expenses While Training. This estimate is for the cost for up to three people to attend our Initial Training, which is described in detail in Item 11. The Initial Franchise Fee covers the cost of Initial Training for three employees or inspectors to attend Initial Training within your first 12 months of business, as well as some meals. Training of additional inspectors will incur the fees described in Item 6. You are responsible for the travel and living expenses, wages, and other expenses incurred by you and any other trainees during the programs. Your actual cost will depend on your point of origin, method of travel, class of accommodations, and dining choices. Other certification or inspection training, commercial inspection training, and infrared technology inspection training are available through third-party vendors with our approval. Additional equipment may be needed in order to perform these optional inspection services.

10. Insurance. You must obtain the types and amounts of insurance that we specify from time to time from insurance providers or insurance brokerage firms. The current minimum requirements are specified in Item 8. We have approved vendors for E&O Insurance; however, you may also obtain insurance from another insurer at a rate determined by the insurer so long as it meets our minimum requirements and is reviewed and approved by us. Amounts listed are for annual premiums; however, rates vary state to state. Your premiums will be based on the state in which you are located, revenue estimates of the inspectors, additional endorsements, the number of inspectors or inspections, years of retro coverage, and claims history. We do not represent that our minimum insurance requirements will be sufficient for your business; we recommend that you consult a qualified insurance broker to discuss your insurance needs.

11. Additional Funds (3 Months). This amount is an estimate of the initial start-up expenses you will incur before your Franchised Business opens and in its first three months of operation. These expenses may include, without limitation, security deposits such as telephone and utilities, internet service fees, utility costs, incorporation fee and other business-related licensing. initial bank deposits, attorneys' fees, prepaid expenses, employee salaries, wages, benefits, payroll taxes, bank charges, taxes, additional advertising expenses, miscellaneous supplies and equipment, and other miscellaneous items. It does not include any salary or living expenses for you. 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 experience franchising Franchised Businesses.

    If you are a Conversion Franchise, you may have already incurred some of these expenses associated with starting a business. However, you may incur costs related to replacing initial marketing material inventory, replacing stationery items, changing names on financial accounts and other business entity documents, and relocating your office if it is outside of your Territory.

12. Total. In putting together these estimates, we have relied on our and Predecessor's combined years of experience in the business and the experience of our franchisees in starting Franchised Businesses during the last several years. As you may operate your Franchised Business from your home (provided it is in the Territory), this estimate does not include the cost of real estate or leasehold improvements. Your actual investment could be different than our experience, depending on factors such as whether you open an office outside your home, spend more in advertising, or charge additional expenses through your company.

Item 8: Restrictions on Sources of Products and Services

All equipment, fixtures, supplies, insurance, inventories, computer hardware and software, and supplies you purchase for use in your Franchised Business or for selling your services must meet our specifications, to the extent we designate them. Those specifications may include minimum standards for delivery, performance, design, appearance, and quality. The specifications will be issued to you before you start your business.

The only items we currently require our franchisees to purchase from us or our affiliates are the items included in the Marketing and Technology Bundle, including AMS and AIS and the AmeriSpec Inspection Report Binder and contents. We also make available various optional brochures and marketing materials that our franchisee may purchase from us.

We designate certain suppliers as approved suppliers that we may require or recommend that you use for specialty items, field inspection hardware/accessories, specialty printers, insurance services, inspection tools, office equipment, career apparel, customized newsletters, laboratory services, testing supplies, computer systems and accounting systems. We suggest approved suppliers for stationery supplies, office forms, signs or decals, promotional items, and insurance brokers. We will give you a list of approved suppliers before you start your business. We may revise the list of approved suppliers from time to time in our sole discretion.

Insurance. You must insure your Franchised Business with coverage, types, and amounts that we specify in the Manuals or otherwise in writing. You cannot begin offering services to the public unless you are adequately insured. Our present insurance requirements are:

(a) Employers' liability with a minimum limit of $500,000 in workers' compensation and other statutory required programs;
(b) Commercial general liability insurance covering the operation of your Franchised Business with a limit of at least $1,000,000;

(c) Business automobile insurance for hired, owned and non-owned or any auto with a minimum limit of liability of $1,000,000 for both bodily injury and property damage;
(d) Errors and omissions with a minimum limit of liability of $1,000,000; and
(e) Additional insured by schedule, including Franchisor, others named, and per contractual requirement.

If you offer commercial inspection services, we require you to carry Errors & Omission insurance that covers commercial inspections. Most E&O master insurance policies cover buildings not exceeding four stories in height and 50,000 square feet and 20 acres in size. Larger buildings may require additional coverage; check with your E&O insurance carrier prior to inspecting such larger buildings.

For all insurance policies, you must list us and our affiliates as an additional insured. We reserve the right to modify these insurance requirements periodically and you must meet any new requirements.

Officer Interests. Our officers own indirect ownership interests in us, and we are an approved supplier. Other than these interests, our officers do not have any ownership in any approved suppliers.

Approval Process. If you want to purchase products from suppliers other than those we have approved, you must request our approval before doing so. Before giving our approval, we may ask the supplier to provide samples of materials they wish to provide to you, and we may investigate the ability of the supplier to provide materials that meet our specifications. We do not impose any fee either to you or the supplier for conducting this investigation, and we do not publish our criteria for reviewing suppliers. We will usually be able to tell you via telephone, e-mail, or fax within 10 days whether or not the supplier is approved, but the time period will depend upon the cooperation we receive from the supplier in responding to our questions.

Revenue Earned from Required Purchases**.** We and our affiliates may derive revenue from the sale of items to you by us, our affiliates, or our approved vendors. In the fiscal year ending December 31, 2021, we and our affiliates did not earn any revenue from required purchases by our franchisees.

Percentage Subject to Specifications. On an ongoing basis, the items you purchase must comply with our specifications and will represent approximately 10% to 15% of the total purchases you will make in establishing and operating your Franchised Business. This includes items you will purchase from us, as well as other expenses you will incur in operating your Franchised Business.

Purchasing or Distribution Cooperatives**.** As of the Issuance Date of this Disclosure Document, we do not have any purchasing or distribution cooperatives.

Purchase Arrangements. We have negotiated special franchise pricing with some vendors. For some purchases, we may in the future receive manufacturer and wholesaler rebates based on the total purchases by the AmeriSpec® system, but we do not currently do so. Some suppliers designated by us provide us rebates based on sales made to you. This rebate ranges from 5% to 10% of the revenue they receive from you. We use these funds to defray our cost of interfacing with these vendors on behalf of our franchisees.

Material Benefits or Incentives. We do not provide any material benefits or incentives to you for your purchases of certain products or services or your use of certain suppliers.

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 the agreement and in other items of the Disclosure Document.

	Obligation	Section in agreement	Disclosure document Item
a.	Site selection and acquisition/lease	Section 3 and Exhibit "A" of Franchise Agreement	Items 7 and 11
b.	Pre-opening purchases/leases	Sections 9 and 11 of Franchise Agreement	Items 7 and 8
c.	Site development and other pre-opening requirements	Section 7 of Franchise Agreement	Items 6, 7 and 11
d.	Initial and ongoing training	Section 8 of Franchise Agreement	Item 11
e.	Opening	Section 8 of Franchise Agreement	Items 7 and 11
f.	Fees	Sections 4, 5, 6 and 9.12 of Franchise Agreement	Items 5 and 6
g.	Compliance with standards and policies/ operating manual	Section 9 of Franchise Agreement	Items 8 and 11
h.	Trademarks and proprietary information	Sections 2, 10 and 14 of Franchise Agreement	Items 13 and 14
i.	Restrictions on products/services offered	Section 11 of Franchise Agreement	Items 8, 11 and 16
j.	Warranty and customer service requirements	Section 9 of Franchise Agreement	Items 11 and 16
k.	Territorial development and sales quotas	Section 19 of Franchise Agreement	Items 12 and 17
l.	Ongoing product/service purchases	Section 11 of Franchise Agreement	Item 8
m.	Maintenance, appearance and remodeling requirements	Section 9 of Franchise Agreement	Items 8 and 11
n.	Insurance	Section 13 of Franchise Agreement	Items 6, 7 and 8
o.	Advertising	Section 6 of Franchise Agreement	Items 6, 7 and 11
p.	Indemnification	Section 21 of Franchise Agreement	Item 6
q.	Owner's participation/ management/staffing	Sections 8 and 9 of Franchise Agreement	Item 15
r.	Records and reports	Section 12 of Franchise Agreement	Item 6
s.	Inspections and audits	Section 12 of Franchise Agreement	Items 6 and 11
t.	Transfer	Sections 16 and 17 of Franchise Agreement	Item 17
u.	Renewal	Section 3 of Franchise Agreement	Item 17
v.	Post-termination obligations	Section 15 of Franchise Agreement	Item 17
w.	Non-competition covenants	Section 15 of Franchise Agreement	Item 17
x.	Dispute resolution	Section 20 of Franchise Agreement	Item 17

	Obligation	Section in agreement	Disclosure document Item
y.	Other (Payment obligations)	Section 20.12 of Franchise Agreement	Items 5 and 6
z.	Other (Personal Guaranty)	Sections 3.2.4 and 16.2.1 and Exhibit B of Franchise Agreement	Items 10 and 15

Item 10: Financing

We and our affiliates do not offer direct or indirect financing arrangements for any purpose in establishing or operating your Franchised Business. 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.

We participate in the SBA's Franchise Directory. We may modify the Franchise Agreement, if necessary, to comply with SBA requirements for you to participate in certain SBA loan programs.

Item 11: Franchisor's Assistance, Advertising, Computer Systems, and Training

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 AmeriSpec® 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.

Pre-Opening Assistance. Before you open your Franchised Business, we will:

1. Designate your Territory and approve your office location. (Franchise Agreement – Paragraph 3 and Paragraph 7).

2. Make available to you Initial Training as detailed below in this Item.

3. Provide you with access to our digital Manuals, which currently consists of approximately 1,325 pages. The Table of Contents of the Manuals is attached as Exhibit G. (Franchise Agreement - Paragraph 8.5 and Paragraph 19.5)

4. Provide to you specifications and lists of approved suppliers for other items you will need to operate your business (see Item 8 for details). (Franchise Agreement - Paragraph 11.1)

5. Provide you with an internet e-mail address, , and a website for use in operating your Franchised Business or (Franchise Agreement - Paragraph 6.8 and Exhibits D and E)

6. Provide you with the Marketing and Technology Bundle.

On-going Assistance. During the operation of your Franchised Business, we will:

1. Conduct on a regular basis, at our discretion, a convention or seminar for all of our franchisees [Franchise Agreement - Paragraph 8.6 and Paragraph 8.7].

2. Develop and implement national and/or regional advertising and marketing campaigns through management of the National Advertising Fund [Franchise Agreement - Paragraph 6].

3. Periodically update our Manuals [Franchise Agreement - Paragraph 8.5].

Development Time. The typical length of time between the signing of the Franchise Agreement and the start of your business is approximately one to four months. You or the manager of the Franchised Business must attend and complete the first scheduled Initial Training following the execution of the Franchise Agreement, before you may begin operating your Franchised Business. The factors that affect this development time are the date you start your training, when you purchase your Marketing and Technology Bundle (See Item 7), and, if applicable, when you complete your state-specific licensing, registration, or certification requirements.

Site Selection. You must establish and operate from a regular, full-time business office within your Territory. Full time is defined as Monday through Friday 8 a. m. to 5 p.m. This office can be in your home, as long as your home is located within your Territory. Your office must be a functional business office with a desk, chairs, file cabinet, computer and printer, etc. While we do not prescribe specific standards for the interior or exterior of your office, if it is outside of the home, it is expected to be tastefully decorated in a manner designed to enhance the goodwill associated with the Marks. Should you choose to operate from a home office, it is your responsibility to comply with all local ordinances as some may prohibit home offices.

If you own multiple Franchised Businesses with contiguous territories, you are only required to establish one full-time office. We have the right to approve your office location. Once established, the office cannot be moved without our consent. We do not locate an office for you, do not negotiate the purchase or lease of your office site; do not own office locations or office space for lease to you; do not conform the office premises to local ordinances, building codes, and obtain any required permits; and do not construct, remodel, or decorate the premises.

Advertising Programs

National Advertising Fund. All franchisees must contribute the Advertising Contribution to the National Advertising Fund (the "**Ad Fund**"). As of the date of this Disclosure Document, the Advertising Contribution is the greater of 3% of the Gross Receipts of each Franchised Business or $160 (except the $160 minimum does not apply until 90 days after you complete Initial Training). We may adjust this contribution amount upon written notice to you, but it shall not exceed 3% of Gross Receipts. We do not contribute to the Ad Fund. Any amounts in the Ad Fund that are not spent in any fiscal year are kept in the Ad Fund for use in the following year. Upon written request, we will provide an annual statement of the financial condition of the Ad Fund, certified by one of our executive officers. We are not obligated to audit the Ad Fund.

We are solely responsible for determining how to spend the money held in the Ad Fund. We may use the Ad Fund for the payment of expenses incurred in connection with the general promotion of the Marks and the franchise system, including, but not limited to: (i) the cost of formulating, developing and implementing media advertising and public relations campaigns; (ii) the cost of formulating, developing and implementing promotional programs; (iii) the cost of monitoring and/or managing social media relating to the brand, (iv) at our option, reimbursement of all or part of each franchisee's cost of purchasing promotional materials used in

connection with promotional programs authorized by us; and (v) the reasonable cost of administering the Ad Fund, including accounting expenses and the actual cost of salaries and fringe benefits paid to our and our affiliates' employees engaged in administration of the Ad Fund. We do not use any portion of the Ad Fund in a way that is principally aimed at helping us sell franchises.

We shall have sole discretion over the methods of advertising, selection of media, locale of advertising, and contents, terms and conditions of advertising campaigns and promotional programs. Currently, the source of advertising material comes primarily from in-house, but we also may use outside advertising sources.

In 2021, the Ad Fund was spent on: digital media (46%); assets (6%); sales support (1%); contributions to the Co-op (as defined below) (23%); and administrative and miscellaneous costs (24%). The administrative and miscellaneous expense category accounts for employee/staff salaries and benefits for those who are involved in in administrating the Ad Fund, general administrative expenses, professional fees, management fees, and travel expenses for our representatives that travel in connection with the administration of the Ad Fund.

Advertising from the Ad Fund is intended to maximize the public's awareness of the franchise system. We are not obligated to ensure that any individual franchisee benefits directly, on a pro rata basis or at all, from the placement, if any, of such advertising in its local market.

Although we do not have an advertising council, we have a National Franchise Council consisting of members from various regions of the country. The members are nominated and elected by their peers and are consulted regarding new ideas for use of the Ad Fund, as well as departures from any existing programs. We may add or remove members and dissolve this council at any time, and we retain control over all decisions related to the Ad Fund.

Cooperatives. Franchisee may participate in a voluntary cooperative advertising program (the "**Co-Op**") that is intended to encourage cooperation among franchisees in local marketing/advertising efforts. We do not have any formal advertising cooperatives. However, franchisees may work together and submit receipts of local marketing/advertising expenses they have incurred cooperatively promoting their Franchised Businesses and their services within their Territory. We shall determine the percentage of such Co-Op expenditures that may be reimbursed from the Ad Fund.

Local Advertising. In addition to making contributions to the Ad Fund, you must conduct your own local advertising to promote your business. You may use any of the advertising and marketing materials we make available to you in promoting your business, or you may create your own materials. However, if you create your own materials, we must approve them before their use. In addition, we have the right to review and make suggested changes and approve internal advertising efforts, such as web-site advertising and electronic mail, and to provide standards for all internet advertising.

As disclosed above, some of your expenses for local advertising may be reimbursable through our Ad Fund reimbursement program. You are not required to participate in any local or regional advertising cooperative or in any other advertising fund.

Our Advertising. We will provide you with appropriate marketing tools necessary to implement a local marketing plan. We may make available to you advertising materials and services at scheduled prices. We are not obligated to conduct any advertising, other than the advertising expenditures from the Ad Fund. We may engage the professional services of advertising agencies, including advertising agencies affiliated with us.

Computer System

You must acquire and use the computer systems we specify for the operation of your Franchised Business. We may develop computer systems and specifications for certain components of the computer systems in the future and may modify those specifications and the components of the computer systems. As part of the computer systems, we may require you to obtain, update, and use specified computer hardware and/or software including, without limitation, a license to use proprietary software developed by us or others. Your computer systems must be compatible with our computer systems, must be connected to our facilities by high-speed Internet with minimum requirements specified by us, and must be updated, maintained, and used in compliance with our specifications. We may require you to electronically upload or transmit information on a periodic basis (including daily). Also, we have the right to independently access sales information and other data produced by the computer systems and there are no contractual limitations on our right to access and use that information and data, even if the data is maintained by a third party. We will not be liable to you for any claims, losses or damages arising from or related to our access to or use of the information and other data produced by the computer systems, including any errors or omissions in the information and other data obtained by us or in the information and other data shared by us with third parties (including other franchisees or prospective franchisees).

We do not provide any support for computer hardware/software operated on computer systems that do not meet our current specifications or for outdated (not current version) software. As the required software is updated, you may need to upgrade or supplement hardware and related items in order to continue to use it. You must upgrade your computer equipment and purchase any additional equipment we specify to accommodate our software or to improve the overall effectiveness and competitiveness of your Franchised Business. We do not expect the cost of these upgrades to be more than $4,000 per full-time inspector used by you, in any 24-month period.

The AIS (AmeriSpec Inspection Software) is a software program that allows home inspectors to collect data while performing a home inspection and that generates a home inspection report. The AIS is typically operated on hand-held devices and will require installation to operate on laptop or desktop computers. We will assist you with Level 1 inspection software support and assist vendor with major bug fixes for the AIS. We charge an initial license fee of $1,000 per license for the first year that is included within the Marketing and Technology Bundle that you purchase when you sign your Franchise Agreement. For each year thereafter, an annual services fee of $250 to $300 per license per inspector must be paid to our approved vendor, depending on the method of payment. Additional licenses for your Franchised Business may be purchased directly from our approved vendor. You must sign the approved vendor's then-current software license agreement. New releases of the software may be provided from time to time.

At our discretion, existing franchisees may have the option, upon renewal of their Franchise Agreement, to continue using AmeriSpec Home Inspector software ("**AHI Software**"). If approved by us, existing franchisees must sign the Software License Agreement included in this Disclosure Document as an exhibit to the Franchise Agreement and pay the then-current license renewal fee associated with the AHI Software.

The AMS (AmeriSpec Management System) is an online business management tool that allows you to have all your needed information and automated processes in place. The AMS allows us to market, schedule, and communicate with your customers. You must sign a license agreement with us for use of this software, which is included as Exhibit G to the Franchise Agreement. You will pay us an initial license fee of $300 per license (which is included in your Marketing and Technology Bundle) and an annual renewal fee of $300 per year for this software. The fee will be pro-rated for your first year of operation. For each year thereafter, the fee will be payable on June 1.

We are not obligated to provide specific software required by state licensing agencies. It is your responsibility to be in full compliance with your state(s) license requirements, including specific software requirements.

We independently have access to the information and data generated by our software described above. There are no contractual limitations on our right to access the information and data.

We have a private, secure site on the Internet, which is available to our franchisees. This intranet site, AmeriSpec Connection or a comparable site, allows a franchisee to send electronic mail to our corporate staff and other franchisees, post and respond to questions and view other responses in question and answer forums, view and print news items, view and print Manuals, and download files and software updates.

Training

Initial Training. As described earlier, we offer a two-week Initial Training (also referred to as AmeriSpec® Academy) that consists of a one-week technical training on the performance of home inspections and a one-week management training on operating a business. We hold Initial Training at our training facility located in Memphis, Tennessee approximately six times per year, but we may hold our Initial Training virtually when travel or in-person meetings are restricted.

The person who will actually manage your business (whether it is you (if you are an individual) or a manager) and new franchise owners must attend and successfully complete Initial Training. You (if you are an individual), your owners, and/or your manager will typically attend Initial Training approximately 30 to 60 days from signing the Franchise Agreement. You, your owners, or your manager must successfully pass an exam at the end of the technical part of Initial Training.

All individuals conducting home inspection services for you must be certified as a Certified Inspector. An individual may become certified as Certified Inspector by completing the online Study Course that we designate, completing the technical week of Initial Training, and successfully passing the final exam that we provide or by successfully completing a training course provided by a third-party that we approve.

In our sole discretion, existing AmeriSpec franchisees who are acquiring an additional Franchised Business, either via a new purchase or a transfer, may be required to go through our current Initial Training. If you are purchasing a Franchised Business from an existing franchise owner or if you are purchasing a Conversion Franchise, you must attend the first scheduled Initial Training following the purchase of the franchise.

If you are a new franchise owner, you may have a total of three trainees per Franchised Business attend Initial Training during the first 12 months of business operations as part of the Initial Franchise Fee, unless we, in our sole discretion, allow you to have more attend as a result of your business volume. We charge a fee for these additional or subsequent trainees to attend Initial Training, as described in Item 6, and the program is subject to availability. When you or your trainees attend Initial Training, you are responsible for all related costs of training, such as travel and hotel expenses, some meals and other out-of-pocket expenses and compensation.

The following table summarizes our Initial Training:

TRAINING PROGRAM

Subject (Note 1)	Hours of Classroom Training	Hours of On-the-Job Training (Note 2)	Location
AmeriSpec Pre-Academy (Note 2)***:***			
Study Guide and Workbook for Online Self-Study Course	Approx. 40 self study	0	In your home, prior to attending Academy
AmeriSpec Academy:			
Management Training			
Risk Management	3	0	Franchisor Training Center, Memphis, TN
Marketing	5	0	
Administration/Operations	10		
Financial Management	4		
Sales/Management	4		
Computer Training	10		
Technical Training (Inspector Training)			
Roofing	4	0	Franchisor Training Center, Memphis, TN
Electrical Systems	4	0	
Structure	4	0	
Heating Systems	4	0	
AC/heat pumps	3	0	
Exterior	4	0	
Plumbing	8	0	
Appliances	2	0	
Fireplaces/Chimneys	3	0	
Interiors	3	0	
Insulation/Ventilation	3	0	
Contracts and Industry	4	0	
Report Writing	3	0	
Standards	0	9	Classroom hours at the Franchisor's Training Center, Memphis, Tennessee; On-the-job training will be within the Territory
In-Field Practice Inspections	2	6	
Final Test and Graduation	1.5	0	Franchisor Training Center, Memphis, TN
Post Academy Training (Note 3):			
In-Field Practice Inspections and Inspection Reports	3	15	Within the Territory
TOTAL	93.5 (133.5 including self-study hours)	30	

Notes to Item 11, Training Program:

1: We will use our various Manuals and the Home Reference Book of Home Inspection as the instructional materials for these training programs. Training sessions and materials are in English. The management training

of the Academy is presented by the Development Managers and the Marketing Department along with our other staff members. The technical training at the Academy is conducted by our Manager of Technical Training, Michael Hughes. Mr. Hughes was an AmeriSpec® franchisee from 1998 to 2000 and has been on our or our Predecessor's technical training staff since January 2001.

2: You must complete the 40-hour Home Reference On-Line Study Course prior to attending the two-week Academy. We will monitor the on-line Home Reference Study Course to ensure completion prior to attending Academy class.

3: After Academy, you and any inspectors must complete three to four practice inspections and submit inspection reports for evaluation by the Technical Department.

You should be aware that there are specific statutory requirements in many states that apply to home inspector licensing, registration or certification, or otherwise regulate the operation of a home inspection business. Some states require attendance at their training sessions and passing a test before you can be licensed in that state. It is your responsibility to determine whether these requirements may apply to your Franchised Business and to comply with any applicable laws, rules or regulations.

Additional Training and Assistance. We may, but are not required, to provide or make available to franchisees training on the performance of other residential and commercial building inspections.

All franchisees wishing to perform commercial inspections must meet our standards as specified in the Manuals, obtain our approval, and become certified in commercial property inspections from a program that we approve. Currently, the approved commercial inspection training program is conducted by an independent third party, which charges a fee, and is separate from our Initial Training.

We offer additional regional training programs and refresher courses to our franchisees and their inspectors from time to time for additional and continuing technical education. The number of regional sessions held may vary from year to year at our discretion. We may charge a fee for such programs.

We generally hold a franchisee convention approximately once every 12 to 24 months. Currently, we may charge a Convention Fee that ranges between $650 to $850, but this fee is subject to increase from year to year. Even if you do not attend this program, you must pay us a fee of $500.

Item 12: Territory

We will designate a Territory in which your Franchised Business will provide services. We consider total population, relative affluence, and the number of recent Real Estate Transactions ("**RETs**") to determine a territory. Typically, your Territory will consist of a contiguous area with between 2,000 and 4,000 RETs per year that can be served within a 1.5 hour travel time. We use the current United States Census Bureau figures when considering population estimates.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. However, you will have certain protected rights in your Territory. We will not enter into a Franchise Agreement licensing another Franchised Business to be located and operated inside your Territory as long as you meet the Performance Criteria, except we may convert businesses that we or our affiliates are acquired by, acquire, merge with, or become affiliated with to become Franchised Businesses inside or outside your Territory.

Your Territory will remain protected only as long as you meet the following performance criteria (the "**Performance Criteria**"):

For a ***new*** Franchised Business, you must have complied with the Franchise Agreement and achieved (a) revenue growth over the trailing 3 years; (b) at least 3% market share; and (c) a revenue percentage increase from Year 2 to Year 3 that is either (i) equal to or greater than the percentage increase of RETs in your Territory or (ii) equal to or less than the percentage decrease of RETs in your Territory.

For an ***existing*** Franchised Business, you must have complied with the Franchise Agreement and achieved (a) at least 3% market share and (b) a revenue percentage increase over a 5-year period that is either (i) equal to or greater than the 5-year average increase in the RET(s) in the Territory or (ii) equal to or less than the 5-year average decrease of RETs in your Territory.

Market share will be calculated by multiplying the number of RETs in the Territory for a 12-month period by the average percentage of RETs that obtain home inspections as determined by ASHI (American Society of Home Inspectors) and dividing that number by the number of home inspections performed by you during that same period.

If you fail to pay any amounts owed to us or to our affiliates, fail to meet the Performance Criteria, or fail to comply with any term of the Franchise Agreement, then in addition to any other remedies we may have, including the right to terminate the Franchise Agreement, we will have the to reduce and/or restructure the size of or eliminate the protected rights in your Territory. In addition, if you are an existing franchisee and are transferring your Franchised Business to a transferee, we may modify your Territory to be consistent with our then-current standards for issuing new territories.

You must be in compliance with the terms and conditions of your Franchise Agreement to participate in the National Accounts Program. If you participate in the National Accounts Program, you will be eligible to receive leads for a designated area (usually a designated zip code). You do not have any right, however, to receive leads for jobs to be performed in these designated zip codes. Rather, we have the absolute right to designate an area and/or distribute leads or not distribute leads according to our judgment. In fact, you may not receive any leads even if you participate in the National Accounts Program. Also, if you do not participate in the National Accounts Program, it is possible that other franchisees or subcontractors will receive leads in your Territory.

You may market to and solicit customers only within the Territory. Our business is a referral business; therefore, you may also perform services for a customer outside your Territory only if an agent and/or customer initiates the request. Directing marketing or solicitation activities to agents or customers outside of your Territory is prohibited. Otherwise, we do not prevent any of our franchisees from advertising their business, or soliciting customers through the internet, direct mail and other direct marketing. We do not pay for soliciting or accepting orders from inside your Territory.

Your office must be at a location that we approve within your Territory. You may not move your office outside of your Territory, nor may you advertise an office location that is outside of your Territory. Our consent will not be unreasonably withheld if you want to move your office, so long as your new proposed office is within your Territory. If you own multiple Franchised Businesses, the designated territories of which are contiguous, you are required to establish only one full-time office. You do not have any option or right of first refusal to purchase any areas outside of your Territory.

Although neither we nor our affiliates are restricted by this disclosure or the Franchise Agreement from operating a franchise or company-owned outlet for inspection services under any other trade name or trademark other than what has already been discussed in this Disclosure Document., 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. 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.

Item 13: Trademarks

If we grant you a Franchised Business, we will grant you the right to operate such Franchised Business under the 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.

In the Securitization Transaction, ServiceMaster acquired the Marks from SM IP, which had acquired them from Predecessor in the Acquisition. Predecessor has registered the Marks listed below on the Principal Register of the United States Patent and Trademark Office (the "**USPTO**") and filed all necessary affidavits and renewals for such Marks. ServiceMaster is in the process of recording its ownership of the Marks with the USPTO.

Mark	Registration No.	Date of Registration
AMERISPEC	1,497,266	July 19, 1988
	1,968,902	April 16, 1996
	2,524,568	January 1, 2002
	2,649,445	November 12, 2002
PROTECTION BEYOND THE INSPECTION	3,860,652	October 12, 2010
PROTECTION BEYOND THE INSPECTION	3,918,093	February 8, 2011
ASK THE INSPECTOR	3,958,321	May 10, 2011
	4,066,523	December 6, 2011
AMERISPEC (word mark)	4,066,524	December 6, 2011
	4,066,525	December 6, 2011

ServiceMaster has licensed the Marks and other intellectual property related to the operation of Franchised Businesses (collectively, the "**Licensed IP**") to us and authorized us to use the Licensed IP in connection with the offer, sale, and support of franchises. The license agreement does not contain any significant limitation on our right to use or license the Licensed IP to you. The license agreement has a 99-year term and may be terminated unilaterally by either party only upon a material breach of such agreement. Upon termination of the license agreement, we and our franchisees must immediately discontinue the use of the Licensed IP.

There are no agreements limiting our right to use or license the use of the Marks. If you learn of an infringement or challenge to your use of the Marks, you must immediately notify us. We will take the action we think is appropriate. We are not obligated, by the Franchise Agreement or otherwise, to protect your right to use any Marks. However, we will protect you against claims of infringement or unfair competition that might be made against you from your use of the Marks as long as you are properly using them. We may, in this situation, take any action we think is appropriate to handle the claim.

You must follow our rules when you use the Marks. You cannot use any of the Marks (or the names and marks of any of our affiliates) as part of a corporate name or with modifying words, designs or symbols, except for those we license to you. You may not use any of the Marks for the sale of any unauthorized products or service or in a way we have not authorized in writing.

There are currently no effective determinations of the U.S. Trademark Office, Trademark Trial and Appeal Board, the Trademark Administrator of any state, or any court, or any pending infringement, opposition or cancellation proceedings, or any material litigation, involving our principal Marks. We know of no superior rights or infringing use that could materially affect your use of the principal Marks listed above in the United States. We may adopt new Marks at any time, or to change our existing Marks. If we adopt new Marks, or change our existing Marks, you must use the new or modified Marks, and discontinue the use of any Marks we decide to change or discontinue, but we will either give you sufficient notice to allow you to use any trademarked stationery and marketing materials you bought in the last 90 days that will become obsolete or, at our option, we will purchase those materials from you at your cost.

Item 14: Patents, Copyrights and Proprietary Information

There are no patents material to the purchase of a Franchised Business. We or our affiliates claim copyright protection of our Manuals, and to advertising and promotional materials, inspection agreements, 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 or our affiliates' property. You may use them only as long as you are a franchisee, and only as provided in the Franchise Agreement.

In the Securitization Transaction, ServiceMaster acquired from SM IP ownership of the following copyrights that had been registered by our Predecessor's former affiliates with the Copyright Office of the Library of Congress, which you may use as long as you are a franchisee:

Title of Copyright	Registration No.	Date Registered	Expiration Date
AmeriSpec Inspection Agreement(s)	TX000952385	May 8, 2000	May 8, 2094
The Objectives of ServiceMaster	TX0001019971	November 30, 1982	January 16, 2069
ServiceMaster Corporate Objectives	TX0006993613	April 7, 2009	April 7, 2103
The ServiceMaster Commitment and Core Objectives	TX0007385324	April 5, 2011	March 15, 2105

ServiceMaster licenses the copyrights, as part of the Licensed IP, to us through the license agreement described in Item 13.

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 or our affiliates' copyrights.

We will be disclosing to you certain information we believe to be confidential or proprietary information and trade secrets. This will include information contained in our Manuals, and in materials separately provided to you. You may use these materials, in the manner we approve, in the operation of your business during the term of the Franchise Agreement. However, you may not use these materials in any other way for your own benefit, or communicate or disclose them to, or use them for the benefit of any other person or entity. These materials include any trade secrets, knowledge or know-how, confidential information, advertising, marketing, designs, plans, or methods of operation. This includes information about our sources of supply, and our recommendations on pricing. You may disclose this information to your employees, but only to the extent necessary to operate your business, and then only while the Franchise Agreement is in effect. You are responsible for restricting your employees from improperly using or disclosing our confidential information.

Item 15: Obligation To Participate in the Actual Operation of the Franchise Business

While we recommend that you participate personally in the operation of your business, you are under no obligation to do so. A manager who has successfully completed Initial Training, however, must always directly supervise the Franchised Business. The manager is not required to have any ownership interest in your Franchised Business. We hold you personally responsible for the day-to-day management of the business, and you are responsible for restricting your managers from improperly using or disclosing our confidential information. You will sign a Guaranty that will individually bind you and all other owners of your entity to all covenants, obligations and commitments contained in the Franchise Agreement.

Item 16: Restrictions on What the Franchisee May Sell

You must offer and sell only those goods and services that we have approved (see Item 8). We limit you to performing inspections and other related services on single-family residences and certain multi-family buildings and commercial buildings in the Territory. You must be certified by us to inspect residential properties or by our approved third-party vendor to inspect commercial buildings. The certification for residential inspections is separate and distinct from certification for commercial inspections. We may prescribe certain goods and related services that must be sold by your business, and certain products that may not be sold in your business. We may change these items at any time.

You may perform services for a customer outside the Territory only if an agent and/or customer initiates the request. You may only market and solicit customers within the Territory.

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 or other agreement	Summary
A. Length of the franchise term	Section 3.3	5 years
B. Renewal or extension of the term	Section 3.4	If you meet the conditions in Row C., you may enter into a renewal term for an additional, consecutive 5-year term.
C. Requirements for franchisee to renew or extend	Sections 3.4 and 3.5	In order to enter into a renewal term, you must satisfy, in our sole discretion, the following conditions: you have (i) notified us of your intent to renew 6 to 9 months before the end of the term, (ii) complied with all the provisions of the Franchise Agreement, (iii) operated the Franchised Business utilizing and conforming to the System of Operation, (iv) utilized exclusively the Marks in the operation of the Franchised Business, (v) upgraded the office of the Franchised Business to meet our then-current standards, (vi) executed our then-current form of Franchise Agreement (which may have materially different terms from your current one) and other related agreements, (vii) executed, along with your owners and affiliates, a general release, and (viii) submitted to an audit (if required by us) and paid the cost of such audit (not to exceed $2,000). No renewal fee is payable. If you have not signed the new Franchise Agreement and general release at the end of the term, we may, in our sole discretion, extend your franchise on a month-to-month basis, but, if you have not signed such agreements after 60 days, your Royalty Fee will be increased by 2.5% of Gross Receipts.
D. Termination by franchisee	Section 19.1	You may terminate only if we default and do not cure the default within 30 days after written notice is delivered to us.
E. Termination by franchisor without cause	Not applicable	Not applicable
F. Termination by franchisor with cause	Section 19	We may terminate only if you default or commit one of several violations.
G. "Cause" defined – curable defaults	Sections 19.3 and 19.4	We may terminate the Franchise Agreement for any reason constituting good cause, after providing you with 30 days to cure the default, other than the defaults in Section 19.2. In addition, you have 10 days to cure any noncompliance with federal, state or local regulations applicable to your business, 5 days to cure any levy on your Franchise Agreement, and 5 days to cure any late payment and fees to us.
H. "Cause" defined – non-curable defaults	Section 19.2	Non-curable defaults include: failure to satisfactorily complete Initial Training; abandonment of the Franchised Business; conviction of a felony or other criminal misconduct; failure to cure a default that materially impairs the goodwill associated with our marks; bankruptcy or assignment of your assets for the benefit of creditors or admitting you cannot pay your debts as they come due; repeated default of the same provision of the Franchise Agreement; unauthorized assignment of the Franchise Agreement, the Franchised Business, or your entity; any material misrepresentation relating to the purchase of the

Provision	Section in franchise or other agreement	Summary
		Franchised Business; if you engage in conduct that reflects unfavorably on the reputation or operation of your business or ours; if we believe your operation will result in imminent danger to the public health or safety; if you fail to submit required financial statements to us; if you fail to meet certain levels of gross receipts or sales penetration levels in your Territory; if you, your owners, or your affiliates default under an agreement with us or our affiliates or an agreement related to the Franchised Business; if you fail to pay any amounts due to a vendor for errors and omissions insurance or financing thereof on your behalf, where we have guaranteed payment of the premium or financed amount; or if you receive four or more default notices during the term.
I. Franchisee's obligations on termination/ non-renewal	Sections 19.5 through 19.11	Obligations include: (i) complete de-identification and payments of amounts owed (also see R below); (ii) cancellation of assumed names or equivalent registrations relating to the use of our trade names and trademarks; (iii) assign your phone number(s) to us; (iv) cease to identify yourself or any business as being associated with us, use any of the System of Operation, concepts and methods of promotion, or Marks; (v) return all loaned and confidential materials to us; (vi) relinquish all interest in the Franchised Business including goodwill established prior to or during the operation of the Franchised Business; (vii) agree that the customer list of the Franchised Business reverts to us; and (viii) comply with the surviving obligations of the Agreement after termination or expiration.
J. Assignment of contract by franchisor	Section 16.1	No restriction on our right to assign.
K. "Transfer" by franchisee – defined	Section 16.2	Includes assignment, conveyance, giving away, or encumbering to any person, company or partnership or other legal entity, your interest in the Franchise Agreement, the Franchised Business, or ownership of the business entity who owns any interest in the Franchised Business.
L. Franchisor approval of transfer by franchisee	Sections 16.2	We have the right to approve all transfers, but we will not unreasonably withhold approval. Any assignment not having the necessary consent shall be null and void and shall constitute a materials default of the Franchise Agreement.
M. Conditions for franchisor approval of transfer	Sections 16.3 and 16.4	New franchisee must meet current standards for our franchisees, sign an assignment document, assume the existing Franchise Agreement or sign our then-current Franchise Agreement, and must (or its manager must) complete Initial Training. You must sign a general release and pay the transfer fee specified in your Franchise Agreement if one-half or more of the franchise is assigned. You cannot transfer business to a competitor of us.

Provision	Section in franchise or other agreement	Summary
N. Franchisor's right of first refusal to acquire franchisee's business	Section 17	If you have an offer you are willing to accept, you must communicate in writing to us the full terms of the offer and the name of the offeror. We will give you written notice within 20 days after we receive your communication of the offer if we wish to accept. If we do not respond within the 20 days, you may sell to the offeror on the terms offered, subject to the provisions of transfer. The sale must be completed within 60 days of the 20-day notice period; otherwise, an additional notice must be given to us and an additional option period must expire prior to any such assignment. Should we elect to purchase, we have the right to substitute equivalent cash for any non-cash consideration included in the bona fide offer to purchase, and the parties will use their best efforts to complete the purchase within 60 days from the date of our notice of election to purchase.
O. Franchisor's option to purchase franchisee's business	Section 17	Only as described above in "N. Franchisor's right of first refusal to acquire franchisee's business."
P. Death or disability of franchisee	Sections 16.2 and 16.2.4.4 or 16.2.4.6	Your heirs can assume the Franchised Business, but they must meet the same conditions as a transferee or assignee, except no transfer fee is charged if transferred to the spouse of the deceased. If transferred to an adult child, a transfer fee equal to one half of the then current transfer fee must be paid.
Q. Non-competition covenants during the term of the franchise	Section 15	You may not be involved in a competing business that offers programs and services similar to any Franchised Businesses during the term of the Franchise Agreement (subject to state law) and may not divert business to competitors.
R. Non-competition covenants after the franchise is terminated or expires	Section 15	You may not be involved for 1 year in a competing business within the Territory and a 75-mile radius of the Territory (subject to state law).
S. Modification of the agreement	Section 22	No modifications without the written consent of all parties.
T. Integration/ merger clause	Sections 22.1 and 22.3	The terms of the Franchise Agreement are binding (subject to state law), and the representations of the Disclosure Document are not disclaimed. Any other promises may not be enforceable.
U. Dispute resolution by arbitration or mediation	Section 20	In certain circumstances arbitration is mandatory (subject to state law).
V. Choice of forum	Section 22	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	Section 22	Subject to applicable state laws, Georgia law applies.

Item 18: Public Figures

We currently do not use any public figure to promote new franchise sales.

Item 19: Financial Performance Representations

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

We do not make any financial performance representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting the Legal Department, AmeriSpec SPE LLC, One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328, 800-756-5656, the Federal Trade Commission and the appropriate state regulatory agencies.

Item 20: List of Franchise Outlets

As noted in Item 1, Predecessor was the franchisor of the AmeriSpec® system prior to the closing of the Securitization Transaction in December 2020.

An outlet as used in these Item 20 Tables is defined as a franchise territory.

Table No. 1
Systemwide Outlet Summary for Years 2019 to 2021

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	**2019**	169	169	0
	2020	169	177	8
	2021	177	182	5
Company-Owned	**2019**	0	0	0
	2020	0	0	0
	2021	0	0	0
Total Outlets	**2019**	169	169	0
	2020	169	177	8
	2021	177	182	5

Table No. 2
Transfer of Franchised Outlets for Years 2019 to 2021

State	Year	Number of Transfers
CA	**2019**	2
	2020	0
	2021	1
FL	**2019**	0
	2020	0
	2021	1
KY	**2019**	0
	2020	1
	2021	0
MI	**2019**	0
	2020	0
	2021	1
PA	**2019**	0
	2020	0
	2021	1
SD	**2019**	0
	2020	1
	2021	0
TN	**2019**	1
	2020	0
	2021	0
WI	**2019**	0
	2020	0
	2021	1
Total	**2019**	3
	2020	2
	2021	5

Table No. 3
Status of Franchised Outlets for Years 2019 to 2021

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
AL	**2019**	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
AR	**2019**	1	1	1	0	0	0	1
	2020	1	1	0	0	0	0	2
	2021	2	0	0	0	0	0	2

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
AZ	**2019**	3	0	0	0	0	0	3
	2020	3	0	0	0	0	0	3
	2021	3	1	0	0	0	0	4
CA	**2019**	19	2	0	0	0	0	21
	2020	21	1	0	0	0	0	22
	2021	22	0	1	0	0	0	21
CO	**2019**	8	0	0	0	0	0	8
	2020	8	1	0	0	0	0	9
	2021	9	0	0	0	0	0	9
DE	**2019**	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
FL	**2019**	7	0	0	0	0	0	7
	2020	7	1	0	0	0	0	8
	2021	8	0	0	0	0	0	8
GA	**2019**	8	0	0	0	0	0	8
	2020	8	1	0	0	0	0	9
	2021	9	0	0	0	0	0	9
IA	**2019**	1	0	0	0	0	0	1
	2020	1	3	0	0	0	0	4
	2021	4	0	0	0	0	0	4
IL	**2019**	8	1	0	0	0	0	9
	2020	9	1	1	0	0	0	9
	2021	9	0	0	0	0	0	9
IN	**2019**	1	0	0	0	0	1	0
	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
KS	**2019**	0	1	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
KY	**2019**	3	0	0	0	0	0	3
	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
LA	**2019**	4	1	0	0	0	0	5
	2020	5	0	0	0	0	0	5
	2021	5	0	0	0	0	0	5
MD	**2019**	7	0	0	0	0	0	7
	2020	7	0	0	0	0	0	7
	2021	7	0	0	0	0	0	7
ME	**2019**	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2

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
MI	**2019**	5	0	0	0	0	0	5
	2020	5	0	0	0	0	0	5
	2021	5	0	1	0	0	0	4
MN	**2019**	6	0	0	0	0	0	6
	2020	6	0	0	0	0	0	6
	2021	6	0	0	0	0	0	6
MO	**2019**	9	0	0	0	0	0	9
	2020	9	0	0	0	0	0	9
	2021	9	0	0	0	0	0	9
MS	**2019**	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
NC	**2019**	5	0	0	0	0	0	5
	2020	5	0	0	0	0	0	5
	2021	5	0	0	0	0	0	5
NE	**2019**	2	0	0	0	0	0	2
	2020	2	0	2	0	0	0	0
	2021	0	0	0	0	0	0	0
NJ	**2019**	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	1	0	0	0	0	2
NM	**2019**	3	0	0	0	0	0	3
	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
NV	**2019**	3	0	0	0	0	0	3
	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
NY	**2019**	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
OH	**2019**	6	0	0	0	0	0	6
	2020	6	0	1	0	0	0	5
	2021	5	1	0	0	0	0	6
OK	**2019**	0	0	0	0	0	0	0
	2020	0	1	0	0	0	0	1
	2021	1	1	0	0	0	0	2
OR	**2019**	6	0	0	0	0	0	6
	2020	6	0	0	0	0	0	6
	2021	6	0	0	0	0	0	6
PA	**2019**	6	0	0	0	0	0	6
	2020	6	0	0	0	0	0	6
	2021	6	0	0	0	0	0	6

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
RI	**2019**	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
SC	**2019**	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	1	0	0	0	0	3
SD	**2019**	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
TN	**2019**	9	0	0	0	0	0	9
	2020	9	0	0	0	0	0	9
	2021	9	0	0	0	0	0	9
TX	**2019**	11	0	1	0	0	0	10
	2020	10	2	0	0	0	0	12
	2021	12	0	0	0	0	0	12
UT	**2019**	4	0	0	0	0	0	4
	2020	4	0	0	0	0	0	4
	2021	4	1	0	0	0	0	5
VA	**2019**	6	0	4	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	1	0	0	0	0	3
WA	**2019**	0	1	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
WI	**2019**	5	0	0	0	0	0	5
	2020	5	0	0	0	0	0	5
	2021	5	1	1	0	0	0	5
Totals	**2019**	169	7	6	0	0	1	169
	2020	169	12	4	0	0	0	177
	2021	177	8	3	0	0	0	182

Table No. 4
Status of Company-Owned Outlets for Years 2019 to 2021

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
Totals	**2019**	0	0	0	0	0	0
	2020	0	0	0	0	0	0
	2021	0	0	0	0	0	0

Table No. 5
Projected Openings as of December 31, 2021
For Fiscal Year Ending on December 31, 2022

State	Franchise Agreement Signed but Outlet Not Open	Projected New Franchised Outlets In The Next Fiscal Year	Projected Company-Owned Outlets in Next Fiscal Year
California	0	2	0
Colorado	0	1	0
Florida	0	2	0
Georgia	0	1	0
Kansas	0	1	0
New Jersey	1	0	0
South Carolina	1	0	0
Tennessee	0	1	0
Texas	0	1	0
Total	**2**	**9**	**0**

The name, business address, and business telephone number of each current franchisee as of December 31, 2021, is attached to this Disclosure Document as Exhibit D. The name, last known home 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 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 offering any existing franchised outlets to prospective franchisees, including those that 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.

We or Predecessor 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 AmeriSpec®. 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.

We have not created, sponsored or endorsed any trademark-specific franchisee organization associated with our franchise system.

Item 21: Financial Statements

As we began offering franchises in March 2021, we have attached the following financial statements in accordance with the FTC Rule requirements for financial statements for a franchisor's first partial fiscal year selling franchises:

> Attached to this Disclosure Document as Exhibit B are (i) the audited financial statements of our direct parent, SM Systems, as of December 31, 2020 and December 31, 2021, and (ii) SM Systems' Guaranty of our obligations to you under the Franchise Agreement. Because SM Systems was organized on October

14, 2020 and began operating on December 9, 2020, it does not have available, and we cannot yet include, three full years of audited financial statements for SM Systems.

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, 2020 and December 31, 2021. Because SM Manager was organized on September 15, 2020 and began operating October 1, 2020, it does not have available, and we cannot yet include, three full years of audited financial statements for SM Manager. 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 February 28, 2022. 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:

Agreement	Exhibit
AmeriSpec Franchise Agreement (including the AMS Software License Agreements, the Website and E-Mail Account License Agreements, the Telephone Number Assignment Agreement and the Guaranty of the Franchise Agreement)	A
State Addenda to Disclosure Document and Franchise Agreement	F
General Release	H

Item 23: Receipt

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 as your file copy and return the second copy to us.

FDD EXHIBIT A

FRANCHISE AGREEMENT AND EXHIBITS

AMERISPEC SPE LLC FRANCHISE AGREEMENT

_____

FRANCHISEE

_____

DATE OF AGREEMENT

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EXHIBITS

A – DESIGNATED TERRITORY
B – GUARANTY
C – WEBSITE ACCOUNT AGREEMENT
D – E-MAIL ACCOUNT LICENSE AGREEMENT
E – TELEPHONE NUMBER ASSIGNMENT
F – AMERISPEC® MANAGEMENT SYSTEM LICENSE AGREEMENT

AMERISPEC SPE LLC
FRANCHISE AGREEMENT
FRANCHISE NUMBER: _____

THIS AGREEMENT is signed this ___day of _____, 20__ and made effective this _____ day of

_____, 20___, by and between

AMERISPEC SPE LLC,
a Delaware limited liability company
One Glenlake Parkway, 14th Floor
Atlanta, Georgia 30328
(the "Company")

and

_____
doing business as
_____
with its address at
_____

_____
(the "Franchisee").

1. INTRODUCTION

The Company has acquired experience in the development, opening, operation, and promotion of businesses that provide a variety of single family and multifamily residential and commercial building inspection services. The Company has developed a marketing plan for the marketing of these and other services under the trade name and service mark "AmeriSpec" and other "Names and Marks" (as defined herein) and desires to grant to qualified persons franchises to use its concepts, programs, and methods of marketing in the operation of a residential inspection business utilizing exclusively the Names and Marks selected, used, and promoted by the Company. The Franchisee has made application to the Company for a franchise to operate an AmeriSpec home inspection business and the application has been approved by the Company in reliance upon the representations made in the application.

2. DEFINITIONS

The terms and phrases specified below shall have, for purposes of this Agreement, the following meanings:

2.1 Franchise shall mean the right granted to the Franchisee by the Company to use the System of Operation and to use the Names and Marks selected, used, and promoted by the Company.

2.2 Term of the Franchise shall mean the initial term of the Franchise and all renewal terms if the Franchise is renewed.

2.3 Gross Receipts shall mean the total amount of revenues received by the Franchisee or any affiliates from all products and services offered by the Franchised Business or offered from the premises of the Franchised Business, and all other services or products sold under the Names and Marks, or using any branded systems (including any branded software) or tools, or otherwise related to the Franchised Business

or sold to customers of the Franchised Business, whether payment is received by cash or credit, plus the fair market value of goods delivered and services rendered to the Franchisee, or its designee, in consideration for goods and services provided in, from, or in conjunction with the Franchised Business. There shall be excluded from "Gross Receipts" bona fide refunds, credits given or allowed by the Franchisee to customers, uncollectible checks, and amounts collected from customers and remitted by the Franchisee to any governmental taxing authority in satisfaction of sales taxes. There shall also be excluded from Gross Receipts any revenues received from businesses operated by the Franchisee prior to the date of this Agreement at the premises of the Franchised Business, provided such existing businesses have been disclosed to the Company and Company has provided a written amendment to this Agreement for the exclusion of such revenue

2.4 Names and Marks shall mean the commercial trade names, trademarks, service marks and other commercial symbols, including associated logos, now or hereafter selected, used or promoted by the Company in connection with its franchised system offering residential and commercial building inspection services or related products and/or services.

2.5 System of Operation shall mean the business plans and methods licensed by the Company to be used in connection with the operation of the Franchised Business. The "System of Operation" includes standards, specifications, methods, procedures, techniques, management systems, approved home inspection software, identification schemes and information, all of which may be changed, improved and further developed from time to time by the Company.

2.6 Franchised Business shall mean the business franchised under this Agreement to operate utilizing the System of Operation and the Names and Marks.

2.7 Designated Territory shall mean the geographic area described in Paragraph 3.1 of this Agreement. The Company will designate a territory within which the Franchisee will perform services. The Franchisee's Designated Territory will consist of a contiguous area. We consider total population and relative affluence to determine a territory. The Company uses the current United States Census Bureau figures when considering population estimates.

2.8 Office. Whenever the term "office" is used in this Agreement in reference to the office of the Franchised Business, that term shall refer to the principal business office initially established by the Franchisee under this Agreement except in Paragraph 15, where the term office shall mean any office used by the Franchisee during the two (2) year period prior to the termination or expiration of this Agreement, or the assignment of this Agreement or of the Franchised Business.

3. GRANT OF FRANCHISE AND RENEWAL OF FRANCHISE

3.1 Protected Territory Appointment. The Company hereby grants to the Franchisee, and the Franchisee undertakes the obligation, upon the terms and conditions contained in this Agreement, a protected right and a license to operate a business offering the System of Operation (the "Franchised Business "), and to use solely in connection with the Franchised Business the Company's System of Operation, and to use the Names and Marks of the Company in the conduct of a variety of single family and multifamily residential and commercial building inspection services, as those services may be changed, improved, and further developed from time to time, within the territory described in Exhibit A (the "Designated Territory" or "Territory"). "Protected" means that the Company will not enter into a Franchise Agreement licensing another Franchisee inside the Designated Territory; except as provided for in Paragraph 3.1.1, Paragraph 3.1.2 and Paragraph 3.1.6 of this Agreement. The Franchisee may retain "protected" status of its Designated Territory upon meeting the performance and other criteria set forth in Paragraph 3.1.1 and Paragraph 3.1.2 below. Notwithstanding the foregoing, the provisions of Paragraph 3.1.1 and Paragraph 3.1.2 shall not be enforced

during any 12-month period if the Franchisee, its principal manager, or its majority shareholder, member, or partner dies during such 12-month period.

3.1.1 For **new** Territory, Franchisee must have achieved (a) revenue growth over the trailing 3 years; (b) at least 3% market share and either (c) a revenue percentage increase from Year 2 to Year 3 that is equal to or greater than the percentage increase of Real Estate Transactions ("RETs") in Franchisee's assigned Designated Territory for this Agreement or (d) a revenue percentage increase from Year 2 to Year 3 that is equal to or less than the percentage decrease of RETs in Franchisee's Designated Territory for this Agreement, as well as maintained good standing as a brand ambassador by timely payment of monthly fees, proper use of Company trade names, trademarks and system of operations, support of National Account Programs, and compliance with all other obligations of the Franchise Agreement.

3.1.2 For **existing** Territory, Franchisee must have achieved: (a) at least 3% market share, and (b) a revenue percentage increase over a 5-year period that is equal to or greater than the 5-year average increase in the RETs in the assigned Designated Territory for this Agreement or (c) a revenue percentage increase over a 5-year period that is equal to or less than the 5-year average decrease of RETs in Franchisee's Designated Territory for this Agreement, as well as maintained good standing as a brand ambassador by timely payment of monthly fees, proper use of Company tradenames, trademarks and system of operations, support of National Account Programs, and compliance with all other obligations of the Franchise Agreement.

3.1.3 For purposes of this Agreement, market share will be calculated by multiplying the number RETs in the Territory for a 12-month period by the average percentage of RETs that obtain home inspections as determined by ASHI (American Society of Home Inspectors) and dividing that number by the number of home inspections performed by Franchisee during that same period. For clarification, the 12-month period will be immediately prior to the period that the Company performs its review of the Franchised Business.

Market Share Example: 6,500 RETs x 70% = 4,550 inspections; 4,550 inspections ÷ 137 inspections performed by the Franchisee = 3% market share.

3.1.4 The Franchisee may perform services for a customer outside the Designated Territory only if an agent and/or customer initiates the request. The Franchisee may market and solicit customers within the Designated Territory for the license. Directing marketing or solicitation activities to agents or customers outside of Franchisee's designated territory is prohibited.

3.1.5 The Franchisee will operate the Franchised Business within the Territory at an office location set forth on Page 1of this Agreement. The Franchisee may relocate to another office location within the Territory with the written approval of the Company before relocating. The Franchisee will request this approval by notifying the Company in writing of any planned change in the location of the Franchised Business no later than 30 days prior to any such relocation. At the Franchisee's request, the Company will provide the Franchisee a copy of a map indicating the geographic area of the Designated Territory.

3.1.6 The parties acknowledge and understand the Company shall have the right to operate a similar business or grant rights to other franchisees to operate a similar business, anywhere outside the Designated Territory, even if that business competes for customers located in the Designated Territory. If Franchisee does not meet the criteria to maintain protected status, then the parties acknowledge and understand that the Company shall have the right to operate a similar business or grant rights to other franchisees to operate a similar business, anywhere inside the Designated Territory, even if that business competes for customers located in the Designated Territory. The Company (for itself and its affiliates, including without limitation its Parent) reserves any and all rights to acquire, to be acquired by, merge, affiliate with or engage in any transaction with other businesses (whether competitive or not) located

anywhere. Such transactions may include (but are not limited to) arrangements involving competing businesses and brand conversations (to or from the AmeriSpec Marks and System). Such transactions are expressly permitted under this Agreement.

3.2 Operation as a Corporation. The Franchisee agrees that its authorization to operate as a corporation or limited liability company shall be conditioned upon the following requirements:

3.2.1 Its shareholders and/or members shall at all times be personally bound by the terms of this Agreement.

3.2.2 Each stock certificate of the Franchisee shall have conspicuously endorsed upon its face a statement in a form satisfactory to the Company 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.

3.2.3 Certified copies of the Franchisee's Articles of Incorporation, By-Laws, and other governing documents, including the resolutions of the Board of Directors authorizing entry into this Agreement, shall be promptly furnished to the Company.

3.2.4 If the Franchisee is an individual or a partnership and wishes to incorporate, the Franchisee shall obtain prior written approval of the Company for the assignment of the rights and duties under this Agreement to the new corporation and the Company shall assign this Agreement and the Franchised Business at no additional monetary consideration for the remainder of the term of this Agreement, at the Company's discretion, in accordance with the provisions of Paragraph 16 of this Agreement, provided that the corporate entity assumes all duties of the Franchisee and that the Franchisee and all shareholders remain personally bound by the terms of this Agreement and enter into a written agreement, in the form attached hereto as Exhibit B, jointly and severally guaranteeing the full payment and performance of the corporate entity's obligations to the Company and agreeing to be personally bound by all covenants and restrictions imposed upon the corporate entity under the terms of this Agreement.

3.2.5 If the Franchisee is a corporation or limited liability company, then the individuals named in Paragraph 3 of Exhibit A shall remain the owner of not less than 66% of the total voting capital stock of the corporate Franchisee during the entire term of this Agreement, with the effective unencumbered right to vote the capital stock. The loss or surrender of the ownership or effective unencumbered right to vote the capital stock, by any means whatever, shall constitute a breach of the terms of this Agreement. Ownership of the corporation, limited liability company or other entity, by a private equity group, an ESOP trust, or any similarly structured entity, is not permitted without the prior express written permission of the Company.

3.3 Term of Franchise. Subject to the provisions of this Agreement, the Company grants to the Franchisee a Franchise for a term of 5 years commencing on the date of this Agreement.

3.4 Renewal of License. Upon expiration of the initial term or any renewal term of the Franchise, the Franchisee shall have the option to renew the license to operate the Franchised Business for an additional consecutive 5-year term; provided that by the end of the term of this Agreement (including any Extensions), the Franchisee has, in the Company's sole discretion, (i) notified the Company not less than 6 months prior to the renewal date of the Franchisee's intent to renew, (ii) complied with all the provisions of the Franchise Agreement which is then expiring, (iii) operated the Franchised Business utilizing and conforming to the System of Operation, (iv) utilized exclusively the Names and Marks in the operation of the Franchised Business, (v) upgraded the office of the Franchised Business to meet the Company's then-current standards, (vi) executed the Company's then-current form of Franchise Agreement (the "Renewal Franchise

Agreement") and all other agreements and legal instruments and documents then customarily employed by the Company in the grant of Franchises, (vii) executed, along with its owners and affiliates, a general release in a form prescribed by the Company, and (viii) (if required by Franchisor, in its sole discretion) submitted to an audit of its operations at a cost not to exceed $2,000, subject to the provisions of paragraph 12.5. No renewal fee shall be charged in connection with the renewal of the Franchise.

3.4.1 If (a) the Franchisee notifies the Company of the Franchisee's intent to not renew at least 6 months prior to the renewal date or (b) the Company determines, in its sole discretion, that Franchisee cannot satisfy the renewal conditions, this Agreement shall expire at the end of the then-current term.

3.4.2 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 intends to continue operating the Franchised Business, then, in the Company's sole discretion, the term shall continue on a month-to-month basis provided, however, that the Company 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 sixty (60) days of the commencement of a month-to-month holdover, then effective immediately thereafter, the monthly Royalties payable under Paragraph 5.1 shall increase by an amount equal to 2.5% of Gross Receipts during each month that Franchisee does not renew until the Agreement is either renewed or terminated. By accepting any increased Royalties, the Company 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.

3.5 Renewal License Terms. If the Franchise is renewed, the Renewal Franchise Agreement may contain terms inconsistent with those in this Agreement. To the extent that it is impossible for the renewing Franchisee to comply with any such terms immediately upon renewal, the Company shall provide the Franchisee a reasonable period of time, as defined by the Company, unless specifically otherwise provided in the agreement, for the Franchisee to comply with any terms that are in fact inconsistent with those in this Agreement. All such terms and time periods will be addressed in writing at the time of renewal. In the event of a contract change, modification of an obligation, extension of time to pay or perform any other obligation, Franchisee and each of its owners and/or affiliate of Franchisee must execute a general release.

4. INITIAL FRANCHISE FEE

4.1 The Franchisee shall pay to the Company an Initial Franchise Fee of Twenty-Four Thousand Nine Hundred Dollars ($24,900). The Initial Franchise Fee is discounted 20% if the Franchisee is either an individual who has been, or a legal entity with at least a majority owned by individual(s) who have been, honorably discharged from the U.S. Army, Navy, Air Force, Marines, or Coast Guard (Military Discount). The Initial Franchise Fee is discounted 20% if an individual owns an existing inspection service business with a revenue level of at least $200,000 and converts that business to an AmeriSpec Franchised Business (Conversion Discount). For existing franchisees of AmeriSpec or its affiliates who are in good standing, the Initial Franchise Fee is discounted 15%. For women-owned or minority businesses, the Initial Franchise Fee is discounted 10%.

4.2 If the Franchisee is eligible for more than one discount for the reasons described above, only the largest discount for which the Franchisee is eligible will be applied to the Initial Franchise Fee.

4.3 Upon the execution of this Agreement by the Company, the Initial Franchise Fee shall be deemed fully earned and non-refundable

5. ROYALTIES

5.1 Royalties. The Franchisee shall pay to the Company, without set off, nonrefundable royalties equal to the greater of 7% of the Gross Receipts of the Franchised Business or a minimum payment of $280 per month ("Royalties"). While Royalties are due on business generated from the date the Franchised Business commences operations, payment of the minimum fee shall commence the first full calendar month that begins 90 days following completion of the first initial management training program that is scheduled after execution of this Agreement. The Royalties are paid in consideration of the license to use the System of Operation and the Names and Marks.

5.2 Due Date; Interest. All monthly payments required by this Paragraph 5 and Paragraph 6 shall be paid to the Company by the day each month specified by the Company in the manuals or otherwise in writing for the preceding calendar month, and shall be submitted to the Company together with any monthly reports required under this Agreement. Any payment or report not actually received by the Company on or before such date shall be deemed overdue. If any payment is overdue, the Franchisee shall pay the Company, in addition to the overdue amount, interest on such amount from the date it was due until paid at the rate of 1.5% per month or the maximum rate permitted by law, whichever is less. If any report is overdue, the Franchisee shall pay to the Company a delinquency fee of $50.00 per delinquent report. Entitlement to such interest and/or the delinquency fee shall be in addition to any other remedies the Company may have. The Franchisee understands that the Company may, at the Company's discretion, assign the payment of such fees and the submission of the monthly reports to a third party.

5.3 Required Payment Method. The Franchisee must participate in the Company's then-current electronic funds transfer and reporting program(s). Franchisee must report monthly Gross Receipts and monthly Royalties as well as National Advertising Fund Contributions due via online reporting by the dates specified by the Company from time to time in the manuals or otherwise in writing. All monthly Royalties and National Advertising Fund Contributions (the "Monthly Fees") owed and any other amounts designated by Company must be received or credited to Company's account by pre-authorized bank debit (or in any other manner as designated by the Company) by end of business on the Due Date set forth in Paragraph 5.2 above. If Franchisee fails to have sufficient funds available to pay any Monthly Fees, interest and delinquency fees will be applied to Franchisee's account as set forth in Paragraph 5.2. If Franchisee has not reported Gross Receipts for any reporting period, the Company will be authorized to debit Franchisee's bank account (the "Account") in an amount equal to the greater of the non-reported payment (if the Company can reasonably estimate or determine the owed amount) or one hundred twenty percent (120%) of the Monthly Fees transferred from such Account for the last reporting period for which a report of Gross Receipts was provided to the Company. If at any time the Company determines that Franchisee has underreported Gross Receipts or underpaid any fees due to the Company under this Agreement, the Company will be authorized to immediately initiate a debit to the Account in the appropriate amount, 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 the Company and Franchisee determine that such credit is due. In addition, Franchisee agrees to pay any expense incurred by the Company, including court costs and attorneys' fees, for the collection of such Monthly Fees. Any such non-payment or late payment of the actual amount due is a breach of this Agreement.

5.4 Taxes. If any sales, income, excise, use or privilege taxes are imposed or levied upon the Company (with the exception of federal income taxes) by any government or governmental agency on account of the payment of Royalties by the Franchisee under this Agreement, the Franchisee shall pay to the Company a sum equal to the amount of such tax as an additional Royalty.

6. ADVERTISING AND PROMOTION

6.1 Advertising Fund Contribution. The Franchisee shall pay to the Company a monthly "Advertising Contribution" of up to 3% of the Gross Receipts of the Franchised Business in the immediately preceding month, subject to a minimum contribution of $160 per month. These fees will commence at the same time as the Royalties described in Paragraph 5.1 and will be transmitted to the Company at the same time and in the same manner as is required of the Royalties.

6.2 Advertising Fund. Reasonable disbursements from the Advertising Fund shall be made solely for the payment of expenses incurred in connection with the general promotion of the Names and Marks and the AmeriSpec franchise system, including, but not limited to: (i) the cost of formulating, developing and implementing media advertising and public relations campaigns; (ii) the cost of formulating, developing and implementing promotional programs; (iii) the cost of monitoring and/or managing social media relating to the brand, (iv) at the option of the Company, reimbursement of all or part of each Franchisee's cost of purchasing promotional materials used in connection with promotional programs authorized by the Company; and (v) the reasonable cost of administering the Advertising Fund, including accounting expenses and the actual cost of salaries and fringe benefits paid to the Company's employees engaged in administration of the Advertising Fund. There shall be no requirement that all or any part of the Advertising Fund be disbursed within any accounting period. Losses sustained, or gains accrued, in the Advertising Fund shall carry over to subsequent fiscal years. All interest if any earned by the Advertising Fund shall be used for the payment of the foregoing expenses in connection with promotion of the Names and Marks, before application of any principal to those expenses. Methods of advertising, selection of media, locale of advertising, and contents, terms and conditions of advertising campaigns and promotional programs shall be within the sole discretion of the Company. The Franchisee understands that such advertising is intended to maximize the public's awareness of the AmeriSpec franchise system. Accordingly, the Company undertakes no obligation to ensure that any individual franchisee benefits directly or on a pro rata basis from the placement, if any, of such advertising in its local market. If requested by the Franchisee, the Company shall provide the Franchisee an annual statement of the financial condition of the Advertising Fund, certified by an executive officer of the Company.

6.3 Disbursements. Disbursements from the Advertising Fund shall not be made for the payment of expenses incurred in connection with the Company's direct marketing of franchise licenses. Notwithstanding the foregoing, a brief statement regarding the availability of AmeriSpec franchises may be included in advertising and other items produced using the Advertising Fund.

6.4 Local Advertising. At its own expense, the Franchisee may conduct advertising campaigns and promotional programs designed primarily to promote the Franchised Business ("Local Advertising"). Prior to implementing any Local Advertising, the Franchisee shall submit to the Company for approval all advertising and promotional material proposed to be used in connection with the Local Advertising. The Company has the right to also review and approve internal advertising efforts, such as web sites and electronic mail (e-mail). The Company may, at its discretion, provide to Franchisee standards to which such internet advertising efforts must conform.

6.5 Use of Photographs. The Company shall have the right to photograph the Franchised Business, and to use these photographs in any advertising or promotional material. The Company shall not be obligated to compensate the Franchisee in any way for photographing the Franchised Business. The Franchisee shall cooperate in securing photographs and the consent of persons photographed. The Franchisee agrees to give the Company and those acting under its authority the right to reasonably and fairly use the Franchisee's (or, if applicable, the Franchise's officers' and directors') name, photograph or biographical material in any publication, circular or advertisement related to the business of the Company or the Franchisee in any place for an unlimited period without compensation.

6.6 Advertising Agency. The Company reserves the right to engage the professional services of an advertising agency, which is owned by, or is an affiliate of, the Company or any of its principals.

6.7 Advertising Materials. Advertising materials, forms, samples, supplies, products and services may be made available to the Franchisee at scheduled prices. The purchase price for products, supplies and services purchased by the Franchisee from the Company shall be paid in advance of shipping by the Company.

6.8 Internet Usage. The Company may provide the Franchisee with an e-mail address and internet website and website address (URL/domain name) and may require that Franchisee use them in operating the Franchised Business. This e-mail address and website and website address shall be the only e-mail address, website and website address used by the Franchisee in operating the Franchised Business unless otherwise approved, in writing, by Company. The Franchisee agrees to enter into one or more license agreements in the form the Company requires, under which the Franchisee will receive a license to use the designated e-mail address, website, and website address.

7. SITE SELECTION AND ESTABLISHMENT OF BUSINESS PREMISES

7.1 Site Establishment. The Franchisee shall be required to establish a regular and fully operational, full-time business office within the Designated Territory from which the Franchised Business shall be operated. The office shall be located within the Designated Territory as specified in Paragraph 3.1of this Agreement. The Franchisee shall submit the information regarding the office location to the Company for approval prior to establishment thereof. The Franchisee shall provide the Company with such information regarding any proposed site as may be reasonably requested by the Company.

7.2 Office Standards. While the Company does not prescribe specific standards for the interior or exterior of the office established by the Franchisee and permits the Franchisee to operate its office from its home, the office is expected to be tastefully decorated in a manner designed to enhance the goodwill associated with the Names and Marks. Once established, the office may not be moved without the prior consent of the Company, which consent shall not be unreasonably withheld so long as any new location selected by the Franchisee is within the Franchisee's Designated Territory and does not infringe upon any Designated Territory granted to any other franchisee.

7.3 Office Phone Number. The Franchisee shall advertise an office telephone number containing the area code and a 3-digit prefix that is assigned to the particular geographic area in which the office of the Franchised Business is located.

7.4 Office Outside Territory. The Franchisee shall not be allowed to maintain, use, or advertise an office, branch office, referral office, or any other permanent or temporary office or location outside the Designated Territory at any time.

7.5 Multiple Territory Offices. If the Franchisee owns multiple franchises, the designated territories of which are contiguous, then the Franchisee is only required to establish one regular, full-time business office pursuant to subparagraph 7.1 and thus shall not be required to have an independent office for each of the multiple franchises.

8. TRAINING AND ASSISTANCE

8.1 Initial Training. Unless Franchisee is already an AmeriSpec franchise owner, the Company shall provide initial training to the Franchisee as set forth in this paragraph at a suitable location where the Company's training facility is then located ("Academy"), or, from time to time, and at the Company's

discretion, at regional locations. The initial two weeks of Academy training shall consist of: (1) management training in the marketing, administration and operation of the Franchised Business and (2) technical training in the provision of home inspection services. The technical training portion of the initial training consists of training on the performance of home inspections. The Company may, but is not required to, provide or make available to franchisees training on the performance of other residential and commercial building inspections. Each individual franchisee must ensure that they are properly trained to perform any service offered under the Names and Marks and that the performance of any such service is approved by the Company in writing. Either the Franchisee or a manager of the Franchised Business approved by the Company shall attend and satisfactorily complete the initial training first scheduled after the execution of the franchise agreement before the Franchised Business opens. In addition, all individuals who conduct home inspection services on behalf of the Franchisee must complete the technical part of the initial training and complete and pass the final exam designated by the Company for certification, unless the Company waives this requirement in writing, not later than 60 days after being retained or employed by the Franchisee.

8.2 Training for Additional People. Unless Franchisee is already an AmeriSpec franchise owner, the Company provides the 2 weeks of initial Academy training for Franchisee or Franchisee's approved manager. Existing franchisees purchasing additional franchises will not receive the two weeks of Academy training. Franchisee must pay all of Franchisee's transportation and hotel costs, some meals and other out-of-pocket expenses incurred during or related to the Academy training, except to the extent that such expenses may be included in the initial franchise fee. Conversion Franchisee or its approved manager is required to attend initial Academy training.

8.3 Additional Training. As the Company develops and/or approves additional residential and commercial building inspection services to be provided under the Names and Marks, the Company may, but is not required to, develop training programs with respect to these additional services. However, it is the sole responsibility of the Franchisee to ensure that he or she is properly trained to perform any service offered under the Names and Marks and that the services are pre-approved by the Company. If the Company develops such additional training programs, it will offer the training programs to the Franchisee. If such additional training program(s) are offered, the Franchisee may be required to attend the training as a condition to being authorized to provide the service that is the subject of the training. All expenses for transportation, hotel, some meals and other out-of-pocket expenses to attend the training for the Franchisee and its employees are the sole responsibility of the Franchisee.

8.4 Business Cards. Franchisee shall purchase from the Company an initial supply of business cards, stationery, and marketing and training materials, presentation folders, and start-up marketing materials to be used in the start-up of the Franchised Business. Additional supplies shall be available for purchase from the Company.

8.5 Marketing. The Company shall provide the Franchisee with the appropriate marketing tools necessary to implement a local marketing plan. Franchisee shall be responsible for purchasing marketing materials (except those designated by the Company from proceeds of the national advertising fund). Any marketing materials and/or manuals shall be CONFIDENTIAL, shall not be copied in whole or in part (except as may otherwise be specifically indicated therein), shall remain the property of the Company and shall always be in safekeeping and in the custody of the Franchisee at the offices of the Franchised Business. The Company may from time to time add to or modify marketing materials and/or manuals to improve the System of Operation and the contents and methods of promotion contained in the materials. The Franchisee shall keep manuals up to date by inserting any such additions or modifications, such as those received via mail, e-mail or posted on the Company's intranet site.

8.6 Convention. The Company has the right to periodically conduct, and Franchisee (or an approved representative) shall attend, a convention or seminar for all AmeriSpec franchisees. Franchisee shall pay the Company a convention fee whether or not Franchisee attends the convention held by the Company.

8.7 Additional Programs. The Company may, from time to time, provide additional programs and services to the Franchisee. Unless otherwise approved by the Company, the Franchisee is required to participate in all such additional programs in accordance with procedures established from time to time by the Company.

8.8 Use of Agents. The Company may, from time to time, utilize agents and/or third parties to meet its obligations under this Agreement.

9. OPERATION OF THE FRANCHISED BUSINESS

9.1 Failure to Provide Pre-Open Services. If the Franchisee believes the Company has failed to adequately provide pre-opening services to the Franchisee in regard to the initial training, selection and purchase of equipment and supplies, or any other matter affecting the establishment of the Franchised Business, the Franchisee shall notify the Company in writing within 30 days following the start of the Franchised Business. Absent the timely provision of such notice to the Company, the Franchisee shall be deemed to conclusively acknowledge that all pre-opening and opening services required to be provided by the Company were sufficient and satisfactory in the Franchisee's judgment.

9.2 Obligation to High Quality Service. The Franchisee shall utilize its best efforts, skill, and diligence to ensure that the Franchisee and the Franchisee's employees establish and maintain high quality service to customers. At all times, the Franchisee shall conduct its business in a manner that will preserve and enhance the goodwill associated with the Names and Marks. The Franchisee will at all times be held responsible for the day-to-day management of the Franchised Business. The Franchisee agrees to comply with all reasonable requirements of the Company to measure Franchisee's customer satisfaction with the services provided by Franchisee under this Agreement, and to participate in all programs of the Company designed to review and improve the process of operating the Franchised Business including ***www.tellamerispec.com*** customer surveys.

9.3 Staffing. The office from which the Franchised Business is operated shall be staffed and open during regular business hours. The office telephone shall be answered by a live person during normal business hours. Minimally, the office telephone shall be answered by a machine or person at all times other than normal business hours identifying the business as an AmeriSpec Inspection business.

9.4 Compliance with Rules. The Franchisee shall comply with all rules, regulations, and directives contained in this Agreement or in the confidential AmeriSpec manuals, as amended from time to time, and shall adopt and adhere to merchandising, promotion, and advertising policies of the Company. The Company specifically reserves the right to modify or change such policies, procedures, and directives including, but not by way of limitation, by changing or adding to the services to be offered by the Franchised Business. Additionally, the Franchisee shall comply with all federal, state, or local rules, regulations or directives that relate to the performance of services offered from the Franchised Business, including but not limited to those requiring licensing, registration or certification.

9.5 Inspection Documentation. All inspections conducted by the Franchised Business shall be documented on forms and in the manner as prescribed by the Company, and the Franchisee shall notify the Company of each inspection and source of revenue conducted by the Franchisee by providing such information with respect to each such inspection as, and in the manner, specified by the Company.

9.6 Qualified Inspectors. All inspections conducted by the Franchised Business shall be conducted by a qualified inspector meeting the standards prescribed by the Company or as required by local, state or federal law. It is acknowledged this provision shall require that each such inspector shall be certified, and maintain certification, under any certification program that may be established or endorsed by the Company, or otherwise meet such standards as the Company, in its sole discretion, shall prescribe. In the absence of any certification program established or endorsed by the Company, each inspector shall be required to either successfully complete the inspector training program provided by the Company, or otherwise meet the standards prescribed by the Company.

9.7 Building Types. The Franchisee acknowledges that the AmeriSpec franchise program is designed for inspection of single family residences, multi-family dwellings designated for occupancy by up to four families, and commercial buildings. The Franchisee shall not, without the prior written consent of the Company, engage in the inspection of any other types of structures.

9.8 Use of Office. During the Term of the Franchise, the Franchisee shall use the office of the Franchised Business exclusively for the sale of goods and services associated with the Names and Marks and authorized by the Company. The Franchisee shall not permit the premises to be used for any other purpose, business, activity, use or function, unless approved in writing by the Company. If the Franchisee desires to operate any other type of business, and such business is not prohibited under the provisions of this Agreement, the Franchisee must operate that business from a separate office, unless approved in writing by the Company. If that office is adjacent to the office of the Franchised Business, there must be a separate entrance for that office and a separate telephone line for that business, and the Franchisee must take any other action required by the Company to assure customers do not believe there is any affiliation between that separate business and the Franchised Business.

9.9 Uniforms; Customer Service. All of Franchisee's inspection personnel shall wear uniforms specified by the Company while conducting business and shall at all times while on duty present a neat and clean appearance and render competent, sober, courteous and trustworthy service to the customers of the Franchised Business.

9.10 Payment for Products, Supplies and Services. The purchase price for products, supplies, and services purchased by the Franchisee from the Company shall be paid in advance of receipt by the Franchisee unless otherwise specified by the Company, in which case Company will provide an invoice therefor. Fees or charges for products, supplies, or services furnished by the Company and not paid in advance or within 10 days of receipt of an invoice therefor, as well as past-due Royalties and Advertising Contributions, shall bear interest from the due date at the maximum rate permitted by law, not to exceed 1.5% per month.

9.11 Right to Inspection. The Company and its designated representatives shall, during normal business hours, have the right to make physical inspections of the Franchised Business. If the Franchisee fails to perform its obligations specified in this paragraph, or if the Company reasonably determines that any actions taken by the Franchisee are injurious to the integrity and goodwill associated with the Names and Marks, the Company shall provide written notice to the Franchisee which shall contain a description of the Franchisee's failure to perform, and the reasonable corrective action to be taken by the Franchisee. Within 30 days after its receipt of the aforementioned notice, the Franchisee shall take the corrective action specified in the notice. If the Franchisee shall in any way fail to maintain the standards of quality or service established by the Company in the operation of the Franchised Business, the Company shall have the right to assign such person or persons that it deems necessary to provide additional training to the Franchisee (above and beyond ordinary training and support provided to most franchisees) to assure that such standards of quality and service are maintained. The Franchisee shall pay to the Company all of the Company's actual costs for such person so assigned, including wages, travel, and living expenses.

9.12 Software. Franchisee will use in the Franchised Business the software system, including business contact management software and inspection software, all other existing or future communication or data storage systems, hardware components thereof and associated service, which the Company has developed and/or selected for the System of Operation (the "Computer System"). The Computer System developed for use in the Franchised Business likely will include one or more required or optional software programs developed for the Company (the "Software"). Franchisee must purchase a license to utilize the Software from the Company or its designated third-party supplier, which software will remain the confidential property of the Company or its third party supplier. Franchisee and the designated third party supplier will enter into a standard form computer software license agreement (the "Software License Agreement") in connection with Franchisee's use of the Company's "Home Inspection Software." The Company will charge Franchisee a reasonable initial license fee for the software and for support that the Company or its designee provides to Franchisee respecting the Software. New releases of the Software may be provided at additional cost and may be contingent upon execution of a new software license agreement by Franchisee. The Company reserves the right to assign its rights, title and interest in the Home Inspection Software or other Software to a third party designated by the Company or to replace the Home Inspection Software or other Software. In such event, Franchisee may be required to enter into a separate computer software license agreement specified by AmeriSpec or the third-party supplier of the specific Software. The computer hardware component of the Computer System must comply with specifications that the Company develops. The Company has the right to designate a single source from whom Franchisee must purchase the Computer System, any software or hardware components thereof or associated service, and the Company or its affiliates may be that single source. Upon 60 days written notice, Franchisee will be required to use and, at the Company's discretion, pay for all future updates, supplements, and modifications to the Computer System.

9.13 Service Vehicle. Franchisee will have at least one AmeriSpec identified service vehicle in the Franchised Business. The vehicle must be white, red or navy blue (any exceptions must be approved by the Company) and identified with AmeriSpec approved graphics in accordance with the AmeriSpec® Vehicle Identity Program.

9.14 Compliance with System of Operation. The Franchisee shall comply with all reasonable requirements of the Company to measure Franchisee's customer satisfaction with the services provided by Franchisee under this Agreement, and to participate in all programs of the Company designed to review and improve the process of operating the Franchised Business.

9.15 National Accounts Program. The Company has the right to establish a "National Accounts Program" designed to address the needs of its customers desiring central billing accounts, multiple service destinations, and similar requests that are typical of large volume customers or customers that have customers at more than one location or facility. Franchisee may participate in the National Accounts Program if Franchisee satisfies the Company's then-current qualifications and will sign the Company's standard form National Accounts Agreement. Franchisee understands that the Company will establish the rules under which Franchisee will participate and be compensated for participation in the National Accounts Program, and that the Company may terminate or modify the National Accounts Program consistent with the terms of the National Accounts Agreement. In the event that Franchisee chooses not to participate in the National Accounts Program or does not accept and agree to timely perform an assigned service, then Company may assign such service request to another franchisee or subcontractor who may perform those services in Franchisee's territory.

9.16 Obligation of Franchisee to Provide Plan for Other Businesses Franchisee Desires to Establish. If Franchisee, a principal of Franchisee, and/or an affiliate of Franchisee wishes to commence the operation of any additional business in addition to the business operated under the terms of this Agreement, Franchisee must provide the Company with a plan that describes in substantial detail how

Franchisee will maintain the operation of the business authorized under this Agreement in accordance with its terms, while Franchisee, its principals, or its affiliates are simultaneously operating the additional business. Before commencing the operation of the additional business, Franchisee must obtain the Company's consent of the plan, which approval will not be unreasonably withheld. As conditions to approval of the plan the Company may require that, in addition to other reasonable conditions: (i) the additional business be kept completely separate from the business authorized under this Agreement (e.g. may not share the same location, building, or address); (ii) the additional business never be sold or transferred to another AmeriSpec franchisee; and (iii) the Company may require Franchisee and its principals and affiliates to divest themselves of the additional business if the Company determines that the additional business creates a conflict with or is competitive with the business authorized under this Agreement as this business may be modified over time. Franchisee must also give annual updates to the plan as specified by the Company. The Company may review the plan at any time after consent to the plan to determine if Franchisee, its principals, and/or its affiliates are complying with the plan. The Company may require Franchisee to modify the plan at any time. Franchisee's, its principals', and/or its affiliates' failure to comply with the plan, as determined by the Company in its sole discretion, will constitute a breach of this Agreement, entitling the Company to exercise any and all remedies authorized under this Agreement, up to and including termination.

10. NAMES AND MARKS

10.1 Proprietary Marks.

10.1.1 The Franchisee shall operate under, and prominently display, the Names and Marks in the operation of the Franchised Business. The Franchisee shall use no commercial trade names, service marks, or other commercial symbols, including associated logos, which do not satisfy the criteria established by the Company. The Franchisee shall not use any of the Names and Marks in combination with other words, letters, prefixes, suffixes, logos, or designs, other than in the manner authorized by the Company, except when in conjunction of the Franchised Business. The Franchisee may use the words "AmeriSpec Inspection Services," in its doing business as: "AmeriSpec Inspection Services Franchise No. _____{insert franchise agreement number}" and shall duly file a fictitious business name statement or similar document with all appropriate jurisdictions in which the Franchised Business is located and provides services.

10.1.2 If the Franchisee is a corporation, limited liability company, or partnership, the Franchisee may not use any of the Names and Marks, or the names and marks of any of the Company's affiliates, as part of the name of the corporation, limited liability company or partnership. The Franchisee shall file for and maintain a "Certificate of Trade Name" in the county, or other appropriate jurisdiction, in which the Franchised Business is located.

10.1.3 From time to time, upon reasonable notice to the Franchisee, the Company may elect to discontinue the use of certain Names and Marks and to commence use of new Names and Marks. The Franchisee shall pay all expenses incurred by the Franchisee in connection with discontinuing the use of existing Names and Marks in the Franchised Business and commencing the use of new Names and Marks therein; provided, however, if the Company does not give the Franchisee notice to allow for use of any trademarked stationery or marketing materials purchased by the Franchisee within 90 days preceding the date of the notice that these materials will become obsolete, the Company will purchase those materials from the Franchisee at the Franchisee's cost.

10.1.4 The Franchisee acknowledges that its right to use the Names and Marks is derived solely from this Agreement and that all such usage and any goodwill established thereby shall inure to the exclusive benefit of the Company.

10.1.5 The Franchisee agrees that, upon the termination or expiration of the Term of the Franchise for any reason whatsoever, the Franchisee shall forthwith discontinue the use of the Names and Marks, and thereafter shall no longer use, or have the right to use, the Names and Marks.

10.1.6 The Franchisee shall immediately notify the Company of any infringement of or challenge to the Franchisee's use of present and future Names and Marks and shall not communicate with any other person in connection with any such infringement, challenge, or claim. The Company may, in its sole discretion, take such action as it deems appropriate, including the exclusive control of any litigation or any Trademark Office or other administrative proceeding arising out of any such infringement, challenge or claim relating to any of the Names and Marks.

10.1.7 The Franchisee shall take all actions reasonably necessary to maintain the integrity of the Names and Marks and preserve and protect the goodwill associated with the Names and Marks. These actions shall include, without limitation, the following:

10.1.7.1 The Franchisee shall operate the Franchised Business in accordance with the standards and requirements of quality, appearance, cleanliness, and service that are associated with premium quality home inspection businesses.

10.1.7.2 At least 10 days prior to display or distribution of any promotional materials, the Franchisee shall provide the Company with copies or accurate depictions, as applicable, of any and all signs, brochures, advertisements and other proposed promotional materials relating to the Franchised Business.

10.1.7.3 The Franchisee shall refrain from using the Names and Marks in any lewd, scandalous, obscene, libelous, or defamatory manner.

10.1.7.4 Use of the Names and Marks shall in every instance be accompanied by the registration symbol "®" or the "™" symbol, placed in close proximity to the Names and Marks as directed by the Company. In addition, any and all brochures, advertisements and other promotional materials bearing the Names and Marks shall contain the following statement: "AmeriSpec® and its accompanying design is a federally registered trademark and service mark of AmeriSpec SPE LLC," or "AmeriSpec® is a registered trademark of AmeriSpec SPE LLC," if applicable. All such materials shall also state that each AmeriSpec® business is "An independently owned and operated franchise business".

10.1.7.5 Within 10 days after the date the Franchisee receives notice of any customer or consumer complaint about the operation of the Franchised Business, the Franchisee shall prepare and deliver to the Company a written report which provides details relating to the nature of the complaint and the corrective action taken to prevent the reoccurrence of the event giving rise to the complaint. Franchisee shall notify the Company, within 10 days, of any legal action against the Franchised Business and shall provide status reports as required by the Company.

10.1.7.6 The operation of the Franchised Business shall in all respects comply with the applicable rules and regulations of the various local, state, and federal agencies that regulate the operation of home inspection businesses. This includes, but is not limited to, any such licensing, registration, or certification requirements.

11. SUPPLIES

11.1 Approved Suppliers. The Company shall provide the Franchisee lists of approved suppliers of forms, signs, supplies, marketing materials and other items, including computer hardware and software,

and insurance necessary to operate the Franchised Business. The Company, may, in its sole discretion, revise the approved supplier lists from time to time. The approved source of supply for any individual item may be the Company, an affiliate of the Company or an independent contractor.

11.2 Supplier Approval. The Franchisee shall obtain the Company's written approval prior to the use of any supplier not previously approved by the Company. As a precondition to the Company granting any such approval, the Company may require the Franchisee to submit to the Company samples, photographs, and/or other information concerning the products and/or supplies. The Company will advise the Franchisee, in writing within a reasonable time, whether the requested supplier and/or product meets the Company's specifications. The Company may charge a fee to review, test, and evaluate such products or supplies. Updated lists of approved suppliers and products will be posted on the Company's franchisee intranet website or transmitted to the Franchisee on a periodic basis. Furthermore, the Franchisee shall have the right at any time to request an updated list of approved suppliers from the Company.

11.3 Limitation on Damages. The Company shall not be liable to the Franchisee for damages caused by the failure of the Company or an approved supplier to make available for purchase any item, unless the failure is the result of factors within the Company's reasonable control.

12. FINANCIAL INFORMATION, DEPOSITS, REPORTS, AND AUDITS

12.1 Maintenance of Books, Records and Accounts. The Franchisee shall maintain its books and records in the manner reasonably required by the Company. The Company has established a contact management and reporting system which shall be used by all franchisees. The Franchisee shall utilize the system in a manner approved by the Company and pay for the purchase and installation of hardware and software, which may be necessary for use with such system.

12.2 Maintenance of Bank Account. The Franchisee shall maintain a separate bank account for the Franchised Business and shall deposit in that account all revenues received by the Franchised Business in a timely manner (not less than once each week). At all times, the Franchisee shall maintain a minimum balance of $500 in that account. The Franchisee shall notify the Company of the bank in which the account is maintained, as well as the account number, and shall notify the Company at least 10 days prior to making any material change to the account, including the name of any signatory on the account or the location of the account.

12.3 Financial Statements. The Franchisee shall provide the Company with such weekly, monthly, quarterly, and annual financial and sales information relating to the Franchised Business from time to time as may be reasonably required by the Company. All financial and sales information to be delivered to the Company shall be in the form and by the means of communication required by the Company. All monthly financial and sales information shall be prepared in accordance with generally accepted accounting principles, in the form prescribed by the Company, and shall be received by the Company no later than the 20th day of the following month. At least annually, at such time designated by the Company, but not later than 90 days after the fiscal year end of the Franchisee, the Franchisee shall deliver to the Company annual financial statements, including statements of operation of the Franchised Business prepared in accordance with generally accepted accounting principles.

12.4 Audit Rights. The Company shall have the right to audit or inspect or cause to be audited or inspected the sales reports and financial statements delivered to the Company, including but not limited to, the books, records and sales and income tax returns of the Franchisee. If the Franchisee is a corporation, limited liability company or partnership, such audit will also include the appropriate owners, members or partners of the Franchisee. In connection with any such examination, the Franchisee will execute IRS Form 4506, or other similar form, authorizing the Company to obtain the applicable tax returns of the Franchisee,

at the request of the Company. Franchisee and any personal guarantors, by signing this Agreement, hereby explicitly consent to provide copies of all personal and business tax returns specified above to the Company and hereby waive any right to refuse to provide tax return or any privilege afforded by state or federal laws, rules or regulations.

12.5 Audit Costs. The Company shall also have the right, at any time, to have an independent audit made at its cost of the books of the Franchisee. Franchisee shall pay the cost of the audit. These costs shall be capped at $2,000, subject to the terms of this paragraph. If Franchisee fails to fully cooperate with any reasonable request by the Company for an audit or inspection, Franchisee shall reimburse the Company for any and all costs and expenses of conducting an audit or inspection including, without limitation, travel expenses, room and board, and compensation of persons employed by the Company to make the audit or inspection. If any audit discloses an understatement of the Gross Receipts of the Franchised Business for any period or periods, the Franchisee, within 10 days of receipt of the audit report, shall pay to the Company the Advertising Contributions and Royalties, if any, due on the previously unreported Gross Receipts, plus interest from the due date at the maximum rate permitted by law, not to exceed 1.5% per month. In addition, if an understatement for any period equals 3% or more of the Gross Receipts of the Franchised Business for the period, the Franchisee shall reimburse the Company for the full cost of the audit or inspection, including, without limitation, the charges of any independent accountant or attorney and the travel expenses, room and board, and compensation of persons employed by the Company to make the audit or inspection. Reimbursement to the Company for the costs of the audit or inspection shall be made upon the receipt of an invoice therefor. Such costs not reimbursed within 10 days of receipt of an invoice shall bear interest from the due date at the maximum rate permitted by law, not to exceed 1.5% per month.

13. INSURANCE

13.1 Insurance Required. At all times during the Term of the Franchise, the Franchisee shall maintain in force:

13.1.1 errors and omissions insurance with a minimum limit of liability of $1,000,000;

13.1.2 general comprehensive public liability insurance against claims for bodily and personal injury, death and property damage caused by or incurred in conjunction with the operation of or conduct of business by the Franchisee with a limit of at least $1,000,000;

13.1.3 business automobile liability insurance coverage for owned, hired, and non-owned or any vehicles with a minimum limit of liability of $1,000,000 for both bodily injury and property damage; and

13.1.4 workers' compensation insurance and occupational disease insurance with an employer's limit of $500,000 as well as such other insurance as may be required by statute or rule of the state in which the Franchisee operates the Franchised Business.

Franchisee shall maintain such additional coverage and higher policy limits as may reasonably be specified for all franchisees from time to time by the Company.

13.2 Coverage Requirements. All insurance coverage required above shall be maintained under one (1) or more policies of insurance containing the amounts and types of coverage from time to time prescribed by the Company. Such coverage must be obtained from insurance companies maintaining an A rating by Alfred M. Best & Company, Inc., or such other insurance companies approved in advance by the Company. All errors and omissions, and public liability and business automobile liability insurance policies, shall name the Company as an additional insured and shall provide that the Company receive 10

days' prior written notice of termination, expiration, reduction or cancellation of any such policy. The Franchisee shall submit to the Company, annually within 30 days of the effective date of the policy, a copy of the certificate of insurance or other evidence of the renewal or extension of each such insurance policy as requested by the Company.

13.3 Failure to Maintain. If the Franchisee, at any time, fails or refuses to maintain any insurance coverage required by the Company or fails to furnish satisfactory evidence thereof, the Company, at its option and in addition to its other rights and remedies hereunder, may obtain such insurance coverage on behalf of the Franchisee, and any costs of premiums incurred by the Company in connection therewith shall be paid by the Franchisee on demand.

14. CONFIDENTIALITY AND IMPROVEMENTS BY THE FRANCHISEE

14.1 Confidentiality. The Franchisee acknowledges that all of the information it has now or obtains in the future concerning the System of Operation and the concepts and methods of promoting the Franchised Business, including but not limited to, all information, manuals, materials, expertise, intellectual property (regardless of form), software, inspection report forms and packaging is derived from the Company pursuant to this Agreement, and that such information will be treated in confidence. The Franchisee agrees never to, directly or indirectly, engage in or abet the misappropriation, or the disclosure, divulgence, or distribution of all or any part of the System of Operation and the concepts and methods of promoting franchises hereunder, except on a need to-know basis as ordered by any regulator or judicial authority having legal jurisdiction. To protect the Company's confidential information, the Franchisee must adopt and implement reasonable procedures to prevent the unauthorized use or disclosure of the Company's confidential information, including any such procedures that may be designated by the Company from time to time.

14.2 Original Works. Franchisee acknowledges and agrees that all writings and other original works of authorship, regardless of form, including, but not limited to, Proprietary Software programs, trademarks, copyrightable works, Internet Web pages or any other documents or information pertaining or relating to the Franchised Business or the System of Operation produced or authored by Franchisee during the Term of the Franchise shall be deemed by the parties to be works made for hire and the property of the Company. The Company shall have the absolute right to obtain and hold, in its own name, rights of copyright, trademark and/or other similar protections which may be available in the documents or works. Franchisee hereby agrees to cooperate and execute all documents necessary to perfect such rights in the Company.

14.3 Obligation to Assign. Franchisee hereby assigns to the Company its entire right, title and interest in any invention, technique, process, device, discovery, improvement or know-how hereafter made or conceived by Franchisee, his agents or employees, during the Term of the Franchise which in any way relates to the actual or anticipated present or future business of the Company or as suggested by or results from any activities performed by the Franchisee during the Term of the Franchise. Franchisee shall disclose any such invention, technique, process, device, discovery, improvement or know-how promptly to the Company. Franchisee shall, upon request, promptly execute all documents necessary to assign Franchisee's right, title and interest in and to any such invention technique, process, device, discovery, improvement or know-how to the Company and cooperate and take all steps necessary to enable the Company to secure patent, trademark, copyright or any other proprietary rights in the United States, Canada or foreign countries.

14.4 Approved Vendor Status. Nothing in sub-paragraphs 14.1 or 14.2 above should preclude a franchisee utilizing a separate business entity from requesting, in writing, an approved vendor status from

the Company. The Company agrees to not unreasonably restrict such approval, even where that status is sought for the purpose of developing products or offering services for sale to the franchise system.

14.5 Customer Data. The Franchisee acknowledges and agrees that all information (including all customer data) contained in databases prepared by the Franchisee in connection with the Franchised Business or by the Company, including but not limited to the Computer System, belongs to the Company, and the Company shall be allowed to access such information from Franchisee's computer databases. The Company periodically will establish policies respecting the use of such information. If requested by the Company, Franchisee shall transfer this information to the Company in the frequency, form and manner prescribed by the Company.

15. COVENANTS

15.1 Best Efforts. The Franchisee covenants that during the term of this Agreement except as otherwise approved in writing by the Company, the Franchisee shall devote their full time, energy and best efforts to the management and operation of the Franchised Business. Unless otherwise specified, the term "Franchisee" as used in this Paragraph 15 shall include, collectively and individually, all shareholders and/or members of the Franchisee, and of any corporation or other entity directly or indirectly controlling the Franchisee, if the Franchisee is a corporation, limited liability company or other similar legal entity; the general partners and any limited partner (including any corporation and the shareholders of a corporation which controls, directly or indirectly, any general or limited partner), if the Franchisee is a partnership.

15.2 In-Term Covenant Not to Compete. The Franchisee covenants that during the term of this Agreement, except as otherwise approved in writing by the Company, the Franchisee shall not, 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 Divert or attempt to divert any business or customer of the Franchised Business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Name and Marks and the System of Operation; or

15.2.2 Own, maintain, engage in, or have any interest in any other business which performs any of the various programs and services licensed by the Company included within the System of Operation, or other systems or programs licensed by the Company under the Name and Marks, both within and outside the Territory described in Paragraph 3.1 of this Agreement; provided, however, that this provision shall not apply to any ownership of the Franchisee of less than 1% of the outstanding equity securities of any publicly held corporation.

15.3 Post-Term Covenant Not to Compete. The Franchisee covenants that for a period of 1 year after the later of the following terminating events: (i) any transfer, repurchase or termination of this Agreement; (ii) the expiration of this Agreement (if a successor franchise or renewal term is not granted); (iii) the date on which the Franchisee stops operating a competitive business (including continued operation of the Franchised Business whether or not operated under the Names and Marks) or (iv) the last date of the use of the Names and Marks and/or System of Operation, the Franchisee shall not, either directly or indirectly, for itself or through, on behalf of, or in conjunction with any other person, persons, partnership, corporation, or other entity do or engage in any act proscribed by Paragraph 15.2 of this Agreement, except that the restrictions contained in Paragraph 15.2.2 of this Agreement, shall be limited during the post term period to within the Territory described in Paragraph 3.1 of this Agreement and a 75-mile radius thereof.

15.4 Independent Covenants. The parties agree that each of the covenants contained in Paragraphs 15.2 and 15.3 shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Paragraph 15 is held to be unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which the Company is a party, the Franchisee expressly agrees to be bound by any lesser covenant subsumed with the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant was separately stated in and made a part of this Paragraph 15.

15.5 Reduction of Scope. The Franchisee understands and acknowledges that the Company shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in Paragraphs 15.2 and 15.3 of this Agreement or any portion thereof, without the Franchisee's consent, effective immediately upon receipt by the Franchisee of the written notice of the reduction, and the Franchisee agrees that it shall immediately comply with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Paragraph 21 of this Agreement.

16. ASSIGNMENT

16.1 Transfer by Company. This Agreement is fully assignable by the Company and shall inure to the benefit of any assignee or other legal successor in interest of the Company.

16.2 Transfer by Franchisee.

16.2.1 No Franchisee, partner (if the Franchisee assigns this Agreement to a partnership), shareholder (if the Franchisee assigns this Agreement to a corporation), or member (if the Franchisee assigns this Agreement to a limited liability company) without the prior written consent of the Company, by operation of law or otherwise, shall sell, assign, convey, give away, or encumber to any person, company or partnership or other legal entity, its interest in this Agreement or its interest in the Franchise granted hereby or its interest in any proprietorship, partnership, limited liability company or corporation which owns any interest in the Franchise. Any purported assignment not having the necessary consent shall be null and void and shall constitute a material default hereunder. Franchisee's transfer of 5% or more of interest in this Agreement will require an amendment to add such 5% owner as a personal guarantor. If, as a result of **any** transfer to a person in a single transaction or series of transactions, the original Franchisee's ownership interest in this Agreement falls below 66%, then the Franchisee must sign the then-current form of franchise agreement and all of the then-current terms of that agreement will apply thereafter.

16.2.2 The Company shall not unreasonably withhold its consent to any assignment of less than one-half of the beneficial interest in the Franchise or the Franchised Business, provided such assignment is not part of a series of assignments intended to evade this provision, and further provided that:

16.2.2.1 The assignee shall enter into a written agreement with the Company, in a form satisfactory to the Company, assuming and/or guaranteeing all of the Franchisee's obligations hereunder;

16.2.2.2 Any defaults under this Agreement on the part of the Franchisee have been remedied;

16.2.2.3 The assignee shall demonstrate to the Company's satisfaction that it meets the Company's then-current standards for AmeriSpec franchisees; and

16.2.2.4 Such other reasonable conditions as may be required by the Company in connection with the assignment have been satisfied.

16.2.3 This paragraph should not be construed to provide Franchisee a right to assign a portion of the Designated Territory to a third party who will operate independent of Franchisee. An assignment of less than all of the beneficial interest in the Franchise or Franchised Business must operate under the terms of this Agreement, and with Franchisee, to fulfill the obligation herein.

16.2.4 If an assignment, alone or together with other previous, simultaneous, or proposed assignments, would have the effect of assigning one-half or more of the beneficial interest in the Franchise or the Franchised Business, the Company will not unreasonably withhold its consent to the assignment if all of the following conditions and requirements have been satisfied:

16.2.4.1The assignee shall be of good moral character and reputation, shall have a good credit rating, financial capabilities and competent business qualifications reasonably acceptable to the Company. The Franchisee shall provide the Company with the information it may reasonably require to make a determination concerning the proposed assignee;

16.2.4.2 In addition, the assignee or a designated representative of the assignee approved by the Company to manage the Franchised Business must satisfactorily complete the Company's training program (and pay to the Company its then-current training fee) before the assignee may assume responsibility for the operation of the Franchised Business;

16.2.4.3The assignee, including all shareholders, members or partners of the assignee, enter into a written agreement, in form satisfactory to the Company, assuming all of the Franchisee's obligations under this Agreement for the remainder of the Term of the Franchise or, at the Company's option, signs the Company's then-current version of franchise agreement, which may include materially different terms and may include a Territory that is modified in size or scope to meet then-current standards for newly-issued territories;

16.2.4.4 The Franchisee shall have fully paid and satisfied all of the Franchisee's obligations to the Company and the Franchisee shall fully pay to the Company the then-current assignment fee provided, however, the Franchisee shall not be required to pay an assignment fee in the event the assignee is a spouse. If the assignee is an adult child (at least 18 years old) of the Franchisee, the assignment fee is one-half of the then-current assignment fee;

16.2.4.5 If the assignee is a corporation, limited liability company or partnership, all of the shareholders, members or partners of the assignee shall enter into a written agreement, in the form attached hereto as Exhibit B, jointly and severally guaranteeing the full payment and performance of the assignee's obligations to the Company and agreeing to be personally bound by all covenants and restrictions imposed upon the assignee under the terms of this Agreement;

16.2.4.6 If the assignment is caused by the death or incapacity of the Franchisee or in the case of a partnership, limited liability company or corporation, by the death or incapacity of the one controlling more than one-half or more of the voting interest of the Franchisee, the provisions of this subparagraph must be met with regard to the heir or personal representative of the Franchisee succeeding to the Franchisee's interest hereunder; provided, however, if the heir or personal representative assigns or sells its interest in the Franchise within 90 days after the death or incapacity of the Franchisee, the person to whom the interest is assigned or sold, and not the Franchisee's heir or personal representative, must comply with the provisions of this subparagraph (16.2.4) as assignee;

16.2.4.7The Franchisee and each of its owners and/or affiliates, and the assignee (and each owner and/or affiliate of the assignee) shall execute a general release of the Company and its officers and directors in form and substance satisfactory to the Company; and

16.2.4.8 The assignee must update the Computer System of the Franchised Business to the Company's then-current standards.

16.3 Transfer to Competitor Prohibited. The Franchisee will not sell, assign or transfer this Agreement, any interest in the Franchisee or the Franchised Business, or any assets or accounts, including but not limited to, the customer list of the 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 the Company or the Franchised Business. If the Company refuses to permit an assignment or transfer based upon this provision, the Franchisee's only remedy will be to have a court of competent jurisdiction determine whether the proposed transferee is a competitor of the Company.

16.4 Acknowledgement of Restrictions. The Franchisee acknowledges and agrees that the restrictions imposed by the Company on assignments or transfers are reasonable and necessary to protect the goodwill associated with the Company's business operation and the Names and Marks, as well as the Company's reputation and image and are for the protection of the Company and all franchisees that own and operate AmeriSpec businesses. Any attempted assignment or transfer made without complying with the requirements of this Paragraph 16 will be void.

16.5 Survival of Transfer Obligations. The terms of this Paragraph 16 shall survive termination or expiration of this Agreement for a period of 12 months. The parties agree and acknowledge that such extended obligation is necessary to fulfill the intent of Franchisee and the Company and is a material term of this Agreement.

17. RIGHT OF FIRST REFUSAL

If, at any time during the Term of the Franchise, the Franchisee receives a bona fide offer to purchase the Franchise or the Franchised Business, which offer the Franchisee is willing to accept, the Franchisee shall communicate in writing to the Company the full terms of the offer and the name of the offeror. The Company may elect to purchase the Franchised Business on the terms set forth in the offer. If the Company elects to purchase the same, it shall give the Franchisee written notice of the election within 20 days after the Company receives the Franchisee's communication of the offer. If the Company fails to give written notice of election within 20 days, the Franchisee may sell to the offeror on the terms offered, subject to the provisions relating to assignment. The sale must, however, be completed within 60 days of the termination of the 20 day period during which the Company may give written notice of election to purchase; otherwise, an additional notice must be given to the Company and an additional option period must expire prior to any such assignment. If the Company elects to purchase the Franchised Business, it shall have the right to substitute cash equivalent for any non-cash consideration included in the bona fide offer to purchase and the Company and the Franchisee will use their best efforts to complete the purchase within 60 days from the date of the Company's notice of election to purchase.

18. PRE-TERMINATION OPTIONS OF THE COMPANY

18.1 Company's Pre-Termination Rights. Prior to the termination of this Agreement, if the Franchisee fails to pay any amounts owed to the Company or its affiliates, or fails to comply with any term of this Agreement, then in addition to any right the Company may have to terminate this Agreement or to bring a claim for damages, the Company shall also have the option:

18.1.1 To cease providing AmeriSpec® Reports to the Franchisee; and

18.1.2 To suspend all services provided to the Franchisee under this Agreement or otherwise, including but not limited to training, marketing assistance and the sale of marketing materials and other products and supplies.

18.1.3 Reduce and/or modify the size of Franchisee's Designated Territory or eliminate the "protected" status of the Designated Territory. If Franchisee fails to meet any of the requirements stated in Paragraph 3.1.1 and Paragraph 3.1.2, Company may reduce and/or modify the size of Franchisee's Designated Territory or eliminate the "protected" status of the Designated Territory.

18.1.4 To remove access to the System of Operation licensed by the Company.

18.2 Non-Waiver of Claims. The Company's actions as outlined in this Paragraph 18 may continue until the Franchisee has brought its accounts current, cured any default, and complied with the Company's requirements, and the Company has acknowledged the same in writing. The taking of any of the actions permitted in this Paragraph 18 shall not suspend or release the Franchisee from any obligation that would otherwise be owed to the Company or its affiliates under the terms of this Agreement or otherwise.

19. TERMINATION

19.1 Notice of Termination. The Franchisee may terminate this Agreement and the Franchise granted hereunder effective 10 days after delivery to the Company a written notice of termination, if the Franchisee is in compliance with this Agreement and the Company breaches this Agreement and fails to cure the breach within 30 days after written notice of the breach is delivered to the Company.

19.2 Company's Termination Rights. The Company may terminate the Franchise Agreement effective immediately upon receipt by the Franchisee of a notice of termination, for any of the following reasons:

19.2.1 The Franchisee, or a person designated by the Franchisee and approved by the Company as the manager of the Franchised Business, fails to satisfactorily complete the Company's initial management training program;

19.2.2 The Franchisee voluntarily abandons the Franchise by failing to operate the business for five consecutive days during which the Franchisee is required to operate the business under the terms of the Franchise Agreement, or any shorter period after which it is not unreasonable under the facts and circumstances for the Company to conclude that the Franchisee does not intend to continue to operate the Franchise, unless such failure to operate is due to fire, flood, earthquake, or other similar causes beyond the Franchisee's control; provided, however, if the Franchisee takes a vacation of 2 weeks or less during a calendar year, this shall not trigger the Company's right to terminate the Franchise Agreement if the Franchisee has made arrangements to have the phones answered and the Franchisee otherwise demonstrates an appearance of being in business; in no case, however, may the business not conduct inspections for a period exceeding two weeks;

19.2.3 The Franchisee is convicted of a felony or any other criminal misconduct which is relevant to the operation of the Franchise;

19.2.4 The Franchisee fails to cure a default under this Agreement which materially impairs the goodwill associated with the Names and Marks;

19.2.5 The Franchisee or the Franchised Business is declared bankrupt or judicially determined to be insolvent, or all or a substantial part of the assets thereof are assigned to or for the benefit of any creditor, or the Franchisee admits its inability to pay its debts as they come due;

19.2.6 The Company and the Franchisee agree in writing to terminate the Franchise;

19.2.7 The Franchisee, after curing any failure for which the Franchisee is given 30 days' notice and an opportunity to cure, engages in the same noncompliance, whether or not such noncompliance is corrected after notice;

19.2.8 The Franchisee makes an unauthorized assignment of the Franchise Agreement, the Franchised Business, or the Franchise;

19.2.9 The Franchisee makes any material misrepresentations relating to the acquisition of the Franchise;

19.2.10 The Franchisee engages in conduct which reflects materially and unfavorably upon the operation and reputation of the Franchised Business or the AmeriSpec franchise system;

19.2.11 The Franchisee fails, for a period of 10 days after notification of noncompliance, to comply with any federal, state, or local law or regulation applicable to the operation of the Franchise;

19.2.12 A levy of execution has been made upon the license granted under the Franchise Agreement and it is not discharged within 5 days of such levy;

19.2.13 The Franchisee fails to pay any Royalties or Advertising Contributions when due, or any other amounts due to the Company or to any affiliate of the Company within 5 days after receiving notice that such fees are overdue;

19.2.14 The Company makes a reasonable determination that continued operation of the Franchise by the Franchisee will result in an imminent danger to public health or safety;

19.2.15 The Franchisee fails to submit financial statements, sales information or other supporting records as set forth herein for a period of 30 days after they are due or submits to the Company 2 or more sales reports, financial statements, other information, or supporting records in any period of 12 consecutive months which understate the Gross Receipts of the Franchised Business by 3% or more or materially distort any other material information;

19.2.16 Any agreement (a) between the Franchisee (or any owner or affiliate of the Franchisee) and the Company (or any of its affiliates), including any other software licenses, loan agreements, program participation agreements, franchise agreements, or other agreements or (b) between the Franchisee (or any owner or affiliate of the Franchisee) and any other party, provided such agreement is related to the Franchised Business (including, without limitation, leases, subleases, loan or financing agreements, or vendor agreements) (collectively, "**Related Agreements**") is terminated as a result of a default by Franchisee, its owners, or its affiliates. Any default under a Related Agreement by Franchisee, its owners, or its affiliates shall also be considered a default under this Agreement;

19.2.17 The Franchisee fails to pay any amounts due to any third-party vendor; or

19.2.18 The Franchisee violates a material provision, term or condition of this Agreement four (4) or more times during the Term of this Agreement, without regard to whether the violations were of

a similar or different nature or whether the violations were corrected within the prescribed cure period after receipt of written notice from the Company.

19.3 Termination for Good Cause. The Company may also terminate this Agreement for any other reason constituting good cause, including, but not limited to, the failure of the Franchisee to comply with any lawful requirement of this Agreement after being given notice thereof and 30 days in which to cure such failure.

19.4 In Accordance with Law. The foregoing notwithstanding, to the extent that the provisions of this Franchise Agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation, nonrenewal or the like other than in accordance with applicable law, such provisions shall, to the extent such are not in accordance with applicable law, be superseded by said law, and the Company shall comply with applicable law in connection with each of these matters.

19.5 Return of Manuals and Software. The Franchisee agrees, upon termination or expiration of the Franchise, to immediately return to the Company all copies of all manuals and software (including Proprietary Software) that have been provided, loaned or licensed to it by the Company, any marketing materials bearing the Names and Marks, and any material marked as property of the Company or as confidential.

19.6 Payment of Unpaid Amounts. Within 7 days after the effective date of termination or expiration of the Franchise, the Franchisee shall pay to the Company such Royalties and other charges as have or will thereafter become due hereunder and are then unpaid, plus damages for the right to receive Royalties for each year or portion thereof remaining in the original term of this Agreement, together with any other damages suffered by the Company, and all amounts due for printed materials, forms, advertising material, samples, supplies, products and services supplied by the Company.

19.7 Cancelation of Assumed Names and Telephone Numbers and Listings. Upon termination or expiration of the Franchise, the Franchisee shall expeditiously take such action as may be required (a) to properly cancel all assumed names or equivalent registrations relating to the use of the Names and Marks; (b) to transfer or vest in the Company all interest in and rights to use all telephone and facsimile numbers, all listings, email addresses and all social media accounts whether or not bearing the Names and Marks (collectively "listings and accounts") used by the Franchisee in any manner related to the operation of, or applicable to, the Franchised Business, and the Company shall thereupon have the full and exclusive right to use such listing and accounts or to authorize the use thereof by another franchisee of the Company. The Franchisee authorizes the Company, and appoints the Company its attorney-in-fact, to direct the telephone company and all listing agencies to transfer such listings and accounts to the Company or as it may in writing direct. Any amounts owing by the Franchisee on account of such listings and accounts shall be paid immediately by the Franchisee.

19.8 Removal of Name. Immediately upon termination or expiration of the Franchise, the Franchisee shall cause all interior and exterior signs identifying the business premises as an AmeriSpec business, and AmeriSpec signs or logos appearing on any vehicles, to be removed. If the Franchisee fails to remove the sign(s), the Company shall be entitled to remove the sign(s), without prior notice to the Franchisee at the expense of the Franchisee.

19.9 De-identification with the System of Operation. After the termination or expiration of the Franchise, the Franchisee shall not indicate directly or indirectly, in any manner, that it is or ever was affiliated with the Company in any capacity except as required by law and for the limited purpose of providing employment history necessary for reasons other than obtaining benefits based directly or indirectly on the former affiliation. Thereafter, the Franchisee may not identify itself or any business as an

AmeriSpec business or as a franchisee of, or as otherwise associated with, the Company, or use, in any manner or for any purpose, any of the System of Operation, concepts and methods of promotion, or Names and Marks, or any other indicia of an AmeriSpec business.

19.10 Relinquishment of Goodwill. The Franchisee shall relinquish all interest of every kind and description in the Franchise upon termination or expiration of the Franchise, including any goodwill established prior to or during the operation of the Franchise. In addition, Franchisee acknowledges and agrees the customer list of the Franchised Business is an intangible asset that exists only in connection with the Franchise and, as such, reverts to the Company upon termination or expiration of this Agreement or any renewal agreement.

19.11 Compliance with Surviving Obligations. All obligations of the Company and the Franchisee that expressly or by their nature survive the expiration or termination of the Franchise shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement until they are satisfied in full or by their nature expire.

20. ENFORCEMENT/PAYMENTS/LATE CHARGES

20.1 Injunctive and/or Equitable Relief. The Company may apply for injunctive or other equitable relief (a) to enforce its right to terminate this Agreement for cause; (b) to prevent or remedy a breach of this Agreement by the Franchisee, if such breach could materially impair the goodwill associated with the Company's Names and Marks; (c) to collect monies due to the Company; and (d) to enforce the provisions of Paragraphs 14, 15, and 17 hereof.

20.1.1 The Company may apply, without bond, for the entry of temporary restraining orders, and temporary and permanent injunctions enforcing the aforementioned provisions.

20.1.2 If the Company secures any such injunction, or any other judicial relief against the Franchisee, the Franchisee shall pay the Company an amount equal to the aggregate of the Company's costs of obtaining such relief, including, without limitation, reasonable attorneys' fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses.

20.2 Franchisee May Not Withhold Payments. The Franchisee shall not withhold any payments whatsoever due to the Company. No endorsement or statement on any check or payment of any sum less than the full sum due to the Company shall be construed as an acknowledgment of payment in full or an accord and satisfaction, and the Company 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. The Company may: (a) apply any payments received to any past due, current, future or other indebtedness of any kind in its discretion, no matter how payment is designated by Franchisee, except that Advertising Fund Contributions may only be credited to the Advertising Fund; (b) set off, from any amounts that may be owed by the Company, any amount owed to the Company or any Advertising Fund; (c) retain any amounts received for Franchisee's account (and/or that of any affiliate of Franchisee), whether rebates from suppliers, national account or program work payments, or otherwise, as payment against any amounts owed to The Company. The Company can exercise any of the foregoing rights in connection with amounts owed to or from The Company and/or any The Company affiliate.

20.3 Right to Interest and Costs. In the event the Franchisee fails to pay any amounts owed to the Company, Franchisee will pay the Company, in addition to the overdue amount, interest on that amount from the date the amount was due until it is paid at the rate of 1.5% per month, or the maximum rate permitted by law, whichever is less. Entitlement to such interest will be in addition to the Company's right to employ a collections agency to collect monies due to the Company. In such event, the Franchisee shall

also be responsible for paying any and all fees associated with collection, including but not limited to administration costs, attorneys' fees, and cost of litigation.

20.4 Failure to Return Materials. In the event the Franchisee fails to timely return to Company the materials set forth in Paragraph 19.5 Company may charge Franchisee for the fair market value of these items and submit any unpaid sum to collections in accordance with this paragraph.

21. DISPUTE RESOLUTION.

21.1 Alternative Dispute Resolution Procedure. Except as otherwise provided in Section 21.2 (Excepted Disputes), any claim, dispute, suit, action, controversy, or proceeding of any type whatsoever between (i) the Franchisee, its affiliates, or its owners, and/or the Franchisee's, its affiliates', or its owners' officers, directors, and employees (the "**Franchisee Related Parties**") and (ii) the Company, its affiliates, and/or its or its affiliates' officers, directors, owners, and employees (the "**Company Related Parties**") relating to (a) this Agreement, (b) the relationship of any of the Company Related Parties with any of the 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 Paragraph 21.1. The Franchisee Related Parties and any Company Related Parties shall all be considered third-party beneficiaries of this Agreement and shall be included in the term "parties" or "party" in this Paragraph 21.

21.1.1 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 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 thirty (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 thirty (30) days after the Dispute Notice has been delivered to the other party before submitting the dispute to mediation.

21.1.2 Mediation. If the Covered Dispute is not resolved informally as provided in Section 21.1.1 (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. 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 thirty (30) days after a written request for mediation shall have been served on the other parties. The mediation shall be held in the metropolitan area of Company'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, with permission of the mediator, bring persons appropriate to the proceeding.

21.1.3 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 Paragraph 21.1.3 and not decided by a court or a jury.** If there are any ambiguities in the terms or conditions of this Paragraph 21, it is the parties' intent that all ambiguities be resolved in favor of arbitration. For the purposes of this Section 21.1.3, 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.

21.1.3.1 Arbitration Procedure. Either party may commence arbitration by sending written demand for arbitration to the other party. The arbitration proceeding shall be conducted by one arbitrator and, except as otherwise provided in this Paragraph 21, 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 the Company 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.).

21.1.3.2 Scope. The arbitrator (and not a court) shall decide all issues in 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 this Paragraph 21.1.3, including whether the parties have entered into this Agreement. In accordance with Paragraph 21.5 (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).

21.1.3.3 Relief. The arbitrator shall have the power and authority to award any remedy or relief available under applicable law, including money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief, and attorneys' fees and costs (in accordance with Paragraph 20.3 (Right to Interest and Costs)), except the arbitrator may not (a) declare any Name and Mark generic or otherwise invalid or (b) award any special, consequential, exemplary, or punitive damages against either party, except as expressly provided in Paragraph 21.4 (Mutual Waiver of Punitive Damages).

21.1.3.4 Binding Decision. 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).

21.1.3.5 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 as required or expressly permitted by applicable law.

21.2Exceptions to Alternative Dispute Resolution.

21.2.1 Excepted Disputes. Unless the Company consents in writing otherwise, the following Covered Disputes will not be subject to or resolved through the informal negotiation, non-binding mediation, and binding arbitration procedures specified in Paragraph 21.1 (Alternative Dispute Resolution Procedure) and will instead be resolved through litigation: (a) disputes relating to Franchisee's use of the Name and Marks (including Lanham Act or common law claims); (b) disputes that otherwise relate to the ownership or validity of any of the Company's intellectual property or the enforcement of the Company's intellectual property rights; (c) disputes that involve protection of the Company's confidential information; (d) disputes related to the enforcement of Paragraph 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**").

21.2.2 Injunctive Relief. Notwithstanding the parties' agreement to resolve Covered Disputes through the informal negotiation, non-binding mediation, and binding arbitration procedures specified in Paragraph 21.1 (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 arbitration on the merits as provided in Paragraph 21.1.3 (Arbitration). In addition to any other relief available at law or equity, the Company 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 Name and Marks, Franchisor's confidential information, other components of the System of Operation, or other intellectual property of any of the Company Related Parties; (b) enforce the non-compete covenants in Paragraph 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 law or that threatens to harm the Name and Marks, the System of Operation, or the business of other franchisees or the Company Related Parties. The Franchisee agrees that the Company 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.

21.2.3 Forum for Litigation. Any litigation related to an Excepted Dispute will be filed exclusively in the state court or United States District Court for the district in which the Company has its principal place of business at the time of filing. The parties waive all questions of personal jurisdiction and venue for the purpose of carrying out this provision. Notwithstanding the foregoing, the Company may enforce this Agreement in the courts of the state or states in which Franchisee is domiciled or the Franchised Business is operated.

21.3 **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.**

21.4 **MUTUAL 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 PARAGRAPH 22 (INDEPENDENT CONTRACTORS/ 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 PARAGRAPH 14 (CONFIDENTIALITY AND IMPROVEMENTS BY THE FRANCHISEE), NEITHER PARTY WILL BE ENTITLED TO RECOVER SPECIAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES UNDER THIS AGREEMENT.**

21.5 **MUTUAL WAIVER OF CLASS OR COLLECTIVE ACTIONS. FRANCHISOR AND THE 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.

21.6 **TWO-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 TWO YEARS 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 Company Related Party against any Franchisee Related Party at any time): (a) relating to third-party claims or suits brought against any Company Related Party as a result of the operation of the Franchised Business; (b) relating to the enforcement of any intellectual property rights of any Company Related Party; (c) relating to the Franchisee's non-payment or underpayment of amounts owed to a Company Related Party; (d) concerning the obligations of any Franchisee Related Party under Paragraph 14 (Confidentiality and Improvements by the Franchisee) or Paragraph 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.

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

21.8 Remedies Not Exclusive. 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 law. 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.

21.9 No Recourse. The Franchisee acknowledges and agrees that except as provided under an express statutory liability for such conduct, none of the Company's past, present or future directors, officers, employees, incorporators, members, partners, stockholders, subsidiaries, affiliates, controlling parties, entities under common control, ownership or management, vendors, service providers, agents, attorneys or representatives will have any liability for (i) any of the Company's obligations or liabilities relating to or arising from this Agreement, (ii) any claim against the Company based on, in respect of, or by reason of, the relationship between the Franchisee and the Company, or (iii) any claim against the Company based on any of the Company'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, unless such vicarious claims are authorized by a guarantee of performance or statutory obligation. It is not meant to bar any direct contractual, statutory, or common law claim that would otherwise exist.

21.10 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 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.

21.11 Survival. This Paragraph 21 will survive termination, expiration, and/or rescission of this Agreement.

22. INDEPENDENT CONTRACTORS/INDEMNIFICATION

21.1 Independent Contractor. The Franchisee shall be conspicuously identified at the premises of the Franchised Business and in all dealings with customers and suppliers as a franchisee. All written materials given to customers of the Franchised Business, including but not limited to promotional materials and inspection reports, shall clearly identify that the Franchised Business is independently owned and operated by the Franchisee. The Franchisee shall not represent or imply to any person that this Agreement authorizes the Franchisee to act as agent for the Company. This Agreement does not create a fiduciary relationship between the parties. 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 offered by the Company is provided solely for Franchisee's convenience. Franchisee's use of such information is completely optional and should not be construed as an 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.

21.2 Indemnification by Franchisee. Neither the Company nor the Franchisee shall be obligated by any agreement, representation or warranty (except warranties specifically authorized by the Company, if any) made by the other, nor shall the Company be obligated for damages to any person or property directly or indirectly arising out of the operation of the Franchised Business or the Franchisee's business conducted hereunder, breach of contract, or caused by the Franchisee's negligence, willful action or failure to act. The Franchisee agrees to indemnify the Company in any action, suit, proceeding, demand, investigation or inquiry (formal or informal) wherein the liability of the Company is alleged or in which the Company is named as a party as a result of activities by the Franchisee. In the event that such an action or claim is made against the Company, the Franchisee shall indemnify and hold harmless the Company from all costs reasonably incurred by the Company in the defense of any such claim brought against it, or in any such action in which it is named as a party, including without limitation, reasonable attorneys' fees, costs of investigation or proof of facts, court costs, other litigation expenses and travel and living expenses, and from all amounts paid or incurred by the Company arising out of such claim or action. The Company shall have the right to defend any such claim against it. Such an undertaking by the Company shall, in no manner or form, diminish the Franchisee's obligation to indemnify the Company and to hold it harmless. The Company shall not be required or obligated to seek recovery from third parties or otherwise mitigate its losses in order to maintain a claim against the Franchisee. If a decision rendered in an action or suit covered by this Paragraph 21is against the Franchisee or the Company, and the Company desires to appeal the decision, the Franchisee may notify the Company within 10 days of the date of the decision of its intent to abide by the decision, then, in such event, the Franchisee shall pay the Company the amount required of it under this Paragraph 21and all future costs related to the appeal and/or settlement of the claim shall be the responsibility of the Company.

FRANCHISEE AND THE GUARANTORS, BY SIGNING THIS AGREEMENT, INDEMNIFY AND AGREE TO DEFEND AND HOLD HARMLESS THE COMPANY AND ITS RELATED PARTIES AGAINST ALL LOSSES, CLAIMS, DAMAGES, PENALTIES, JUDGMENTS, LIABILITIES AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ALL EXPENSES OF LITIGATION OR PREPARATION FOR LITIGATION WHETHER OR NOT THE COMPANY IS A PARTY TO THE LITIGATION) THAT THE COMPANY OR ANY OF ITS RELATED PARTIES MAY PAY OR INCUR ARISING OUT OF OR RELATING TO THIS AGREEMENT OR TO FRANCHISEE'S OPERATION OF THE FRANCHISED BUSINESS EVEN IF CAUSED IN WHOLE OR IN PART BY THE NEGLIGENCE (WHETHER SOLE, JOINT OR CONCURRENT), OF THE COMPANY.

21.3 Indemnification by Company. The Company agrees to indemnify the Franchisee against, and to reimburse the Franchisee for, any obligation or liability for damages payable to persons other than the Franchisee or its owners that are attributable to agreements, representations or warranties of the Company, or solely caused by the negligent or willful action of the Company, and for costs (as hereinabove defined) reasonably incurred by the Franchisee in the defense of any claim brought against it as a result of the foregoing or in any such action in which it is named as a party. The Company shall have the right to participate in and to control any litigation or proceeding which might result in liability of or expense to the Franchisee subject to indemnification by the Company.

21.4 Survival of Obligations. The indemnity and assumption of liability obligations herein shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

22. BINDING EFFECT/CONSTRUCTION/WAIVER/ NOTICES

22.1 Agreement Binding on Successors. This Agreement is binding upon the parties hereto, their respective heirs, assigns and successors in interest.

22.2 Independent Investigation. The introduction, recitals and exhibits hereto are a part of this Agreement which constitutes the entire agreement of the parties, and at the time of this Agreement, there are no other oral or written understandings or agreements between the Company and the Franchisee relating to the subject matter of this Agreement. Nothing in this Agreement or in any related agreement is intended to disclaim the representations contained in the AmeriSpec Franchise Disclosure Document. Specifically, the Franchisee acknowledges that it has entered into this Agreement after making an independent investigation of the Company's operations and not upon any representation as to profits which the Franchisee might be expected to realize, nor has anyone made any other representation to induce the Franchisee to accept the Franchise granted hereunder and to execute this Agreement which is not expressly set forth herein or in the Franchise Disclosure Document which the Franchisee acknowledges having received at least 14 days or 10 business days, whichever is applicable to Franchisee's state's regulations, prior to the execution of this Agreement.

22.3 Reasonable Business Judgment. Whenever the Company reserves discretion in a particular area or where the Company agrees or is required to exercise its rights reasonably or in good faith, the Company will satisfy its obligations whenever it exercises "reasonable business judgment" in making its decision or exercising its rights. A decision or action by the Company will be deemed to be the result of "reasonable business judgment", even if other reasonable or even arguably preferable alternatives are available, if the Company's decision is intended to promote or benefit the System of Operation generally even if the decision or action also promotes a financial or other individual interest of the Company. Examples of items that will promote or benefit the System of Operation include enhancing the value of the Names and Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization, and improving the competitive position of the System of Operation. Neither Franchisee nor any third party (including a trier of fact), will substitute its judgment for the Company's reasonable business judgment.

22.4 Provision of Goods, Products and Services. The Company and/or its affiliates periodically may make available to Franchisee goods, products and/or services for use in connection with the Franchised Business, the sale of which the Company and/or its affiliates may make a profit. The Company and its affiliates periodically may receive consideration from suppliers and manufacturers respecting such sale of goods, products or services to Franchisee or in consideration for services provided or rights licensed to such persons. Franchisee agrees that the Company and its affiliates will be entitled to such profits and consideration.

22.5 Headings. The headings of the several paragraphs above are for convenience only and do not define, limit or construe the contents thereof. The term "Franchisee" as used herein is applicable to 1 or more persons, a corporation or a partnership, as the case may be, includes the plural and the masculine and feminine usages. References to "the Franchisee" applicable to any individual shall mean the principal owner or owners of the equity or operating control of the Franchisee if the Franchisee is a corporation, limited liability company or partnership.

22.6 Construction of Provisions. The Company and the Franchisee agree that if any provision of this Agreement is capable of 2 constructions, one of which would render the provision illegal or otherwise voidable or unenforceable and the other of which would render the provision valid and enforceable, the provision shall have the meaning which renders it valid and enforceable. The language of all provisions of this Agreement shall be construed simply according to its fair meaning and not strictly against the Company or the Franchisee.

22.7 Unenforceable Provisions. It is the desire and intent of the Company and the Franchisee that the provisions of this Agreement be enforced to the fullest extent possible under the laws and public policies applied in each jurisdiction in which enforcement is sought. Accordingly, if any provision of this Agreement is adjudicated to be invalid or unenforceable, such adjudication is to apply only with respect to the operation of such provision in the particular jurisdiction in which such adjudication is made. All provisions of this Agreement are severable and this Agreement shall be interpreted and enforced as if all completely invalid and unenforceable provisions were not contained herein, and partially valid and enforceable provisions shall be enforced to the extent valid and enforceable. The Company and the Franchisee shall substitute a valid and enforceable provision for any specification, standard, operating procedure, rule or other obligation of the Franchisee or the Company which is determined to be invalid or unenforceable and is not waived by the other.

22.8 No Waiver. The Company and the Franchisee, by written instrument, may unilaterally waive any obligation of or restriction upon the other under this Agreement. No acceptance by the Company of any payment by the Franchisee and no failure, refusal or neglect of the Company or the Franchisee to exercise any right under this Agreement or to insist upon full compliance by the other with its obligations hereunder or with any specification, standard or operating procedure shall constitute a waiver of any provision of this Agreement or any specification, standard or operating procedure; provided, however, that such failure, refusal or neglect to exercise any right under this Agreement or to insist upon full compliance by the other with its obligations under this Agreement or under state or federal law, or with any specification, standard or operating procedure, shall constitute a waiver of any default arising under this Agreement or under state or federal law and shall preclude exercise or enforcement of any right or remedy arising therefrom, unless written notice of such default is provided by the non-defaulting party within twelve (12) months after such right or default occurs. No exercise or enforcement by the Company or the Franchisee of any right or remedy hereunder shall preclude the exercise or enforcement by the Company or of the Franchisee of any other right or remedy hereunder or which the Company or the Franchisee is entitled by law to enforce. No modification of this Agreement shall be valid unless such modification is in writing and signed by the Franchisee and the Company.

22.9 Notices. All written notices permitted or required to be delivered by the provisions of this Agreement shall be deemed so delivered (a) when delivered by hand, (b) 3 business days after placed in the mail system of the United States by registered or certified mail, return receipt requested, postage prepaid, and addressed to the party to be notified at its most current principal business address of which the notifying party has been notified, or (c) 1 business day after sent via overnight courier, postage prepaid, and addressed to the party to be notified at its most current principal business address of which the notifying party has been notified.

22.10 Variance in Standards. Because complete and detailed uniformity under many varying conditions may not be possible or practical, the Company specifically reserves the right and privilege, at its sole discretion and as it may deem in the best interests of all concerned in any specific instance, to vary standards for any franchise owner based upon the peculiarities of a particular site or circumstance, density of population, business potential, population of trade area, existing business practices or any other condition which the Company deems to be of importance to the successful operation of such franchise owner's business. The Franchisee shall not complain on account of any variation from standard specifications and practices granted to any other franchise owner and shall not be entitled to require the Company to grant to the Franchisee a like or similar variation thereof.

22.11 No Recourse. The Franchisee acknowledges and agrees that except as provided under an express statutory liability for such conduct, none of the Company's past, present or future directors, officers, employees, incorporators, members, partners, stockholders, subsidiaries, affiliates, controlling parties, entities under common control, ownership or management, vendors, service providers, agents, attorneys or representatives will have any liability for (i) any of the Company's obligations or liabilities relating to or arising from this Agreement, (ii) any claim against the Company based on, in respect of, or by reason of, the relationship between the Franchisee and the Company, or (iii) any claim against the Company based on any of the Company'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, unless such vicarious claims are authorized by a guarantee of performance or statutory obligation. It is not meant to bar any direct contractual, statutory, or common law claim that would otherwise exist.

23. REPRESENTATIONS BY FRANCHISEE

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

_____ (1) Please write the date you personally received a copy of the Company's Franchise Disclosure Document (and all exhibits and attachments).

_____ (2) Please write the date of your first face-to-face meeting to discuss the purchase of this franchise. (This does not apply for renewal.)

(3) Please write the name of all individuals involved in the Sales Process:

_____, _____,
_____, _____.

_____ (4) Please write the date you personally received a copy of the Franchise Agreement prepared for execution.

_____ (5) Please write the date of the execution of this Franchise Agreement.

_____ (6) Please write the date you paid the first deposit, down payment, purchase price or other payment in the form of cash, check, or other consideration for the purchase of this franchise. (This does not apply for renewal.)

23.2 Corporations. If Franchisee is a corporation, partnership or limited liability company, please list all the names and respective title and ownership interest for all officers, shareholders, partners or members of the Franchisee.

Name	Percentage of Ownership (must equal 100%)	Office Held

23.3 Specific Claims and/or Representations by Franchisee.

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

_____

_____(if none, the Franchisee shall write "none")

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

_____

(if none, the Franchisee shall write "none")

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

_____

(if none, the Franchisee shall write “none”)

23.3.4 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 this Disclosure were relied upon by the Franchisee in signing the Agreement except:

_____

(if none, the Franchisee shall write “none”)

23.3.5 Franchisee acknowledges and agrees that they may not receive and are not entitled to receive leads and/or jobs from national account programs offered by the Company from time to time, and that if Franchisee does receive such leads or jobs: (a) those leads or jobs may not be distributed equally; (b) the model for distributing those leads will be designed in the Company’s sole discretion and may be modified from time to time; (c) national account customers may limit the number of participating franchisees in a market and direct work to specific franchisees; (d) lead and/or job volume varies greatly across the United States, and that some geographic regions have few or no leads/jobs.

23.3.6 Franchisee acknowledges and agrees that the Franchised Business may be impacted by many risks, including those outside the Company’s or Franchisee’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 the Company cannot predict.

I have read Sec. 23.3, understand it, and agree with it.

Your Initials: _____/_____/_____

IN WITNESS WHEREOF, the Company and the Franchisee have executed this Agreement the day and year first above written, effective as of the date executed by the Company.

FRANCHISEE:_____

_____
Signature

_____
Printed Name Officer/Member/Partner

_____
Signature

_____
Printed Name Officer/Member/Partner

THE COMPANY:
AMERISPEC SPE LLC

_____
Signature
Printed Name:_____

Title:_____
DATE ACCEPTED: _____

EXHIBIT A TO FRANCHISE AGREEMENT

DESIGNATED TERRITORY

The Designated Territory is located in the State of _____ and shall consist of _____{*physical description*}.

EXHIBIT B TO FRANCHISE AGREEMENT

GUARANTY

IN CONSIDERATION for, and as an inducement for AmeriSpec SPE LLC (the "Company"), to enter into the Franchise Agreement to which this Guaranty is attached (the "Franchise Agreement"), the undersigned owners and their spouses, if any, and if the Franchisee is a corporation or other legal entity, each of the owners of the corporation or other legal business entity, hereby jointly and severally guarantee to the Company and to the Company's successors and assigns the payment of all franchise fees provided for in the Franchise Agreement and the performance of all of the provisions of the Franchise Agreement for and during the term of the Franchise Agreement and all renewals thereof. The undersigned further specifically agree to be individually bound by all covenants, obligations and commitments of the Franchisee contained in the Franchise Agreement to the same extent as if each of the undersigned had individually executed the Franchise Agreement as Franchisee and consents to and agrees that they are subject to and will abide by the dispute resolution provisions contained in the Franchise Agreement.

In addition to the other Franchise Agreement provisions, each of the undersigned agree to be personally bound to the confidentiality provision in Section 14.1 of the Franchise Agreement and the non-compete covenants in Section 15 of the Franchise Agreement.

The undersigned understand and agree that any modification of the Franchise Agreement, including any addendum or addenda thereto, or waiver by the Company of the performance by the Franchisee of its obligations thereunder, or the giving by the Company of any extension of time for the performance of any of the obligations of the Franchisee thereunder, or any other forbearance on the part of the Company or any failure by the Company to enforce any of its rights under the Franchise Agreement, including any addendum or addenda thereto, shall not in any way release the undersigned from liability hereunder or terminate, affect or diminish the validity of this Guaranty, except to the same extent, but only to such extent, that the liability or obligation of the Franchisee is so released, terminated, or affected or diminished. Notice to the undersigned of any such modification, waiver, extension or forbearance under the terms thereof is hereby waived. This Guaranty shall be enforceable upon 10 days' written notice by the Company to any of the undersigned of any default by the Franchisee of any of its covenants under the terms of the Franchise Agreement and addendum or addenda thereto.

The undersigned hereby waive any and all notice of default on the part of the Franchisee; waive exhausting of recourse against the Franchisee; and consent to any assignment of the Franchise Agreement, in whole or in part, that the Company or its assignees may make.

IN WITNESS WHEREOF each of the undersigned has hereunto affixed his signature on the same day and year as the Agreement was executed.

_____, individually	_____, individually
Signature	Signature
Print Name _____	Print Name _____
Home Address _____	Home Address _____
_____	_____

_____, individually
Signature

Print Name _____

Home Address _____

_____

_____, individually
Signature

Print Name _____

Home Address _____

_____

EXHIBIT C
TO FRANCHISE AGREEMENT
LICENSE AGREEMENT
(Websites)

This License Agreement ("Agreement") is made and effective this _____ day of _____, 20____ ("the Effective Date") by and between AMERISPEC SPE LLC, a Delaware limited liability company having its principal place of business located at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328 ("AmeriSpec"), and _____, an AmeriSpec franchisee doing business as "AmeriSpec Inspection Service" and having its principal place of business located at _____ ("Franchisee"),

WITNESSETH:

WHEREAS, AmeriSpec has a license to permit AmeriSpec franchisees to operate internet websites ("Websites") in connection with their franchise businesses, which is designed to promote uniformity in the appearance and functionality of franchisee websites;

WHEREAS, AmeriSpec desires to grant, and Franchisee desires to obtain permission to operate a Website;

NOW THEREFORE, AmeriSpec and Franchisee agree as follows:

1. AmeriSpec will provide Franchisee with access to and the right to use a Website as specified herein.

2. The Website shall be provided at no cost to Franchisee for the initial year; however, AmeriSpec reserves the right to charge Franchisee a license fee for any subsequent period of use. If Franchisee owns more than one franchise territory (as defined in the Franchise Agreement between the parties), then the Franchisee has the option of having one Website for each territory; however, there will be a charge for any additional Websites. AmeriSpec shall provide Franchisee at least 30 days' notice prior to charging a license fee for the Website after the expiration of the initial year of use. Franchisee shall be solely responsible for any costs incurred in either the use of or obtaining access to the Website.

3. The Website URL address shall be as follows: *www.AmeriSpec.com/locations/ST/City/123456*. For example, *www.AmeriSpec.com/locations/TN/Memphis/38120*.

4. Either party may terminate this Agreement without good cause upon 30 days' notice. AmeriSpec may terminate this Agreement immediately for good cause, including but not limited to violation of or failure to follow, the guidelines as set forth herein or failure to comply with material terms of the Franchise Agreement between the parties. This Agreement and all rights granted herein shall automatically terminate, without further notice, upon either the termination or expiration of the Franchise Agreement between the parties. This Agreement and all rights granted herein shall also automatically terminate, without further notice, upon Assignment (as defined in the Franchise Agreement) of the Franchisee's AmeriSpec franchise, unless the Assignment merely transfers ownership of the AmeriSpec franchise from an individual owner(s) to a Corporation or other legal business entity and the Franchisee retains majority ownership of that entity.

5. This Agreement and the license granted herein are not assignable or transferable by Franchisee without the prior written consent of AmeriSpec.

6. This Agreement shall in no way affect any existing obligations of AmeriSpec or Franchisee created in any other agreement, including but not limited to the Franchise Agreement between the parties and any and all terms contained therein.

7. Franchisee agrees that it shall only use the Website for lawful purposes. Without limiting the foregoing, Franchisee shall not use the Website in a manner: (a) which would result in any transmission of any material in violation of any international, federal, state or local laws, including (without limitation) laws pertaining to the use of data and to the franchise and business opportunity laws; (b) which in any way would violate or infringe upon any party's privacy rights, right of publicity, or any other rights of any person or entity; or (c) which would display, transmit or store material which is unlawful, harmful, abusive, hateful, obscene, threatening, libelous, or defamatory.

8. AmeriSpec reserves the right to provide additional guidelines for use of the Website from time to time. Such additional guidelines shall be provided to Franchisee in writing and attached to and incorporated in this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this License Agreement as of the day and year first above written.

AMERISPEC SPE LLC

By: _____

Its: _____

FRANCHISEE

By: _____

Name: _____

Title: _____

Owner 1 Name: _____

Owner 2 Name: _____

Website Address: _____

EXHIBIT D TO FRANCHISE AGREEMENT

LICENSE AGREEMENT
(E-Mail Accounts)

This License Agreement ("Agreement") is made and effective as of this ____ day of ____, 20____ (the "Effective Date") by and between AMERISPEC SPE LLC, a Delaware limited liability company, having its principal place of business located at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328 ("AmeriSpec"), and _____, an AmeriSpec franchisee doing business as "AmeriSpec Inspection Service" and having its principal place of business located at _____ ("Franchisee"), WITNESSETH:

WHEREAS, AmeriSpec has a license to permit authorized parties to access web-based electronic mail accounts for AmeriSpec ("e-mail accounts") which are designed to facilitate communication between Franchisees, other third-parties and AmeriSpec for the purpose of, among other things, the scheduling of AmeriSpec inspections; and

WHEREAS, AmeriSpec desires to grant, and Franchisee desires to obtain permission and access to the e-mail account.

NOW, THEREFORE, AmeriSpec and Franchisee agree as follows:

1. AmeriSpec will provide Franchisee with access to and the right to use the e-mail account as specified herein. AmeriSpec will provide up to a maximum of two (2) email accounts per franchise, as follows: If Franchisee's AmeriSpec franchise is owned by more than one individual, then AmeriSpec shall provide up to two (2) separate e-mail accounts. If the franchise is owned by a corporation or other type of legal business entity and more than one individual has executed a personal guaranty relative to the terms of the Franchise Agreement, then AmeriSpec shall provide up to two (2) separate e-mail accounts. Additional e-mail accounts may be created, but the Franchisee will be billed the then current charge for the additional accounts. AmeriSpec shall retain ownership of the e-mail account and e-mail address.

2. A maximum of up to two (2) email accounts per franchise shall be provided at no cost to the Franchisee. AmeriSpec reserves the right to charge a license fee in the future, but shall provide at least 30 days' notice prior thereto. Franchisee shall be responsible for any costs incurred in either the use of or obtaining access to the e-mail account.

3. The name for the address of the e-mail account (e-mail address) shall be as follows: (Franchisee's first initial) (Franchisee's last name)@AmeriSpec.net. For example: RSkinner@AmeriSpec.net. In the event a particular e-mail address is not available (for example, an existing franchisee has the same last name and first initial), then an alternative e-mail address will be provided.

4. Access to the e-mail account is for Franchisee only. Franchisee shall not share this e-mail account with any other person or entity. Furthermore, Franchisee shall not demonstrate or give access to the e-mail account to another person or entity without the prior written approval of AmeriSpec.

5. Either party may terminate this Agreement without cause upon 30 days' notice. AmeriSpec may terminate this Agreement immediately for good cause, including but not limited to violation of, or failure to follow, the guidelines as set forth herein or for failure to comply with the material terms of the Franchise Agreement between the parties. This Agreement and all rights granted herein shall automatically terminate, without further notice, upon either the termination or expiration of the Franchise Agreement between the parties. This Agreement and all rights granted herein shall also

automatically terminate, without further notice, upon Assignment (as defined in the Franchise Agreement) of the Franchisee's AmeriSpec franchise, unless the Assignment merely transfers ownership of the AmeriSpec franchise from an individual owner(s) to a Corporation or other legal business entity and the Franchisee retains majority ownership of that entity.

6. This Agreement and the license granted herein are not assignable or transferable by Franchisee without the prior written consent of AmeriSpec.

7. This Agreement shall in no way affect any existing obligations of AmeriSpec or Franchisee created in any other agreement, including but not limited to the Franchise Agreement between the parties and any and all terms contained therein.

8. Franchisee agrees that it shall only use the e-mail account for lawful purposes. Without limiting the foregoing, Franchisee shall not use the e-mail account in a manner: (a) which would result in any transmission of any material in violation of any international, federal, state or local laws, including (without limitation) laws pertaining to the use of data and to the franchise and business opportunity laws; (b) which in any way would violate or infringe upon any party's privacy rights, right of publicity, or any other rights of any person or entity; or (c) which would display, transmit or store material which is unlawful, harmful, abusive, hateful, obscene, threatening, libelous, or defamatory.

9. AmeriSpec reserves the right to provide additional guidelines for use on the e-mail account from time to time. Such additional guidelines shall be provided to Franchisee in writing and attached to and incorporated in this Agreement.

10. Franchisee agrees to comply with limits set by AmeriSpec for maximum disk quota for e-mail usage. Currently the maximum disk quota for email usage is 25MB per account. This limit is subject to change, and AmeriSpec will notify Franchisee of any such changes in writing. It is solely Franchisee's responsibility to not exceed this disk quota. Franchisee acknowledges that exceeding disk quotas may cause e-mails to be denied and returned to the sender as undeliverable. AmeriSpec assumes no responsibility for loss of business or any other issues that may arise from Franchisee's failure to comply with this provision. Franchisee also acknowledges that there is a maximum attachment upload size limit of 10Mb. This limit is subject to change, also, and AmeriSpec will notify the Franchisee in writing of any such changes.

11. Franchisee acknowledges that AmeriSpec may apply an anti-spam and/or an anti-virus solution (collectively "SPAM/AV") on part or all of AmeriSpec.net e-mail accounts. The anti-spam solution applied will be the most efficient for SPAM and AV, but AmeriSpec in no way warrants or guaranties the effectiveness of the SPAM/AV solution. Franchisee acknowledges that deploying an anti-spam solution may result in the loss of e-mails. Franchisee agrees that AmeriSpec shall not be liable for any loss or damages to Franchisee's computer or damage to the operation of the franchise due to a virus, or related to deploying the SPAM/AV solution. AmeriSpec reserves the right to remove the SPAM/AV solution at any time for any reason it deems necessary.

12. Franchisee acknowledges that AmeriSpec utilizes the services of a third-party e-mail hosting provider and AmeriSpec has no control of, and cannot make guaranties regarding, the uptime of the e-mail service. AmeriSpec will work with the third-party e-mail hosting provider in order to maximize the uptime.

IN WITNESS WHEREOF, the parties hereto have executed this License Agreement as of the day and year first above written.

AMERISPEC SPE LLC	**FRANCHISEE**
By: _____	By: _____
Its: _____	Name: _____
	Title: _____

Owner 1 Name: _____
Owner 1 E-Mail Address: _____

Owner 2 Name: _____
Owner 2 E-Mail Address: _____

EXHIBIT E TO FRANCHISE AGREEMENT

TELEPHONE NUMBER ASSIGNMENT

In consideration of One Dollar ($1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, _____, a _____, (" Assignor"), hereby transfers, sells and assigns to AmeriSpec SPE LLC, a Delaware limited liability company ("Assignee"), and its successors and assigns, all of Assignor's right, title and interest in and to the phone number _____ ("The Phone Number"), which was assigned to Assignor by _____ ("The Phone Company").

Assignor hereby authorizes and empowers Assignee as Assignor's agent with the authority to execute and file, on behalf of Assignor, any and all authorizations, instruments, agreements and other documents that may be required by the Phone Company or any other party to effectuate the transfer, sale and assignment of all of Assignor's right, title and interest in and to the Phone Number.

IN WITNESS THEREOF, Assignor has executed this agreement as of the _____ day of _____, 20____.

_____
Assignor Name

_____
Assignor Name

Assignee: AmeriSpec SPE LLC

_____
By:

_____
Its:

EXHIBIT F TO FRANCHISE AGREEMENT

AMERISPEC® MANAGEMENT SOFTWARE LICENSE AGREEMENT

This AmeriSpec® Management Software License Agreement (the "Agreement"), between AmeriSpec SPE LLC ("AmeriSpec"), located at One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328, and _____ ("Franchisee") located at _____, takes effect _____ (the "Effective Date"). All capitalized terms in this Agreement have the meanings set forth in the Franchise Agreement between the parties, dated _____ (the "Franchise Agreement").

Recitals

A. AmeriSpec owns the rights to use a software program ("AmeriSpec® Management System") that allows franchise owners to collect and manage data including but not limited to client, agents, agencies, inspections, marketing materials, and e-marketing.

B. Franchisee desires to license such software under the terms and conditions of this Agreement.

Agreement

In consideration of the above recitals and the promises set forth below, the parties agree as follows:

1. License. Subject to the terms and conditions of this Agreement, AmeriSpec grants to Franchisee a non-exclusive, non-transferable license to use the AmeriSpec® Management System provided by AmeriSpec (together with the associated documentation, the "Software") for use only in the Franchised Business. Franchisee may not: (a) permit any parent, subsidiaries, affiliated entities or third parties to use the Software; (b) process or permit to be processed the data of any other party; (c) sell, license, publish, display, distribute, or otherwise transfer the Software to a third party without AmeriSpec's prior written consent; (d) copy the Software; or (e) alter, modify, disassemble, decompile or reverse engineer the Software. AmeriSpec will deliver access to the Software upon execution of this Agreement.

2. Software Support. AmeriSpec will provide help desk support from 8 a.m. to 5 p.m. (CT) Monday-Friday (excluding holidays) to answer questions related to functionality of the Software, and will provide major bug fixes to the Software as deemed necessary by AmeriSpec ("Support Services"), except that AmeriSpec shall not provide Support Services if the hardware or computer system, including third party software, peripherals, internet connection and other computer equipment, used to operate the Software do not meet AmeriSpec's then-current specifications,. Franchisee is required to comply with AmeriSpec's then-current specifications regarding computer hardware equipment, including third party software, peripherals, internet connection and other computer equipment, used to operate the Software. Training related to the Software will be provided as part of the initial franchise training program and by the software website.

3. Fees and Payment. Franchisee will pay AmeriSpec an initial license fee of $300, which will be pro-rated for Franchisee's first year of operation. On June 1 of each year, Franchisee shall pay an annual renewal fee of $300. AmeriSpec reserves the right to periodically increase the renewal fee by a reasonable amount to reflect the Company's increased costs of providing services (including those provided by third parties) and Software access under this Agreement.

4. Delivery and Installation. Franchisee is solely responsible for, data entry and verification of data. Franchisee is solely responsible for providing the hardware, third party software, peripherals, internet connection and other computer equipment required to run the Software and ensuring that such items meet AmeriSpec's then-current specifications.

5. Ownership. Other than the license granted, no right, title or interest in all or any portion of the Software is conveyed or assigned to Franchisee, either expressly or by implication, by virtue of this Agreement, including any patents, copyrights, trade secrets, trademarks, trade names, or other intellectual property associated with the Software. AmeriSpec retains all ownership rights in Franchisee's data.

6. Term and Termination. AmeriSpec reserves the right to terminate this Agreement if its license with the vendor terminates or if AmeriSpec adopts a different software program for the system. A breach of this Agreement by Franchisee is grounds for termination of this Agreement and/or the Franchise Agreement, if the breach remains uncured thirty (30) days after written notice of the breach was provided to Franchisee. This Agreement terminates immediately upon termination of the Franchise Agreement between the parties. Upon termination for any reason, Franchisee access to this software will be terminated by AmeriSpec.

7. WARRANTY DISCLAIMER. THE SOFTWARE IS LICENSED "AS IS" WITHOUT WARRANTIES OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING, BUT NOT LIMITED TO, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OF NON-INFRINGEMENT.

8. LIMITATION OF LIABILITY. AMERISPEC SHALL NOT BE LIABLE TO FRANCHISEE FOR ANY SPECIAL, DIRECT, INDIRECT OR CONSEQUENTIAL LOSSES WHATSOEVER OR HOWEVER CAUSED, ARISING OUT OF OR IN CONNECTION WITH THE SOFTWARE, ITS USE OR OTHERWISE. AMERISPEC'S TOTAL LIABILITY TO FRANCHISEE FOR DAMAGES RELATED TO THE SOFTWARE SHALL NOT EXCEED THE AMOUNTS PAID BY FRANCHISEE FOR SOFTWARE SUPPORT FEES IN THE PREVIOUS TWELVE-MONTH PERIOD.

9. Confidentiality. Franchisee acknowledges that the Software is proprietary to AmeriSpec and/or its licensor and has been developed as valuable intellectual property. Franchisee agrees that it will not disclose or permit any of its employees, agents or representatives to disclose to any party any data or information with respect to the Software or any information relating thereto without the prior written consent of AmeriSpec. This obligation shall continue during the term of this Agreement and thereafter, regardless of the reason for which this Agreement and/or the Franchise Agreement shall have terminated, expired or been assigned.

10. Assignment. This Agreement is only assignable by Franchisee in connection with a valid assignment of the Franchise Agreement.

11. Effect. Except as specifically amended by this Agreement, the Franchise Agreement is in full force and effect as written. Furthermore, any default under this Agreement is a default under the Franchise Agreement. The termination of the Franchise Agreement terminates your right to operate the franchised business.

12. Incorporation by Reference. The provisions of Section 22 of the Franchise Agreement (Governing Law/Binding Effect/Construction/Waiver/ Notices) are hereby incorporated by reference.

The parties have executed this Agreement as of the date first written above.

AMERISPEC: **AMERISPEC SPE LLC**	**FRANCHISEE:**
By: _____	By: _____
Its: _____	Its: _____

FDD EXHIBIT B

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 AmeriSpec 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 2022 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 26 day of April 2022.

Guarantor:

SERVICEMASTER SYSTEMS LLC

By:
Name: Vipul Soni
Title: Treasurer

FINANCIAL STATEMENTS

FOR

SERVICEMASTER SYSTEMS, LLC

AND SUBSIDIARIES

SERVICEMASTER SYSTEMS, LLC AND SUBSIDIARIES

(AN INDIRECT, WHOLLY OWNED SUBSIDIARY OF RW PURCHASER, LLC)

Consolidated Financial Statements for the year ended December 31, 2021 and for the period from December 9, 2020 (Inception) to December 31, 2020

SERVICEMASTER SYSTEMS, LLC AND SUBSIDIARIES
(AN INDIRECT, WHOLLY OWNED SUBSIDIARY OF RW PURCHASER, LLC)

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Deloitte.

Deloitte & Touche LLP
6075 Poplar Avenue
Suite 350
Memphis, TN 38119
USA

Tel: 901-322-6700
www.deloitte.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Managers of RW Parent, LLC and
The Management of ServiceMaster Systems, LLC
Atlanta, Georgia

Opinion

We have audited the consolidated financial statements of ServiceMaster Systems, LLC and subsidiaries (the "Company"), which comprise the consolidated statements of financial position as of December 31, 2021 and 2020, and the related consolidated statements of operations and comprehensive income, member's equity, and cash flows for the year ended December 31, 2021 and the period from December 9, 2020 (inception) to December 31, 2020, and the related notes to the consolidated financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the year ended December 31, 2021 and the period from December 9, 2020 (inception) to December 31, 2020 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 audits. 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 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.

Deloitte + Touche LLP

March 31, 2022

SERVICEMASTER SYSTEMS, LLC AND SUBSIDIARIES
(AN INDIRECT, WHOLLY OWNED SUBSIDIARY OF RW PURCHASER, LLC)
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

(in millions)	Year ended December 31, 2021	Period from December 9, 2020 (Inception) to December 31, 2020
Revenue	**$ 301.6**	**$ 15.7**
Cost of services rendered	127.2	7.1
Selling and administrative expenses	69.7	3.5
Depreciation and amortization expense	16.9	1.1
Operating expenses	213.8	11.7
Operating income	**87.8**	**4.0**
Other income	(0.4)	-
Net income and comprehensive income	**$ 88.2**	**$ 4.0**

See accompanying notes to the consolidated financial statements.

SERVICEMASTER SYSTEMS, LLC AND SUBSIDIARIESS
(AN INDIRECT, WHOLLY OWNED SUBSIDIARY OF RW PURCHASER, LLC)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(in millions)	As of December 31, 2021	As of December 31, 2020
Assets:		
Accounts receivable, less allowance	$ 53.3	$ 35.1
Inventories	7.2	5.7
Prepaid expenses and other assets	3.0	4.2
Total Current Assets	**63.5**	**45.0**
Property and equipment, net	17.4	6.0
Operating lease right-of-use asset	0.5	1.2
Notes receivable	0.2	-
Intangible assets, net	1,670.0	1,509.3
Other assets	0.1	-
Total Assets	**$ 1,751.7**	**$ 1,561.5**
Liabilities and Member's Equity:		
Accounts payable	$ 15.9	$ 8.9
Payroll and related expenses	0.6	0.4
Deferred revenue	2.7	3.1
Current portion of lease liability	0.4	0.4
Current portion of finance lease liability	-	0.2
Current portion of long-term debt	0.1	1.2
Other current liabilities	29.3	19.9
Total Current Liabilities	**49.0**	**34.1**
Long-term debt	-	0.1
Other long-term obligations	3.5	4.9
Long-term lease liability	0.1	0.8
Long-term portion of finance lease liability	-	0.5
Total Liabilities	**52.6**	**40.4**
Member's Equity	1,699.1	1,521.1
Total Liabilities and Member's Equity	**$ 1,751.7**	**$ 1,561.5**

See accompanying notes to the consolidated financial statements.

SERVICEMASTER SYSTEMS, LLC AND SUBSIDIARIES
(AN INDIRECT, WHOLLY OWNED SUBSIDIARY OF RW PURCHASER, LLC)
CONSOLIDATED STATEMENTS OF MEMBER'S EQUITY

(in millions)		Member's Equity
Balance at December 9, 2020 (Inception)	$	–
Initial contribution from Member		1,517.1
Net income and comprehensive income		4.0
Balance at December 31, 2020	**$**	**1,521.1**
Distribution to Member		(109.7)
Measurement period adjustment to the initial contribution		(102.3)
Contributions (TMTI and SRM)		301.8
Net income and comprehensive income		88.2
Balance at December 31, 2021	**$**	**1,699.1**

See accompanying notes to the consolidated financial statements.

SERVICEMASTER SYSTEMS, LLC AND SUBSIDIARIES
(AN INDIRECT, WHOLLY OWNED SUBSIDIARY OF RW PURCHASER, LLC)
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)	Year ended December 31, 2021	Period from December 9, 2020 (Inception) to December 31, 2020
Cash Flows from Operating Activities		
Net income	$ 88.2	$ 4.0
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization expense	16.9	1.1
Other, net	2.7	–
Changes in operating assets and liabilities		
Accounts receivable	(11.1)	0.1
Inventories	(0.6)	0.2
Prepaid expenses and other assets	8.7	(0.2)
Accounts payable	4.1	1.9
Deferred revenue	(4.0)	(0.2)
Accrued and other current liabilities	6.9	0.4
Net cash provided by operating activities	111.8	7.3
Cash Flows from Investing Activities		
Capital expenditures	(0.3)	(0.4)
Net cash used in investing activities	(0.3)	(0.4)
Cash Flows from Financing Activities		
Payments on finance leases	(0.6)	–
Debt payments	(1.2)	–
Distribution to Member	(109.7)	(6.9)
Net cash used in financing activities	(111.5)	(6.9)
Net (decrease) increase in cash and cash equivalents	–	–
Cash and cash equivalents at beginning of period	–	–
Cash and cash equivalents end of period	**$ –**	**$ –**
Non-cash investing and financing activities		
Initial non-cash contribution of assets and liabilities from Member on December 9, 2020	$ –	$ 1,517.1
Non-cash contribution of assets and liabilities in connection with acquisitions	$ 301.8	$ –
Non-cash measurement period adjustment to the initial contribution	$ (102.3)	$ –

See accompanying notes to the consolidated financial statements.

Note 1. Description of Business

On October 1, 2020, RW Purchaser LLC ("RW Purchaser") entered into a transaction (the "Transaction") to acquire the following brands and businesses: ServiceMaster Restore, ServiceMaster Clean, Merry Maids, Furniture Medic, AmeriSpec (collectively, the "ServiceMaster Brands.") from Terminix Global Holdings, Inc. which included substantially all assets and liabilities associated with the ServiceMaster Brands. The total purchase price of the Transaction was allocated to the underlying assets acquired and liabilities assumed based upon their estimated fair values at the date of Transaction.

On December 9, 2020 (the "Securitization Date"), a series of agreements (collectively, the "Securitization") were effectuated and gave rise to a revised legal entity structure of RW Purchaser's subsidiaries as well as the issuance of approximately $750,000,000 of Notes (as defined below) by RW Purchaser's indirect subsidiaries, ServiceMaster Funding LLC (the "Issuer" or "Member") and ServiceMaster of Canada Limited (collectively, the "Co-Issuers"), which have been guaranteed by commonly controlled RW Purchaser subsidiaries, ServiceMaster SPE Holdco LLC ("Holdco") and RW Canada Intermediate Ltd., as well as all of the subsidiaries of the Issuer (collectively, the "Guarantors"), including ServiceMaster Systems, LLC (the "Company").

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.

Organizational Structure

Pursuant to the Securitization, a subset of the agreements resulted in the transfer of net assets comprising substantially all of the assets of the ServiceMaster Brands (the "Pre-Contribution Assets") between certain related parties under the common control of RW Purchaser. As relevant parties involved with the transfer of net assets in connection with the Securitization were under the common control of RW Purchaser, all of the assets and liabilities were contributed at their respective carrying cost as of the Securitization Date. As a result of the finalization of the determination of the fair value and allocation of the acquired net assets, a measurement period adjustment of $102.3 million was recorded which reduced the value of the intangible assets allocated to the Company.

As part of the transfers, ServiceMaster Opco Holdings, LLC ("Opco"), a wholly owned subsidiary of RW Purchaser, entered into a contribution agreement with its 100% wholly owned subsidiary, Holdco; pursuant to which Opco contributed all of its right, title and interest in and to the Pre-Contribution Assets to Holdco. Subsequently, Holdco entered into a contribution agreement with its 100% wholly owned subsidiary, the Issuer, pursuant to which Holdco contributed all of its right, title and interest in and to the Pre-Contribution Assets to the Issuer. The Issuer then entered into a subsequent contribution agreement pursuant to which the Issuer contributed assets, net of liabilities, in the amount of $1,517.1 million of the US portion of the ServiceMaster Brands to the Company, which were subsequently contributed by the Company to its wholly owned subsidiaries.

On March 1, 2021, RW Purchaser acquired the loss recovery business (the "SRM Business") from DSI Holdings Corporation for $20.9 million, primarily consisting of the ServiceMaster Recovery Management loss recovery network. The total purchase price of the SRM Business was allocated to the underlying assets acquired and liabilities assumed based upon management's estimated fair values at the date of acquisition.

On July 30, 2021, a series of agreements were effectuated and gave rise to the issuance of approximately $400,000,000 of Notes (as defined below in Note 7, *Long-term Debt*) by the Co-Issuers, which have been guaranteed by the Guarantors.

On August 3, 2021 (the "TMTI Transaction Date"), RW Purchaser entered into a transaction (the "TMTI Transaction") to acquire substantially all of the assets and liabilities associated with the following brands and businesses: Two Men and a Truck/International, Inc., Eberly Transportation, Inc., TMT/Gold Rush, LLC, TMT – Delhi, L.L.C., and TMT – Lansing, LLC from TMTI Holdco, Inc., Eberly Holdco, Inc., Melanie Bergeron, Jon Sorber, and James Brigham Sorber. The total purchase price of the TMTI Transaction was allocated to the underlying assets acquired and liabilities assumed based upon their estimated fair values at the date of the TMTI Transaction. The allocation of the purchase price is preliminary and may change in future periods, perhaps materially, as fair value estimates of the assets acquired, and liabilities assumed are refined and finalized during the allowable one-year measurement period.

Pursuant to the TMTI Transaction, a subset of the agreements resulted in the transfer of net assets comprising substantially all of the net assets of TMTI between certain related parties under the common control of RW Purchaser. As relevant parties involved with the transfer of net assets in connection with the TMTI Transaction were under the common control of RW Purchaser, all of the assets and liabilities were contributed at their respective carrying cost as of the TMTI Transaction Date. As these assets are a subset of the assets acquired as part of the TMTI Transaction on August 3, 2021, they are subject to a measurement period of one year from the date of the TMTI Transaction, August 3, 2021.

The Member then entered into a contribution agreement pursuant to which the Member contributed assets, net of liabilities, in the amount of $301.8 million of TMTI (August 3, 2021) and SRM (March 1, 2021) to the Company, which were subsequently contributed by the Company to its wholly owned subsidiaries.

2021 Senior Notes

On July 30, 2021, in conjunction with the TMTI Transaction, as defined above, the Co-Issuers entered into an agreement (the "2021 Indenture") for a senior note secured term loan 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.

2020 Securitized Notes

In connection with the 2020 Securitization, on December 9, 2020 the Co-Issuers entered into an agreement (the "2020 Indenture") pursuant to which 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. As of December 31, 2020, no amounts were outstanding under the Series 2020-1 Class A-1 Notes. 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 July 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 July 2026, subject to two automatic annual renewals at the election of the Co-Issuers if certain conditions are met.

The 2020 Notes are secured by substantially all of the assets of the Co-Issuers and 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.

ServiceMaster Systems, LLC

The Company is a single-member limited liability company subsidiary of the Issuer and an indirect wholly owned subsidiary of RW Purchaser. Through its subsidiaries, the Company franchises and operates restoration, cleaning, furniture repair, property inspection, moving, junk removal, and storage solution services to both residential and commercial customers through the ServiceMaster Brands: ServiceMaster Restore, ServiceMaster Clean, Merry Maids, Furniture Medic, AmeriSpec, and Two Men and a Truck ("TMTI") (collectively, the "ServiceMaster Brands.")

COVID-19

COVID-19 continues to impact the global economy. The impact of the COVID-19 pandemic depends on factors largely beyond the Company's knowledge or control. The Company did not experience any material operational, or supply chain disruptions related to various efforts to mitigate the spread of COVID-19. However, there remains uncertainty around the breadth and duration of business disruptions related to COVID-19, as well as its impact on the U.S. and international economies. As such, the Company is unable to determine if it will have a material impact to its operations.

Note 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.

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").

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 revenue recognition; the allowance for uncollectible receivables; the possible outcome of outstanding legal matters; the deferral and amortization of customer acquisition costs; useful lives for determining depreciation and amortization expense; and the valuation of tangible and intangible assets.

Cash and Cash Equivalents

As part of the organizational design, all cash generated from the Company's operations are to be transferred to a concentration account in the name of the Company. The Company utilizes a portion of the cash from operations to repay the Notes and related fees. Any residual or excess funds that remain with the Company after fulfilling scheduled payments associated with the Notes are further transferred to OpCo. Accordingly, all cash on-hand with the Company is transferred upstream within the organizational structure.

Accounts Receivable

Accounts receivable consist primarily of national account revenue due from customers, royalties and franchise fees due from 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 Company considered the current and expected future economic

and market conditions surrounding the COVID-19 pandemic and determined that the estimate of credit losses was not significantly impacted.

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.

(in millions)	As of December 31, 2021	As of December 31, 2020
Accounts receivable	$ 59.2	$ 35.1
Less: Allowance for credit losses	(5.9)	–
Accounts receivable, net of allowance	**$ 53.3**	**$ 35.1**

Deferred Customer Acquisition Costs

Customer acquisition costs, which are incremental and direct costs of obtaining a customer, are deferred and amortized over the expected customer relationship period.

Inventory

Inventories are recorded at the lower of cost (primarily on a weighted-average cost basis) or net realizable value. Our inventory primarily consists 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:

(in millions)	As of December 31, 2021	As of December 31, 2020	Estimated Useful Lives (Years)
Building	$ 0.3	$ –	39
Land	7.0	–	–
Leasehold improvements	1.3	–	1-39
Technology and communications	5.4	5.3	2-10
Machinery and equipment	5.8	1.0	5-10
Office equipment, furniture and fixtures	0.3	0.5	3-17
Less: Accumulated depreciation	(2.6)	(0.8)	
Property and equipment, net	**$ 17.4**	**$ 6.0**	

Depreciation expense of property and equipment was $1.8 million for the year ended December 31, 2021 and $0.2 million for the period from December 9, 2020 (Inception) to December 31, 2020.

Property and equipment and intangible assets with finite lives are depreciated and amortized on a straight-line basis over their estimated useful lives. These lives are based on our previous experience for similar assets, potential market obsolescence and other industry and business data. 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. Indefinite-lived intangible assets are tested annually for impairment by applying a fair-value based test. Changes in the estimated useful lives or in the asset values could cause us to adjust its book value or future expense accordingly.

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 analyses as of October 1, 2021 which did not result in any trade name impairments to continuing operations. See Note 4 to the financial statements for our intangible assets balances.

Member's Equity

Our equity on the statements of financial position represents the Issuer's net investment in us and is presented as Member's Equity. Member's Equity includes the value of the net assets transferred to the Company on the Securitization Date, subsequent transfers of SRM and TMTI and the Issuer's share of our net income since Inception.

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 8 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, Furniture Medic and AmeriSpec 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 customer-level revenue. Revenue is recognized by us at the agreed-upon contractual rates over time as the customer-level revenue is generated by the franchisees. A receivable 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 non-franchisee 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.

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.

We recognize revenue from Company owned locations at the point in time when services are provided to the customer.

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 $15.7 million and $1.1 million for the year ended December 31, 2021 and the period from December 9, 2020 (Inception) to December 31, 2020, respectively. Advertising costs include national advertising fund expenses of $14.5 million and $0.7 million for the year ended December 31, 2021 and the period from December 9, 2020 (Inception) to December 31, 2020, respectively, for which there is an equal amount recorded in revenue for the year ended December 31, 2021, and the period from December 9, 2020 (Inception) to December 31, 2020.

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 to have a material impact on our financial condition or the results of our operations.

Note 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.

(in millions)	Year ended December 31, 2021	Period from Inception to December 31, 2020
Major service line		
Royalty Fees	$ 141.3	$ 7.1
Commercial Cleaning and other National Accounts	84.0	5.5
Sales of Products	12.0	1.1
Other	64.3	2.0
Total	$ **301.6**	$ **15.7**

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. As of December 31, 2021 and 2020, there was an immaterial amount of activity related to capitalizable cost to obtain a contract.

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 receivables, less allowances, on the 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.

Note 4. Intangible Assets

The table below summarizes the other intangible asset balances:

	As of December 31, 2021		
(in millions)	**Gross**	**Accumulated Amortization**	**Net**
Trade names [1]	$ 1,503.5	$ –	$ 1,503.5
Customer relationships	43.4	4.7	38.7
Other	141.7	13.9	127.8
Total	**$ 1,688.6**	**$ 18.6**	**$ 1,670.0**

	As of December 31, 2020		
(in millions)	**Gross**	**Accumulated Amortization**	**Net**
Trade names [1]	$ 1,335.0	$ –	$ 1,335.0
Customer relationships	46.0	1.0	45.0
Other	132.0	2.7	129.3
Total	**$ 1,513.0**	**$ 3.7**	**$ 1,509.3**

(1) Not subject to amortization

Amortization expense of $15.1 million and $0.9 million was recorded for the year ended December 31, 2021 and the period from December 9, 2020 (Inception) to December 31, 2020, respectively. For the existing intangible assets, we anticipate amortization expense of $15.9 million per year for the years ending December 31, 2022, 2023, 2024, 2025 and 2026.

Note 5. Commitments and Contingencies

We lease certain property and equipment 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 8, Leases, for further details.

In the ordinary course of conducting business activities, we are and may in the future become involved in judicial, administrative and regulatory proceedings involving both private parties and governmental authorities. These proceedings include insured and uninsured matters that are brought on an individual, collective, representative and class action basis, or other proceedings involving regulatory, employment, general and commercial liability, automobile liability, wage and hour, data privacy and other matters. Although it is not possible to predict with certainty the outcome or cost of these matters, we believe they will not have a material adverse effect on the financial statements.

Note 6. Employee Benefit Plans

The Company did not have employee benefit plans in place as of December 31, 2020. However, employees received compensation in lieu of a 401(k)-employer match in the amount of and recognized as an expense of $0.2 million for the period from December 9, 2020 (Inception) to December 31, 2020, which were recorded in selling and administrative expenses on the consolidated statements of operations and comprehensive income. As of December 31, 2021, a 401(k)-employee benefit plan was in place. The amount of 401(k)-employer match was $0.8 million for the year ended December 31, 2021 and was recognized in selling and administrative expenses on the consolidated statements of operations and comprehensive income.

Note 7. Long-term Debt

Notes Payable

The Company has notes payable with various parties. At December 31, 2021 and December 31, 2020, the amount owed under the notes payable were $0.1 million and $1.3 million, respectively. The entirety of the $0.1 million notes payable balance at December 31, 2021 is payable within the following 12 months and classified as the current portion of long-term debt.

2021 Senior Notes

See Note 1 for a description of long-term debt issued under the 2021 Senior Notes.

2020 Securitized Notes

See Note 1 for a description of long-term debt incurred under the Securitization.

Note 8. Leases

The Company accounts for leases under FASB Accounting Standards Codification (“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 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 statements of financial position.

We participate in a fleet agreement which allows us to obtain fleet vehicles through a leasing program. Vehicle leases have remaining lease terms of less than one year to eight years. For vehicle leases, we account for the lease and non-lease components separately.

Operating lease ROU assets and operating lease liabilities are recognized based on the present value of the future minimum lease payments, including fixed non-lease 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. Leases,

including subleases, with a lease term of 12 months or less are not recorded on the statements of financial position. Lease expense for minimum lease payments and fixed non-lease components is recognized on a straight-line basis over the lease term.

As of December 31, 2021, assets recorded under finance leases were $0.1 million and accumulated depreciation associated with finance leases was $0.1 million. As of December 31, 2020, assets recorded under finance leases were $0.7 million and accumulated depreciation associated with finance leases was $0.1 million. The operating lease cost component of lease expense was $0.5 million and $0.1 million for the year ended December 31, 2021 and the period from December 9, 2020 (Inception) to December 31, 2020, 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:

(in millions, unless otherwise noted)	For the year ended December 31, 2021	Period from Inception to December 31, 2020
ROU assets obtained in exchange for lease obligations:		
Operating leases	$ 0.5	$ -
Finance leases	-	-
Weighted Average Remaining Lease Term (in years):		
Operating leases	1.3 Years	3.2 Years
Finance leases	-	3.4 Years
Weighted Average Discount Rate:		
Operating leases	3.17%	3.17%
Finance leases	-	3.17%

As of December 31, 2021, the finance leases included within current portion of finance lease liability and long-term portion of finance lease liability are immaterial on the consolidated statements of financial position. As of December 31, 2021, there was $0.4 million and $0.1 million of operating leases included within current portion of lease liability and long-term portion of lease liability, respectively, on the consolidated statements of financial position. Future minimum lease payments under non-cancellable leases as of December 31, 2021 were as follows:

(in millions)	Operating Leases	Finance Leases
Year ended December 31,		
2022	$ 0.4	$ –
2023	0.1	–
2024	–	–
2025	–	–
2026	–	–
Thereafter	–	–
Total future minimum lease payments	**0.5**	**–**
Less imputed interest	–	–
Total	$ **0.5**	**$ –**

Note 9. Related-party Transactions

Management Fee

In connection with the Securitization, the Company entered into a management agreement with Opco on December 9, 2020 (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 fixed amount of $7.8 million plus (B) 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 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 statement of operations and comprehensive income. For the year ended December 31, 2021 the Management fee was $27.8 million. There was no such fee for the period from Inception to December 31, 2020.

Note 10. Disposals

On September 30, 2021, the Company entered into four (4) separate asset sale agreements with existing franchisees to dispose of the following Company-owned branches:

- Service Master Merry Maids branch in Memphis, TN ("Memphis Branch")
- ServiceMaster Restore branches in Charlotte, NC and Wichita, KS ("Charlotte and Wichita Branches")
- ServiceMaster Restore branch in Chantilly, VA ("Chantilly Branch")
- ServiceMaster Clean branch in Albuquerque, NM ("Albuquerque Branch")

The transactions for each of the sales closed on October 29, 2021, with the exception of the sale of the Memphis Branch, which closed on October 25, 2021. The total consideration received for the sale of branches was de minimis and the Company will receive guaranteed royalty payments.

Note 11. Subsequent Events

The Company evaluated subsequent events from December 31, 2021 through March 31, 2022, the date the financial statements were available to be issued. The Company is not aware of any subsequent events which would require disclosure in the financial statements.

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.

Disclaimer

Ernst & Young LLP ("EY") prepared the attached Report only for ServiceMaster OpCo Holdings L.L.C. (the "Client") pursuant to an agreement solely between EY and Client. EY did not perform its services on behalf of or to serve the needs of any other person or entity. Accordingly, EY expressly disclaims any duties or obligations to any other person or entity based on its use of the attached Report. Any other person or entity must perform its own due diligence inquiries and procedures for all purposes, including, but not limited to, satisfying itself as to the financial condition and control environment of Client, as well as the appropriateness of the accounting for any particular situation addressed by the Report.

EY did not perform an audit, review, examination or other form of attestation (as those terms are identified by the American Institute of Certified Public Accountants or by the Public Company Accounting Oversight Board) of Client's financial statements. Accordingly, EY did not express any form of assurance on Client's accounting matters, financial statements, any financial or other information or internal controls. EY did not conclude on the appropriate accounting treatment based on specific facts or recommend which accounting policy/treatment Client should select or adopt.

The observations relating to accounting matters that EY provided to Client were designed to assist Client in reaching its own conclusions and do not constitute our concurrence with or support of Client's accounting or reporting. Client alone is responsible for the preparation of its financial statements, including all of the judgments inherent in preparing them.

This information is not intended or written to be used, and it may not be used, for the purpose of avoiding penalties that may be imposed on a taxpayer.

SERVICEMASTER SYSTEMS, LLC AND SUBSIDIARIES

(AN INDIRECT, WHOLLY OWNED SUBSIDIARY OF RW PURCHASER, LLC)

(Unaudited) Condensed Consolidated Financial Information as of February 28, 2022 and for the two months ended February 28, 2022

SERVICEMASTER SYSTEMS, LLC AND SUBSIDIARIES

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SERVICEMASTER SYSTEMS, LLC AND SUBSIDIARIES
(UNAUDITED) CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME

(in millions)	Two months ended February 28, 2022
Revenue	**$ 49.5**
Cost of services rendered	18.7
Selling and administrative expenses	13.7
Depreciation and amortization expense	2.7
Operating expenses	35.1
Operating income	**14.4**
Other expense	0.6
Net income and comprehensive income	**$ 13.8**

SERVICEMASTER SYSTEMS, LLC AND SUBSIDIARIES
(UNAUDITED) CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in millions)		As of February 28, 2022
Assets:		
Accounts receivable, less allowance	$	51.3
Inventories		8.8
Prepaid expenses and other assets		3.0
Total Current Assets		**63.1**
Property and equipment, net		17.1
Operating lease right-of-use asset		0.4
Notes receivable, less allowance		0.1
Intangible assets, net		1,667.7
Investments in and advances to subsidiaries		0.2
Other assets		0.1
Total Assets	**$**	**1,748.7**
Liabilities and Member's Equity:		
Accounts payable	$	16.4
Payroll and related expenses		0.6
Deferred revenue		3.0
Current portion of lease liability		0.4
Current portion of finance lease liability		0.2
Current portion of long-term debt		0.1
Other current liabilities		25.0
Total Current Liabilities		**45.7**
Other long-term obligations		3.2
Intercompany payable		6.2
Long-term portion of finance lease liability		0.2
Total Liabilities		**55.3**
Member's Equity		1,693.4
Total Liabilities and Member's Equity	**$**	**1,748.7**

FINANCIAL STATEMENTS

FOR

SERVICEMASTER OPCO HOLDINGS, LLC

AND SUBSIDIARIES

SERVICEMASTER OPCO HOLDINGS, LLC AND SUBSIDIARIES

(AN INDIRECT, WHOLLY OWNED SUBSIDIARY OF RW PURCHASER, LLC)

Consolidated Financial Statements for the year ended December 31, 2021 and for the period from October 1, 2020 (Inception) to December 31, 2020

SERVICEMASTER OPCO HOLDINGS, LLC AND SUBSIDIARIES
(AN INDIRECT, WHOLLY OWNED SUBSIDIARY OF RW PURCHASER, LLC)

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INDEPENDENT AUDITOR'S REPORT

To the Board of Managers of RW Parent, LLC and
The Management of ServiceMaster OpCo Holdings, LLC
Atlanta, Georgia

Opinion

We have audited the consolidated financial statements of ServiceMaster OpCo Holdings, LLC and subsidiaries (the "Company"), which comprise the consolidated statements of financial position as of December 31, 2021 and 2020, and the related consolidated statements of operations and comprehensive income, member's equity, and cash flows for the year ended December 31, 2021 and the period from October 1, 2020 (inception) to December 31, 2020, and the related notes to the consolidated financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the year ended December 31, 2021 and the period from October 1, 2020 (inception) to December 31, 2020 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 audits. 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 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.

Deloitte + Touche LLP

March 31, 2022

SERVICEMASTER OPCO HOLDINGS, LLC AND SUBSIDIARIES
(AN INDIRECT, WHOLLY OWNED SUBSIDIARY OF RW PURCHASER, LLC)
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

(in millions)	Year ended December 31, 2021	Period from October 1, 2020 (Inception) to December 31, 2020
Revenue	**$ 302.6**	**$ 62.5**
Cost of services rendered	133.4	31.4
Selling and administrative expenses	100.0	23.5
Depreciation and amortization expense	18.7	4.4
Operating expenses	252.1	59.3
Operating income	**50.5**	**3.2**
Other expense	3.8	-
Interest expense	27.8	1.5
Net income and comprehensive income	**$ 18.9**	**$ 1.7**

See accompanying notes to the consolidated financial statements.

SERVICEMASTER OPCO HOLDINGS, LLC AND SUBSIDIARIESS
(AN INDIRECT, WHOLLY OWNED SUBSIDIARY OF RW PURCHASER, LLC)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(in millions)	As of December 31, 2021	As of December 31, 2020
Assets:		
Cash and cash equivalents	$ 19.6	$ 32.6
Restricted cash	13.9	7.0
Accounts receivable, less allowance	53.3	38.4
Current portion of notes receivable	2.3	-
Inventories	7.2	5.7
Prepaid expenses and other assets	14.0	4.3
Total Current Assets	**110.3**	**88.0**
Property and equipment, net	21.4	8.2
Operating lease right-of-use asset	15.0	8.4
Notes receivable, less allowance	7.0	9.7
Intangible assets, net	1,670.0	1,407.0
Other assets	0.1	-
Total Assets	**$ 1,823.8**	**$ 1,521.3**
Liabilities and Member's Equity:		
Accounts payable	$ 18.5	$ 16.5
Payroll and related expenses	2.0	6.2
Accrued interest payable	2.9	1.3
Deferred revenue	2.7	3.1
Current portion of lease liability	2.3	0.8
Current portion of finance lease liability	-	0.2
Current portion of long-term debt	20.5	5.9
Other current liabilities	34.5	21.6
Total Current Liabilities	**83.4**	**55.6**
Long-term debt	996.0	612.3
Other long-term obligations	3.5	4.9
Long-term lease liability	12.7	7.6
Long-term portion of finance lease liability	-	0.5
Total Liabilities	**1,095.6**	**680.9**
Member's Equity	728.2	840.4
Total Liabilities and Member's Equity	**$ 1,823.8**	**$ 1,521.3**

See accompanying notes to the consolidated financial statements.

SERVICEMASTER OPCO HOLDINGS, LLC AND SUBSIDIARIES
(AN INDIRECT, WHOLLY OWNED SUBSIDIARY OF RW PURCHASER, LLC)
CONSOLIDATED STATEMENTS OF MEMBER'S EQUITY

(in millions)		Member's Equity
Balance at October 1, 2020	**$**	–
Initial contribution from Member		1,433.5
Contributions from Member		7.3
Distribution to Member		(602.1)
Net income and comprehensive income		1.7
Balance at December 31, 2020	**$**	**840.4**
Contribution (TMTI and SRM)		301.8
Contribution from Member		1.1
Distribution to Member		(434.0)
Net income and comprehensive income		18.9
Balance at December 31, 2021	**$**	**728.2**

See accompanying notes to the consolidated financial statements.

SERVICEMASTER OPCO HOLDINGS, LLC AND SUBSIDIARIES
(AN INDIRECT, WHOLLY OWNED SUBSIDIARY OF RW PURCHASER, LLC)
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)	For the year ended December 31, 2021	Period from October 1, 2020 (Inception) to December 31, 2020
Cash Flows from Operating Activities	$	$
Net income	18.9	1.7
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization expense	18.7	4.4
Amortization of debt issuance costs	2.4	0.2
Non-cash lease expense	–	0.2
Other, net	3.8	–
Changes in operating assets and liabilities		
Accounts receivable and notes receivable	(7.2)	0.4
Inventories	(0.6)	(0.4)
Prepaid expenses and other assets	(2.1)	(3.5)
Accounts payable	(1.0)	7.8
Deferred revenue	(4.0)	(0.3)
Operating lease liability	–	(0.2)
Accrued and other current liabilities	7.7	8.2
Net cash provided by operating activities	36.6	18.5
Cash Flows from Investing Activities		
Capital expenditures	(1.1)	(0.7)
Net cash used in investing activities	(1.1)	(0.7)
Cash Flows from Financing Activities		
Payments on finance leases	(0.6)	–
Debt payment	(36.9)	(0.2)
Proceeds from borrowings	440.0	634.9
Debt issuance costs	(11.2)	(18.1)
Contribution from Member	1.1	7.3
Distribution to Member	(434.0)	(602.1)
Net cash (used in) provided by financing activities	(41.6)	21.8
Net (decrease) increase in cash, cash equivalents and restricted cash	(6.1)	39.6
Cash, cash equivalents and restricted cash at beginning of period	39.6	–
Cash, cash equivalents and restricted cash at end of period	**$ 33.5**	**$ 39.6**
Non-cash investing and financing activities		
Initial non-cash contribution of assets and liabilities from Member on October 1, 2020	$ –	$ 1,433.5
Non-cash contribution of assets and liabilities in connection with acquisitions	$ 301.8	$ –
Cash paid for interest	$ 29.3	$ –

See accompanying notes to the consolidated financial statements.

Note 1. Description of Business

ServiceMaster Opco Holdings, LLC

ServiceMaster Opco Holdings, LLC (the "Company") is a newly formed 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 7, *Long-term Debt*), 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, furniture repair, property inspection, moving, junk removal, and storage solution services to both residential and commercial customers through the ServiceMaster Brands: ServiceMaster Restore, ServiceMaster Clean, Merry Maids, Furniture Medic, AmeriSpec, and Two Men and a Truck ("TMTI") (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.

Organizational Structure

On October 1, 2020, RW Purchaser entered into a transaction (the "Transaction") to acquire substantially all of the assets and liabilities associated with the following brands and businesses: ServiceMaster Restore, ServiceMaster Clean, Merry Maids, Furniture Medic and AmeriSpec (collectively, the "ServiceMaster Brands") from Terminix Global Holdings, Inc. The total purchase price of the Transaction was allocated to the underlying assets acquired and liabilities assumed based upon their estimated fair values at the date of Transaction.

On December 9, 2020 (the "Securitization Date"), a series of agreements (collectively, the "Securitization") were effectuated and gave rise to a revised legal entity structure of RW Purchaser's subsidiaries as well as the issuance of approximately $750,000,000 of Notes (as defined in Note 7, *Long-term Debt*) by RW Purchaser's indirect subsidiaries, Issuer and ServiceMaster of Canada Limited ("Canada Limited" and collectively, the "Co-Issuers"), which have been guaranteed by commonly controlled RW Purchaser subsidiaries, Holdco and RW Canada Intermediate Ltd., as well as all of the subsidiaries of the Issuer (collectively, the "Guarantors").

Pursuant to the Securitization, a subset of the agreements resulted in the transfer of net assets comprising substantially all of the net assets of the ServiceMaster Brands between certain related parties under the common control of RW Purchaser. As relevant parties involved with the transfer of net assets in connection with the Securitization were under the common control of RW Purchaser, all of the assets and liabilities were contributed at their respective carrying cost as of the Securitization Date.

At the Securitization Date the Member then entered into a contribution agreement pursuant to which the Member contributed assets, net of liabilities, in the amount of $1,433.5 million of the US portion of the ServiceMaster Brands to the Company, which were subsequently contributed by the Company to its wholly owned subsidiaries.

On March 1, 2021, the Company acquired the loss recovery business (the "SRM Business") from DSI Holdings Corporation for $20.9 million, primarily consisting of the ServiceMaster Recovery Management loss recovery network. The total purchase price of the SRM Business was allocated to the underlying assets acquired and liabilities assumed based upon management's estimated fair values at the date of acquisition. The total estimated fair value of the net identifiable tangible and intangible assets acquired was $6.6 million and consisted of $5.7 million of property and equipment, $0.8 million of inventories, and $0.1 million of intangible assets. The excess of purchase price over the estimated fair value of the net assets acquired resulted in $14.3 million allocated to goodwill.

On July 30, 2021, a series of agreements were effectuated and gave rise to the issuance of approximately $400,000,000 of Notes (as defined below in Note 7, *Long-term Debt*) by the Co-Issuers, which have been guaranteed by the Guarantors.

On August 3, 2021 (the "TMTI Transaction Date"), RW Purchaser entered into a transaction (the "TMTI Transaction") to acquire substantially all of the assets and liabilities associated with the following brands and businesses: Two Men and a Truck/International, Inc., Eberly Transportation, Inc., TMT/Gold Rush, LLC, TMT – Delhi, L.L.C., and TMT – Lansing, LLC from TMTI Holdco, Inc., Eberly Holdco, Inc., Melanie Bergeron, Jon Sorber, and James Brigham Sorber. The total purchase price of the TMTI Transaction was allocated to the underlying assets acquired and liabilities assumed based upon their estimated fair values at the date of the TMTI Transaction. The allocation of the purchase price is preliminary and may change in future periods, perhaps materially, as fair value estimates of the assets acquired, and liabilities assumed are refined and finalized during the allowable one-year measurement period.

Pursuant to the TMTI Transaction, a subset of the agreements resulted in the transfer of net assets comprising substantially all of the net assets of TMTI between certain related parties under the common control of RW Purchaser. As relevant parties involved with the transfer of net assets in connection with the TMTI Transaction were under the common control of RW Purchaser, all of the assets and liabilities were contributed at their respective carrying cost as of the TMTI Transaction Date. As these assets are a subset of the assets acquired as part of the TMTI Transaction on August 3, 2021, they are subject to a measurement period of one year from the date of the TMTI Transaction, August 3, 2021.

The Member then entered into a contribution agreement pursuant to which the Member contributed assets, net of liabilities, in the amount of $301.8 million of the TMTI (August 3, 2021) and SRM (March 1, 2021) to the Company, which were subsequently contributed by the Company to its wholly owned subsidiaries.

COVID-19

COVID-19 continues to impact the global economy. The impact of the COVID-19 pandemic depends on factors largely beyond the Company's knowledge or control. The Company did not experience any material operational, or supply chain disruptions related to various efforts to mitigate the spread of COVID-19. However, there remains uncertainty around the breadth and duration of business disruptions related to COVID-19, as well as its impact on the U.S. and international economies. As such, the Company is unable to determine if it will have a material impact to its operations.

Note 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.

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").

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 revenue recognition; the allowance for uncollectible receivables; the possible outcome of outstanding legal matters; the deferral and amortization of customer acquisition costs; useful lives for determining depreciation and amortization expense; and 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 2021 and 2020 Securitizations. As part of the transactions, the Company established certain cash and money market mutual fund accounts in the name of a financial institution (the "Trustee") for the benefit of the Trustee and the noteholders and are restricted in their use. Restricted cash is comprised of cash collections and reserves due to the Trustee to be used for payments of principal, interest, commitment fees and other permissible operating expenses required for the notes of the Company.

Accounts and Notes Receivable

Accounts receivable and notes receivable consist primarily of national account revenue due from customers, royalties and franchise fees due from franchisees and amounts financed for franchisees through our financing entity. 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 Company considered the current and expected future economic and market conditions surrounding the COVID-19 pandemic and determined that the estimate of credit losses was not significantly impacted.

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.

(in millions)	As of December 31, 2021		
	Accounts Receivable	Notes Receivable	Total
Receivables	$ 59.2	$ 9.5	$ 68.7
Less: Allowance for credit losses	(5.9)	(0.2)	(6.1)
Receivables, net of allowance	**$ 53.3**	$ **9.3**	**$ 62.6**

(in millions)	As of December 31, 2020		
	Accounts Receivable	Notes Receivable	Total
Receivables	$ 38.8	$ 10.0	$ 48.8
Less: Allowance for credit losses	(0.4)	(0.3)	(0.7)
Receivables, net of allowance	**$ 38.4**	$ **9.7**	**$ 48.1**

Deferred Customer Acquisition Costs

Customer acquisition costs, which are incremental and direct costs of obtaining a customer, are deferred and amortized over the expected customer relationship period.

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:

(in millions)	As of December 31, 2021	As of December 31, 2020	Estimated Useful Lives (Years)
Building	$ 0.3	$ –	39
Land	7.0	–	–
Leasehold improvements	3.1	1.8	1-39
Technology and communications	9.3	5.8	2-10
Machinery and equipment	5.4	1.0	5-10
Office equipment, furniture and fixtures	0.8	0.5	3-17
Less: Accumulated depreciation	(4.5)	(0.9)	
Property and equipment, net	**$ 21.4**	**$ 8.2**	

Depreciation expense of property and equipment was $3.6 million for the year ended December 31, 2021 and $0.9 million for the period from Inception to December 31, 2020.

Property and equipment and intangible assets with finite lives are depreciated and amortized on a straight-line basis over their estimated useful lives. These lives are based on our previous experience for similar assets, potential market obsolescence and other industry and business data. 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 its book value or future expense accordingly.

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 analyses as of October 1, 2021 which did not result in any trade name impairments to continuing operations. See Note 4, *Intangible Assets*, for our intangible asset 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.

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 8 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, Furniture Medic, AmeriSpec, and Two Men and a Truck 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 customer-level revenue. Royalty Fees are recognized at the agreed-upon contractual rates over time as the customer-level revenue is generated by the franchisees. A receivable 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.

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. The Company also collects a renewal fee from franchisees based on the terms of the initial franchise agreement entered into between the Company and franchisees.

We recognize revenue from Company owned locations at the point in time when services are provided to the customer.

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 $15.6 million and $4.4 million for the year ended December 31, 2021 and the period from Inception to December 31, 2020, respectively. Advertising costs include national advertising fund expenses of $14.5 million and $2.8 million for the year ended December 31, 2021 and the period from Inception to December 31, 2020, respectively, for which there is an equal amount recorded in revenue for the year ended December 31, 2021, and the period from Inception to December 31, 2020.

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

Accounting Standards Issued But Not Yet Effective

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848) – Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. The amendments in this ASU provide guidance aimed at easing the potential burden in accounting for or recognizing the effects of reference rate reform on financial reporting. In response to concerns about structural risks of interbank offered rates (IBORs), and, particularly, the risk of cessation of the London Interbank Offered Rate (LIBOR), regulators in several jurisdictions around the world have undertaken reference rate reform initiatives to identify alternative reference rates that are more observable or transaction based and less susceptible to manipulation. The amendments in this ASU are effective for all entities as of March 12, 2020 through December 31, 2022. The Company's debt agreements utilize LIBOR and have not yet discontinued its use. We plan to apply the amendments in this ASU to account for contract modifications due to changes in reference rates when applicable. We do not expect these amendments to have a material impact on our financial statements and related disclosures.

We have 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.

Note 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.

(in millions)	Year ended December 31, 2021	Period from Inception to December 31, 2020
Major service line		
Royalty Fees	$ 141.4	$ 28.4
Commercial Cleaning and other National Accounts	84.0	21.8
Sales of Products	12.0	3.7
Other	65.2	8.6
Total	**$ 302.6**	**$ 62.5**

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. As of December 31, 2021 and 2020, there was an immaterial amount of activity related to capitalizable cost to obtain a contract.

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 receivables, 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.

Note 4. Intangible Assets

The table below summarizes the other intangible asset balances:

	As of December 31, 2021		
(in millions)	**Gross**	**Accumulated Amortization**	**Net**
Trade names [1]	$ 1,503.5	$ –	$ 1,503.5
Customer relationships	43.4	4.7	38.7
Other	141.7	13.9	127.8
Total	**$ 1,688.6**	**$ 18.6**	**$ 1,670.0**

	As of December 31, 2020		
(in millions)	**Gross**	**Accumulated Amortization**	**Net**
Trade names [1]	$ 1,241.5	$ –	$ 1,241.5
Customer relationships	43.4	0.9	42.5
Other	125.6	2.6	123.0
Total	**$ 1,410.5**	**$ 3.5**	**$ 1,407.0**

(1) Not subject to amortization

Amortization expense of $15.1 million and $3.5 million was recorded in the year ended December 31, 2021 and the period from Inception to December 31, 2020, respectively. For the existing intangible assets, we anticipate amortization expense of $15.9 million per year for the years ending December 31, 2022, 2023, 2024, 2025 and 2026.

Note 5. Commitments and Contingencies

We lease certain property and equipment 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 8, *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. Although 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, including legal defenses available to the Company and its legal reserves and insurance coverages, 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.

Note 6. Employee Benefit Plans

The Company did not have employee benefit plans in place as of December 31, 2020. However, employees received compensation in lieu of a 401(k)-employer match in the amount of and recognized as an expense of $0.2 million for the period from Inception to December 31, 2020, which were recorded in selling and administrative expenses on the consolidated statements of operations and comprehensive income. As of December 31, 2021, a 401(k)-employee benefit plan was in place. The amount of 401(k)-employer match was $0.8 million for the year ended December 31, 2021 and was recognized in selling and administrative expenses on the consolidated statements of operations and comprehensive income.

Note 7. Long-term Debt

Outstanding debt consists of the following:

(in millions)	As of December 31, 2021	As of December 31, 2020
Series 2020 Class A-2-I Notes, due January 2051	$ 225.0	$ 226.8
Series 2020 Class A-2-II Notes, due January 2051	405.1	408.1
Series 2020 Class A-1 Variable Rate Notes	10.0	–
Series 2021 Class A-2-I Notes, due July 2051	149.6	–
Series 2021 Class A-2-II Notes, due July 2051	249.4	–
Notes payable	0.1	1.2
Less debt issuance costs, net	(22.7)	(17.9)
Total long-term debt, including current portion	**1,016.5**	**618.2**
Less current portion	(20.5)	(5.9)
Long-term debt, net	**$ 996.0**	**$ 612.3**

Interest expense was $27.8 million for all credit facilities described below for the year ended December 31, 2021 and $1.3 million for the period from Inception to December 31, 2020.

Future Minimum Principal Payments

(in millions)	Amount
2022	$ 20.5
2023	10.3
2024	10.3
2025	10.3
2026	10.3
Thereafter	977.5
Total future minimum payments	**$ 1,039.2**

2021 Senior Notes

On July 30, 2021, in conjunction with the TMTI Transaction, as defined above, the Co-Issuers entered into an agreement (the "2021 Indenture") for a senior note secured term loan 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.

In connection with the 2021 Notes, the Company incurred $7.2 million of debt issuance costs. The debt issuance costs were capitalized and amortized on a straight-line basis (which approximates the effective interest method) over the term of the 2021 Notes. The Company incurred $0.3 million of amortization expense of the 2021 Note issuance costs for the year ended December 31, 2021.

2020 Securitized Notes

In connection with the 2020 Securitization, on December 9, 2020 the Co-Issuers entered into an agreement (the "2020 Indenture") pursuant to which 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. As of December 31, 2020, no amounts were outstanding under the Series 2020-1 Class A-1 Notes. 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 Series 2020 Class A-2-I Notes were allocated to the Issuer and Canada Limited in the amount of $226,750,000 and $23,250,000, respectively. The Series 2020 Class A-2-II Notes were allocated to the Issuer and Canada Limited in the amount of $408,150,000 and $41,850,000, respectively.

The Company incurred $20.0 million of debt issuance costs directly attributable to the 2020 Notes. 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 2020 Notes. For the year ended December 31, 2021, the Company recognized $2.0 million of amortization expense of debt issuance costs related to the 2020 Notes and $0.2 million for the period from Inception to December 31, 2020.

The 2020 Notes are secured by substantially all of the assets of the Co-Issuers and 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.

Under the 2021 Indenture and the 2020 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 $8.5 million as of December 31, 2021. There was no such balance held by the Trustee as of December 31, 2020.

Bridge Loan – 2021

On June 16, 2021, the Company entered into an agreement (the "2021 Bridge Loan Agreement") for a term loan in which the Company and RW Canada Ltd., a direct wholly owned subsidiary, would receive a $300,000,000 term loan (the "2021 Bridge Loan"). The 2021 Bridge Loan would have matured 270 days after the acquisition close date which is on June 30, 2021 and no funds were borrowed under this facility prior to maturity.

In connection with the 2021 Bridge Loan, the Company incurred $3.8 million in loan commitment fees, which were expensed in other expense in the consolidated statements of operations and comprehensive income during the year ended December 31, 2021.

Bridge Loan – 2020

On October 1, 2020, the Company entered into an agreement (the "Bridge Loan Agreement") for a term loan in which the Company and RW Canada Ltd., a direct wholly owned subsidiary, received a $610,000,000 and $65,000,000 term loan respectively ("collectively, the "Bridge Loan"). Interest accrues on the Bridge Loan at a variable rate equal to the alternate base rate plus the applicable margin, where the alternate base rate depends on the interest rate last quoted by the Wall Street Journal or, if the Wall Street Journal ceases to quote such a rate, the Federal Funds Effective Rate. In addition, a revolving line of credit in the amount of $50,000,000 was made available to the Company. The Bridge Loan was set to mature on May 24, 2021. The full amount of the Bridge Loan was repaid in December 2020 and the revolving line of credit was undrawn at the time of extinguishment.

In connection with the Bridge Loan, the Company incurred $24.5 million of debt issuance costs. The debt issuance costs were capitalized and amortized on a straight-line basis over the term of the Bridge Loan. The Company incurred $6.1 million of amortization expense of the Bridge Loan debt issuance costs and $5.5 million of interest expense for the three months ended December 31, 2020. On December 9, 2020, the Bridge Loan was repaid and extinguished using proceeds from the Notes (as defined above). In connection with the early extinguishment of the Bridge Loan, a $3.6 million rebate was received and applied against the $18.4 million of unamortized debt issuance costs resulting in a $14.8 million loss on extinguishment of debt.

Letters of Credit

In connection with the Securitization, a commercial bank issued an interest reserve letter of credit in an amount up to $10.4 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 $10.4 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 7, *Long-term Debt*). 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 7, *Long-term Debt*). As of December 31, 2021, no amounts were outstanding under the letter of credit.

The Company also has a letter of credit in the amount of $6.1 million as of December 31, 2021, associated with a captive insurance program within TMTI. As of December 31, 2021, no amounts were outstanding under the letter of credit.

Notes Payable

The Company has notes payable with various parties. At December 31, 2021 and 2020 the amount owed under the notes payable was $0.1 million and $1.2 million, respectively. The entirety of the $0.1 million is payable within the following 12 months and included in current portion of long-term debt.

Note 8. Leases

The Company accounts for leases under FASB Accounting Standards Codification ("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.

We participate in a fleet agreement which allows us to obtain fleet vehicles through a leasing program. Vehicle leases have remaining lease terms of less than one year to eight years. For vehicle leases, we account for the lease and non-lease components separately.

Operating lease ROU assets and operating lease liabilities are recognized based on the present value of the future minimum lease payments, including fixed non-lease 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. 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 non-lease components is recognized on a straight-line basis over the lease term.

As of December 31, 2021, assets recorded under finance leases were $0.1 million and accumulated depreciation associated with finance leases were $0.1 million. As of December 31, 2020, assets recorded under finance leases were $0.7 million and accumulated depreciation associated with finance leases were $0.1 million. The operating lease cost component of lease expense was $2.4 million and $0.3 million for the year ended December 31, 2021 and the period from Inception to December 31, 2020, 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:

(in millions, unless otherwise noted)	Year ended December 31, 2021	Period from Inception to December 31, 2020
ROU assets obtained in exchange for lease obligations:		
Operating leases	$ 8.9	$ –
Finance leases	–	–
Weighted Average Remaining Lease Term (in years):		
Operating leases	9.0 Years	11.9 Years
Finance leases	–	3.4 Years
Weighted Average Discount Rate:		
Operating leases	3.17%	3.17%
Finance leases	–	3.17%

As of December 31, 2021, the finance leases included within current portion of finance lease liability and long-term portion of finance lease liability are immaterial on the consolidated statements of financial position. As of December 31, 2021, there was $2.3 million and $12.7 million of operating leases included within current portion of lease liability and long-term portion of lease liability, respectively, on the consolidated statements of financial position. Future minimum lease payments under non-cancellable leases as of December 31, 2021 were as follows:

(in millions)	Operating Leases	Finance Leases
Year ending December 31,		
2022	$ 2.3	$ –
2023	2.0	–
2024	1.8	–
2025	1.9	–
2026	1.9	–
Thereafter	7.7	–
Total future minimum lease payments	**17.6**	–
Less imputed interest	(2.6)	–
Total	**$ 15.0**	**$** –

Note 9. Disposals

On September 30, 2021, the Company, through a wholly owned subsidiary, entered into four (4) separate asset sale agreements with existing franchisees to dispose of the following Company-owned branches:

- Service Master Merry Maids branch in Memphis, TN ("Memphis Branch")
- ServiceMaster Restore branches in Charlotte, NC and Wichita, KS ("Charlotte and Wichita Branches")
- ServiceMaster Restore branch in Chantilly, VA ("Chantilly Branch")
- ServiceMaster Clean branch in Albuquerque, NM ("Albuquerque Branch")

The transactions for each of the sales closed on October 29, 2021, with the exception of the sale of the Memphis Branch, which closed on October 25, 2021. The total consideration received for the sale of branches was de minimis and the Company will receive guaranteed royalty payments.

Note 10. 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 $2.1 million and $0.5 million for the year ended December 31, 2021 and for the period from Inception to December 31, 2020. The fees were recorded in the consolidated statements of operations and comprehensive income in selling and administrative expenses.

Note 11. Subsequent Events

The Company evaluated subsequent events from December 31, 2021 through March 31, 2022, the date the financial statements were available to be issued. The Company is not aware of any subsequent events which would require disclosure in the financial statements.

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.

Disclaimer

Ernst & Young LLP ("EY") prepared the attached Report only for ServiceMaster OpCo Holdings L.L.C. (the "Client") pursuant to an agreement solely between EY and Client. EY did not perform its services on behalf of or to serve the needs of any other person or entity. Accordingly, EY expressly disclaims any duties or obligations to any other person or entity based on its use of the attached Report. Any other person or entity must perform its own due diligence inquiries and procedures for all purposes, including, but not limited to, satisfying itself as to the financial condition and control environment of Client, as well as the appropriateness of the accounting for any particular situation addressed by the Report.

EY did not perform an audit, review, examination or other form of attestation (as those terms are identified by the American Institute of Certified Public Accountants or by the Public Company Accounting Oversight Board) of Client's financial statements. Accordingly, EY did not express any form of assurance on Client's accounting matters, financial statements, any financial or other information or internal controls. EY did not conclude on the appropriate accounting treatment based on specific facts or recommend which accounting policy/treatment Client should select or adopt.

The observations relating to accounting matters that EY provided to Client were designed to assist Client in reaching its own conclusions and do not constitute our concurrence with or support of Client's accounting or reporting. Client alone is responsible for the preparation of its financial statements, including all of the judgments inherent in preparing them.

This information is not intended or written to be used, and it may not be used, for the purpose of avoiding penalties that may be imposed on a taxpayer.

SERVICEMASTER OPCO HOLDINGS, LLC AND SUBSIDIARIES

(AN INDIRECT, WHOLLY OWNED SUBSIDIARY OF RW PURCHASER, LLC)

(Unaudited) Condensed Consolidated Financial Information as of February 28, 2022 and for the two months ended February 28, 2022

SERVICEMASTER OPCO HOLDINGS, LLC AND SUBSIDIARIES

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SERVICEMASTER OPCO HOLDINGS, LLC AND SUBSIDIARIES
(UNAUDITED) CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME

(in millions)	Two months ended February 28, 2022
Revenue	**$ 49.6**
Cost of services rendered	20.8
Selling and administrative expenses	12.8
Depreciation and amortization expense	3.5
Operating expenses	37.1
Operating income	**12.5**
Other expense	0.6
Interest expense	5.3
Net income and comprehensive income	**$ 6.6**

SERVICEMASTER OPCO HOLDINGS, LLC AND SUBSIDIARIES
(UNAUDITED) CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in millions)		As of February 28, 2022
Assets:		
Cash and cash equivalents	$	13.2
Restricted cash		10.1
Accounts receivable, less allowance		51.1
Current portion of notes receivable		2.1
Inventories		8.8
Prepaid expenses and other assets		15.8
Total Current Assets		**101.1**
Property and equipment, net		21.2
Operating lease right-of-use asset		14.9
Notes receivable, less allowance		6.4
Intangible assets, net		1,667.7
Investments in and advances to subsidiaries		0.2
Other assets		0.1
Total Assets	**$**	**1,811.6**
Liabilities and Member's Equity:		
Accounts payable	$	15.9
Payroll and related expenses		2.0
Accrued interest payable		5.3
Deferred revenue		3.0
Current portion of lease liability		2.0
Current portion of finance lease liability		0.2
Current portion of long-term debt		10.4
Other current liabilities		31.4
Total Current Liabilities		**70.2**
Long-term debt		993.9
Other long-term obligations		3.2
Intercompany payable		20.3
Long-term lease liability		14.1
Long-term portion of finance lease liability		0.2
Total Liabilities		**1,101.9**
Member's Equity		709.7
Total Liabilities and Member's Equity	**$**	**1,811.6**

FDD EXHIBIT C

STATE FRANCHISE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
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 4th 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) 586-2744	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

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
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
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard Ave. State Capitol, Fifth Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	North Dakota Securities Commissioner 600 East Boulevard Ave. State Capitol, Fifth 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 150 Israel Road SW Tumwater, Washington 98501 (360) 902-8760	Director of Financial Institutions 150 Israel Road SW Tumwater, WA 98501
WISCONSIN	Division of Securities Department of Financial Institutions 201 W Washington Ave Suite 300 Madison, WI 53703 608-266-8557	Division of Securities, Department of Financial Institutions 201 W Washington Ave Suite 300 Madison, WI 53703

FDD EXHIBIT D

CURRENT FRANCHISEES

AS OF DECEMBER 31, 2021

First Name	Last Name	Address	City	State	Zip	Telephone
Christopher	Hufham	112 Kilmarnock Street	Mobile	AL	36604	(251) 300-0902
Terrence	Bass IV	143 Lily Drive	Maumelle	AR	72113	(501) 681-8554
Roy	Goodwin Jr.	401 N. 8th Street, #234	Rogers	AR	72757	(479) 582-0630
Stuart	Vick	P.O. Box 1613	Lake Havasau City	AZ	86403	(910) 392-3132
Jeff	Corey	2581 Fannin Dr.	Lake Havasu City	AZ	86403	Not Listed
Richard	Exley	4611 E Chandler Blvd, Suite 112-132	Phoenix	AZ	85048	(480) 518-3589
Grant	Rodney	P.O. Box 25812	Yuma	AZ	85367	(800) 308-2876
Jason	Linley	1761 Andrea Avenue	Carlsbad	CA	92008	(760) 585-2355
Jason	Linley	1761 Andrea Avenue	Carlsbad	CA	92008	(760) 585-2355
Jason	Linley	1761 Andrea Avenue	Carlsbad	CA	92008	(760) 585-2355
Brady	Cantor	PO Box 190	Folsom	CA	95763	(916) 337-1087
Rudy	Swigart	P.O. Box 71	Fullerton	CA	92836	(714) 673-7216
Rudy	Swigart	P.O. Box 71	Fullerton	CA	92836	(714) 673-7216
Chris	Rutledge	33951 Sage Road	Hemet	CA	92544	(951) 303-1713
Jim	Woodford	22471 Aspan St	Lake Forest	CA	92630	(949) 454-0508
Jim	Woodford	22471 Aspan St	Lake Forest	CA	92630	(949) 454-0508
Jim	Woodford	22471 Aspan St	Lake Forest	CA	92630	(949) 454-0508
Jim	Woodford	22471 Aspan St	Lake Forest	CA	92630	(949) 454-0508
David	Brand	8939 S Sepulveda Blvd, Ste 110 #787	Los Angeles	CA	90045	(310) 446-5898
David	Brand	8939 S Sepulveda Blvd, Ste 110 #787	Los Angeles	CA	90045	(310) 446-5898
David	Brand	8939 S Sepulveda Blvd, Ste 110 #787	Los Angeles	CA	90045	(310) 446-5898
Joe	Lockhart	27496 Walfred Way	Moreno Valley	CA	92555	(951) 243-5000
Darren	Holland	501 - I S. Reino Rd. Unit 399	Newbury Park	CA	91320	(805) 522-2733
Vic	Melkonian	11087 Wystone Ave.	Northridge	CA	91326	(877) 518-9955
Vic	Melkonian	11087 Wystone Ave.	Northridge	CA	91326	(877) 518-9955
Steve	Schaerrer	10958 Stallion Way	Rancho Cucamonga	CA	91737	(909) 740-6600
Hamid	Razi	18960 Ventura Blvd #225	Tarzana	CA	91356	(805) 316-6677
David	Ferguson	P.O. Box 5541	Vacaville	CA	95696	(707) 624-6133
Mike	Regan	123 Swinging Bridge Ln	Basalt	CO	81621	(970) 927-8800
David	Pazell	2000 CR 501	Bayfield	CO	81122	(970) 799-0588

First Name	Last Name	Address	City	State	Zip	Telephone
Lou	Conte	3244 Alexander Way	Broomfield	CO	80023	(303) 494-1188
Lou	Conte	3244 Alexander Way	Broomfield	CO	80023	(303) 494-1188
Lou	Conte	3244 Alexander Way	Broomfield	CO	80023	(303) 494-1188
Desiree	Mortenson	941 Bowser Drive	Colorado Springs	CO	80909	(719) 755-4302
Randy	Eberl	1601 Scarborough Drive	Ft. Collins	CO	80526	(970) 493-1906
John	Witkamp	1027 South 7th Street	Grand Junction	CO	81501	(970) 852-5333
Dave	Reider	10569 West Weaver Dr.	Littleton	CO	80127	(303) 948-4973
Cheryl	Myers	108 Isaacs Shore Drive	Milford	DE	19963	(302) 996-0405
Cheryl	Myers	108 Isaacs Shore Drive	Milford	DE	19963	(302) 996-0405
Justin	Guzman	P.O. Box 3363	Apollo Beach	FL	33572	(813) 442-1080
Charles	Lyday	100 S Military Trail Suite 13 #4414	Deerfield Beach	FL	33442	(954) 630-9593
Charles	Gifford	5771 Mining Terrace, Ste 101	Jacksonville	FL	32257	(904) 448-5016
Charles	Gifford	5771 Mining Terrace, Ste 101	Jacksonville	FL	32257	(904) 448-5016
Nicolas	Luongo	333 SE 2nd Ave.	Miami	FL	33131	(786) 658-8984
Amit	Minocha	103 Harbour Link Ct.	Orlando	FL	32828	Not Listed
Scott	Barber	1032 Oak View Dr	Pensacola	FL	32506	(850) 492-9120
Cory	King	4755 SE Dixie Hwy #1371	Port Salerno	FL	34992	(772) 235-6656
Jessica	Grantham	243 Cedar Hill Drive	Brunswick	GA	31523	(912) 226-1578
Jeff	Herndon	95 Pepper Lane	Ellijay	GA	30536	(706) 244-9412
Jeffrey	Hein	901 Queens Court	Hinesville	GA	31313	(912) 255-0722
Tim	Maxwell	PO Box 245	Hiram	GA	30141	(770) 445-1964
Jess	Hodges	2945 Cooper Woods Lane	Loganville	GA	30052	(770) 935-4990
Jess	Hodges	2945 Cooper Woods Lane	Loganville	GA	30052	(770) 935-4990
Jess	Hodges	2945 Cooper Woods Lane	Loganville	GA	30052	(770) 935-4990
Valerie	Ogle	1600 River Park Boulevard	Woodstock	GA	30188	(770) 919-0577
Valerie	Ogle	1600 River Park Boulevard	Woodstock	GA	30188	(770) 919-0577
Neal	Peter	2008 Winding Creek Circle	Polk City	IA	50226	(402) 393-3696
Neal	Peter	2008 Winding Creek Circle	Polk City	IA	50226	(402) 393-3696
Neal	Peter	2008 Winding Creek Circle	Polk City	IA	50226	(402) 393-3696
Spence	VanRooyan	2318 S. Oleander	Sioux City	IA	51106	(712) 253-8571
Bob	Bourdage	2 New Haven Drive	Cary	IL	60013	(847) 490-2107
Latasha	Robins	6 E Monroe Street	Chicago	IL	60602	(708) 495-4372
David	Bean	105 E. Hawthorne St.	Hartford	IL	62048	(618) 975-4415
Watha	Muckler	2459 Sheehan Dr	Naperville	IL	60564	(630) 554-5900
Scott	Haiduck	P.O. Box 5614	River Forest	IL	60305	(708) 743-3573
Cal	Ramirez	430 East 162nd Street	South Holland	IL	60473	(708) 400-0009

First Name	Last Name	Address	City	State	Zip	Telephone
Thomas	Stinson	13835 W. Wadsworth	Wadsworth	IL	60083	(847) 245-4171
Thomas	Stinson	13835 W. Wadsworth	Wadsworth	IL	60083	(847) 245-4171
Jeff	Pond	954 Wild Ginger Trail	West Chicago	IL	60185	(630) 208-6530
Rudy	Swigart	1723 North Meridian Ave.	Wichita	KS	67203	(316) 806-6466
Todd	Newman	4840 Loretto Road	Bardstown	KY	40004	(502) 403-7995
Todd	Newman	4840 Loretto Road	Bardstown	KY	40004	(502) 403-7995
Nathan	Francis	3031 US Highway 60E Apt. 78	Henderson	KY	42420	(270) 827-0100
Terry	Hardouin	909 St. Julien Drive	Kenner	LA	70065	(225) 205-9916
Terry	Hardouin	909 St. Julien Drive	Kenner	LA	70065	(225) 205-9916
Terry	Hardouin	909 St. Julien Drive	Kenner	LA	70065	(225) 205-9916
Paul	Binkley	1974 Hwy 139	Monroe	LA	71203	(318) 345-3452
Ben	Rivers	1011 Legacy Loop	Pineville	LA	71360	(318) 880-6887
Walter	Clews	28799 Three Notch Road	Mechanicsville	MD	20659	(800) 834-2700
Walter	Clews	28799 Three Notch Road	Mechanicsville	MD	20659	(800) 834-2700
Walter	Clews	28799 Three Notch Road	Mechanicsville	MD	20659	(800) 834-2700
Walter	Clews	28799 Three Notch Road	Mechanicsville	MD	20659	(800) 834-2700
Walter	Clews	28799 Three Notch Road	Mechanicsville	MD	20659	(800) 834-2700
Walter	Clews	28799 Three Notch Road	Mechanicsville	MD	20659	(800) 834-2700
Walter	Clews	28799 Three Notch Road	Mechanicsville	MD	20659	(800) 834-2700
Tim	Oland	98 Maine Street	Brunswick	ME	4011	(207) 557-0967
Robert	Courville	25 Wedgewood Drive	Saco	ME	4072	(207) 303-5707
David	Robinson	15855 15 Mile Rd.	Clinton Twp	MI	48035	(248) 918-7890
Scott	Strachan	1214 Chemung Forest Drive	Howell	MI	48843	(517) 579-2016
Vern	Reaume	410 Sanders	Oxford	MI	48371	(248) 420-1610
Vern	Reaume	410 Sanders	Oxford	MI	48371	(248) 420-1610
John	Kaiser	7850 Metro Pkwy, Suite 122	Bloomington	MN	55425	(952) 854-5110
John	Kaiser	7850 Metro Pkwy, Suite 122	Bloomington	MN	55425	(952) 854-5110
Kevin	Laleman	13570 Grove Drive #152	Maple Grove	MN	55311	(763) 420-5535
Kevin	Laleman	13570 Grove Drive #152	Maple Grove	MN	55311	(763) 420-5535
John	Loomans	321 West Diamond Lake Road	Minneapolis	MN	55419	(763) 498-7845
Kevin	Laleman	56 S. 33rd Ave #339	St. Cloud	MN	56301	(320) 764-8001
David	DeGraffenreid	282 Bear Creek Road	Brumley	MO	65017	(573) 302-1799
Michael	Zivkovich	P.O. Box 286	Hollister	MO	65673	(417) 331-4001
Ken	Grupe	4803 NW 71st Street	Kansas City	MO	64151	(816) 718-7338
Ken	Grupe	4803 NW 71st Street	Kansas City	MO	64151	(816) 718-7338
Ken	Grupe	4803 NW 71st Street	Kansas City	MO	64151	(816) 718-7338

First Name	Last Name	Address	City	State	Zip	Telephone
Samuel	Herndon	P.O. Box 4248	Scott City	MO	63780	(573) 651-5444
Samuel	Herndon	P.O. Box 4248	Scott City	MO	63780	(573) 651-5444
Christopher	Giles	371 Hwy 109	Wildwood	MO	63005	(636) 458-5300
Christopher	Giles	371 Hwy 109	Wildwood	MO	63005	(636) 458-5300
Daniel	Lara Jr.	201 Wexford Ct	Brandon	MS	39047	(601) 918-4448
Curtis	Cobb	1945 Highway 30E	New Albany	MS	38652	(662) 316-2717
Kent	Trader	3154 Stephenson Road	Angier	NC	27501	(919) 349-9272
Fred	Surgeon	3708 Wake Forest Hwy	Durham	NC	27703	(910) 426-4747
Fred	Surgeon	733 Bargain Street	Fayetteville	NC	28303	(910) 426-4747
Greg	Pomykata	8712 Lindholm Dr. Suite 300	Huntersville	NC	28078	(704) 525-9411
Stuart	Vick	P.O. Box 16136	Wilmington	NC	28408	(910) 392-3132
Edward	Mitchell	19 Marter Ave	Mount Laurel	NJ	8054	(856) 649-5946
Jonathan	Ball	21 Ridgewood Ave.	Tabor	NJ	7878	Not Listed
Lance	Ellis	5310 Homestead Rd NE, Ste 100,	Albuquerque	NM	87110	(505) 880-0444
Shari	Smith	PO Box 1741	Deming	NM	88031	(575) 494-4727
Adam	Montoya	3201 Zafarano Dr. Suite C #244	Santa Fe	NM	87507	(505) 429-4252
Jim	Woodford	7582 Las Vegas Blvd. South	Las Vegas	NV	89123	(702) 220-7264
Jim	Woodford	7582 Las Vegas Blvd. South	Las Vegas	NV	89123	(702) 220-7264
Jim	Woodford	7582 Las Vegas Blvd. South	Las Vegas	NV	89123	(702) 220-7264
Steve	Nola	101 Colvinhurst Dr.	Buffalo	NY	14223	(716) 874-2711
Steve	Maloney	PO Box 18702	Fairfield	OH	45018	(513) 625-4193
Ryan	Dalton	17800 Lakewood Heights Blvd.	Lakewood	OH	44107	(216) 302-1809
Carl	Hayness II	PO Box 339	Loveland	OH	45140	(513) 693-0683
Carl	Hayness II	PO Box 339	Loveland	OH	45140	(513) 693-0683
Renee	Carter	P.O. Box 219	Powell	OH	43065	(614) 721-4040
Mark	Rensel	161 Northwest Ave, Ste 204	Tallmadge	OH	44278	(330) 362-3366
Todd	Franke	5054 Lake Breeze Road	Grove	OK	74344	(479) 270-8652
RIchard	Engle	11212 N May Ave., Ste. 310	Oklahoma City	OK	73120	(405) 789-9350
Clare	Langford	70 SW Century Drive, #100-492	Bend	OR	97702	(541) 797-7593
Matt	Waddell	93862 Prairie Rd	Junction City	OR	97448	(541) 998-3508
Gordon	Tolbert	19586 Kari Ann Court	Oregon City	OR	97045	(503) 680-8799
Gordon	Tolbert	19586 Kari Ann Court	Oregon City	OR	97045	(503) 680-8799
Gordon	Tolbert	19586 Kari Ann Court	Oregon City	OR	97045	(503) 680-8799
Terry	Wilder	265 Holder Lane SE	Salem	OR	97306	(503) 371-9725
David	Dibelius	3070 Bristol Pike, Suite 1-215	Bensalem	PA	19020	(215) 494-9690
Richard	Onega	100 Rylie Drive	Harmony	PA	16037	(724) 452-5025

First Name	Last Name	Address	City	State	Zip	Telephone
Florine	Ronzel	1248 Greenway Lane	Kunkletown	PA	18058	(610) 951-4262
Florine	Ronzel	1248 Greenway Lane	Kunkletown	PA	18058	Not Listed
Travis	Hammond	P.O. Box 311	Montoursville	PA	17754	(570) 368-0400
Mike	Morrow	P.O. Box 18	Strasburg	PA	17579	(877) 591-4101
Tom	Watson	17 Lori Ellen Drive	Smithfield	RI	2917	(401) 232-5445
Susan	Smith	379 Shadowbrook Lane, Bldg 4, Apt. #307	Ridgeland	SC	29936	Not Listed
Steven	Burdick	3740 Boiling Springs Hwy #146	Spartanburg	SC	29316	(864) 884-4263
Chas	Bostic III	6345 Mine Hill Rd.	Wedgefield	SC	29168	(803) 464-7700
Chris	Thurman	12133 Nestle Rock Ln.	Custer	SD	57730	(605) 545-3335
Richard	Oliveri	5360 Sunnyvale Drive	Antioch	TN	37013	(615) 333-1922
John	McDevitt	330 Franklin Rd., Suite 135A-216	Brentwood	TN	37027	(615) 248-3200
Jon	Reiver	3501 Brewer Rd	Crossville	TN	38572	(931) 484-7212
Jared	Klepko	2129 South Germantown Road	Germantown	TN	38138	(901) 759-4663
Jared	Klepko	2129 South Germantown Road	Germantown	TN	38138	(901) 759-4663
Barry	Bates	91 Stonebridge Blvd. Suite 104	Jackson	TN	38305	(731) 694-5836
Creighton	Cross	317 Ebenezer Road	Knoxville	TN	37923	(865) 862-8820
Creighton	Cross	317 Ebenezer Road	Knoxville	TN	37923	(865) 862-8820
Matthew	Beickert	1910 Madison Avenue #208	Memphis	TN	38104	(901) 725-9988
Robert	Hill	13915 Denton Drive	Farmers Branch	TX	75234	(817) 329-5200
Robert	Hill	13915 Denton Drive	Farmers Branch	TX	75234	(817) 329-5200
Robert	Hill	13915 Denton Drive	Farmers Branch	TX	75234	(817) 329-5200
Robert	Hill	13915 Denton Drive	Farmers Branch	TX	75234	(817) 329-5200
Robert	Hill	13915 Denton Drive	Farmers Branch	TX	75234	(817) 329-5200
Robert	Hill	13915 Denton Drive	Farmers Branch	TX	75234	(817) 329-5200
Robert	Hill	13915 Denton Drive	Farmers Branch	TX	75234	(817) 329-5200
Robert	Hill	13915 Denton Drive	Farmers Branch	TX	75234	(817) 329-5200
Robert	Hill	13915 Denton Drive	Farmers Branch	TX	75234	(817) 329-5200
Jason	Newman	551 FM 3343	Joaquin	TX	75954	(903) 420-7279
Michael	Altilio	415 N Guadalupe St. Suite #368	San Marcos	TX	78666	(512) 878-9427
James	Ramirez	18715 Forest Bend Creek Way	Spring	TX	77379	(281) 742-0493
William	Smith	2227 N 2650 E	Layton	UT	84042	(801) 721-3902
Cory	Clayson	6337 Highland Dr. #329	Salt Lake	UT	84121	(801) 878-9532
Steve	Schaerrer	212 Crossroads Parkway	Saratoga Springs	UT	84043	(801) 805-6600
Robert	Rasmussen	1721 South 1500 West	Vernal	UT	84078	(435) 789-2929
Anna	Gerus	25 W Telegraph St. #1394	Washington	UT	84780	(435) 216-3330

First Name	Last Name	Address	City	State	Zip	Telephone
Shawn	Ezell	1327 Winterlake Drive	Midlothian	VA	23113	(804) 683-1091
Joseph	Helmsderfer	610 Windemere Road	Newport News	VA	23602	(757) 927-0891
Steven	Hayes	PO Box 56102	Virginia Beach	VA	23456	(757) 642-6113
Lisa	McIntosh	4701 SW Admiral Way, #93	Seattle	WA	98116	(253) 839-7222
Ben	Arendt	W9421 County Road TT	Hortonville	WI	54944	(920) 540-4907
Kate	Murrain	6441 Enterprise Lane	Madison	WI	53719	(608) 276-8060
Todd	Woelfel	5627 3 Mile Road	Racine	WI	53406	(262) 634-5000
Bradley	Francis	2026 Rambling Lane	Rhinelander	WI	54501	(715) 493-0185
Scott	Raymond	N6 W30041 Bryn Dr.	Waukesha	WI	53188	(262) 366-1122

FDD EXHIBIT E

Terminations, Transfers, Cancellations and Non-Renewals
In the Fiscal Year Ending December 31, 2021

# of licenses	First Name	Last Name	City	State	Telephone	Category
1	Robert	Ardelean	Elk Grove	CA	(916) 790-6061	Terminated
1	Joe	Nernberg	Simi Valley	CA	(805) 522-2733	Transfer
1	Jesus	Noya	Miami	FL	(786) 838-3276	Transfer
1	Richard	Hogan	Farmington Hills	MI	(248) 324-4418	Transfer
1	Charles	Kloes	Kalamazoo	MI	(303) 817-1316	Terminated
1	Robert	Beattie	Nazareth	PA	(610) 746-9761	Transfer
1	Mike	Morrow	Strasburg	PA	(877) 591-4101	Terminated
1	Michael	Gebben	Madison	WI	(608) 276-8060	Transfer

FDD EXHIBIT F

ADDENDUM TO FRANCHISE 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 DISCLOSURE DOCUMENT.

2. Item 1. Item 1 is amended to state the following:

> "Commencing in December 2019 and continuing throughout the first quarter of 2020, the COVID-19 virus began spreading throughout the world including the first outbreak in the US in February. COVID-19 has significantly disrupted, and continues to significantly disrupt, local, regional, and global economies and businesses. Franchised Businesses were not significantly impacted by COVID-19 and local shelter-in-place orders, because they were deemed to be essential businesses. Due to the nature of the inspection business, Franchised Businesses did not have to significantly change their operations."

3. Item 3. Item 3 is amended to provide that neither AmeriSpec 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.

4. Item 6. Item 6 is amended to note that the highest interest rate permitted by law in California is 10%.

5. Item 10. Item 10 is amended to note that before offering financing in California, RWL will obtain any licenses required under the California Financing Law, if any.

6. Item 11. Item 11 is amended to note that as a result of COVID-19, we have begun to offer an online version of our initial training program and have been able to accommodate all franchisees who elect to attend the program. We may discontinue this online training program once it is safe to do so. The pandemic has not impacted the time it takes to open a Franchised Business.

7. Item 17. The following disclosures are added to Item 17:

A. The Franchise Agreement may contain 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, transfer, 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 AmeriSpec 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.

ADDENDUM TO THE FRANCHISE AGREEMENT
FOR THE STATE OF CALIFORNIA

This California Addendum is entered into concurrently with that certain Franchise Agreement of even date herewith by and between AmeriSpec SPE LLC ("Franchisor") and _____ ("Franchisee"). Unless otherwise defined herein, capitalized terms shall have the same meaning as described in the Franchise Agreement. **The terms of this Addendum shall survive the termination or expiration of the Agreement.**

In consideration of the execution of the Franchise Agreement (the "Agreement"), Franchisor and Franchisee agree to amend the Agreement as follows:

1. To the extent that Section 19 ("Termination") or any other terms of the Agreement are inconsistent with the California Franchise Relations Act (CA. Bus. & Prof. Code § 20020, et. seq.), the terms of the statute will control and the applicable Section shall be modified only to the extent required to comply with such law. The parties agree that in no event shall a reasonable opportunity to cure to the extent required under such statute be greater than seventy five (75) days.

2. Notwithstanding anything to the contrary contained in the Franchise Agreement, all written notices related to any proposed transfer or assignment by you as contained in Section 16, must be delivered by business courier or receipted U.S. mail.

3. The parties agree that if Franchisee or any its owners commit any of the breaches of this Agreement identified in Section 19.2, each such breach shall be deemed to be a failure by Franchisee to substantially comply with the Franchise Agreement requirements. The parties further agree that a breach by Franchisee or any of its owners under Section 19.2, of a material provision of this Agreement, or of any other agreement with Franchisor or any Franchisor Affiliate, or any mandatory requirement prescribed in any Manual shall be deemed to be a failure by Franchisee to substantially comply with the Franchise Agreement requirements.

4. 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.

5. The following language is added as new Section 19.12:

Franchisor shall have the right upon termination or non-renewal of the Franchise to purchase from Franchisee at the value of price paid by Franchisee, minus depreciation, Franchisee's inventory, supplies, equipment, fixtures and furnishings (the "Items") purchased or paid for under the terms of this Agreement or an agreement ancillary hereto by Franchisee to Franchisor or to its approved suppliers that are possessed or used by Franchisee in the franchised business at the time of termination or non-renewal. For the purposes of this provision and compliance under and construction of the California Franchise Relations Act (CFRA), the parties agree that such depreciation shall be calculated based on whichever of the two (2) methods prescribed results in a lower valuation of the Items: i) the Modified Accelerated Cost Recovery System (MACRS) method applied in accordance with the applicable standard U.S. Internal Revenue

Service (IRS)schedules effective for the calendar year immediately preceding the calendar year in which the Franchise Agreement terminated or expired and was not renewed; or ii) depreciation schedules included by Franchisee in the IRS income tax return for the franchised business filed for the calendar year immediately preceding the calendar year in which the Franchise Agreement terminated or expired and was not renewed. Franchisee shall provide Franchisor a true and complete copy of such income tax return and related schedules within five (5) business days of Franchisor's request. Franchisee shall further provide Franchisor clear title to and possession of any such Items. Franchisor can offset against the amounts owed to Franchisee any amounts owed by Franchisee to Franchisor.

In the event a court or arbitrator finds that Franchisor has terminated or failed to renew this Agreement in violation of the CFRA, the parties agree that the fair market value of the franchised business and franchise assets (the "FMV") for purposes of compliance with the CFRA shall be established in accordance with the following procedure: Franchisor and Franchisee shall mutually select an independent Certified Business Appraiser within thirty (30) days of such court/arbitrator finding. If unable to identify a mutually agreeable Certified Business Appraiser, Franchisor and Franchisee each shall select a person within forty-five (45) days of such court/arbitrator finding who is an independent Certified Business Appraiser (the "Designees") and such Designees promptly shall mutually agree to-a third independent Certified Business Appraiser whose determination of the FMV shall be final and binding on the parties. This provision shall survive the termination or expiration of the Franchise Agreement.

6. The following language is added as new Section 3.6:

Market Withdrawal. If Franchisor publishes an announcement that it has determined that continued franchising in the state or in the standard metropolitan statistical area (as established by the United States Office of Management and Budget) within the state in which Franchisee's Market is located is not appropriate for reasons that relate to Franchisor's economic or other interests and that it is completely withdrawing from all franchise activity in such state/area (provided that Franchisor can continue to service existing Franchisees under outstanding agreements), then Franchisor will be considered to have made a general market area withdrawal, will have no liability to Franchisee therefore and will not be required to offer Franchisee any renewal Franchise or similar rights (a "Market Withdrawal"). In that event and if Franchisee is not in default of this Agreement, Franchisee will not be required to comply with its non-competition obligations under Section 15.3. Franchisor shall not prevent Franchisee from retaining control of the principal place of the Franchised Business in the event of a market withdrawal. Franchisee agrees that if any statute or court decision requires "good cause" (or any similar standard) for non-renewal, Franchisor's compliance with the provisions of this clause will be deemed to be good cause.

7. To the extent a proper judicial body determines that this Addendum is in conflict with any term or condition of the Franchise Agreement, the terms of this Addendum shall control.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

AMERISPEC SPE LLC	**FRANCHISEE**
_____	By: _____
By: _____	Name: _____
Title: _____	Title: _____

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF ILLINOIS

The following information applies to franchises and Franchisees subject to Illinois statutes and regulations. 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 17.

A. The conditions under which your franchise may be terminated or not renewed may be affected by Illinois law, 815 ILCS §§ 705/19 and 705/20.

B. Item 17v and 17w, under the heading "Renewal, Termination, Transfer and Dispute Resolution", is amended to provide as follows:

"Illinois law applies, subject to the Illinois Franchise Disclosure Act."

3. Item 21.

Item 21 is amended by adding the following language:

"You have not been provided with financial statements of the Franchisor. Therefore, you do not have knowledge of how this specific company has performed. The guarantor unconditionally guarantees the performance of the Franchisor, however, and a copy of the Guaranty of Performance is on file with the Attorney General."

ADDENDUM TO FRANCHISE AGREEMENT
FOR THE STATE OF ILLINOIS

This Addendum relates to franchises sold in the state of Illinois and is intended to comply with Illinois statutes and regulations. In consideration of the execution of the Franchise Agreement (the "Agreement"), AmeriSpec SPE LLC (the "Company") and Franchisee agree to amend the Agreement 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 22(01) of the Agreement is amended by adding the following language:

> "This Agreement takes effect upon its acceptance and execution by the Company, 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 Illinois."

3. Section 22(03) of the Agreement is amended by deleting the following language which is inconsistent with Section 41 of the Illinois Franchise Disclosure Act:

> "Specifically, the Franchisee acknowledges that it has entered into this Agreement after making an independent investigation of the Company's operations and not upon any representation as to profits which the Franchisee might be expected to realize, nor has anyone made any other representation to induce the Franchisee to accept the Franchise granted hereunder and to execute this Agreement which is not expressly set forth herein or in the DISCLOSURE DOCUMENT (which the Franchisee acknowledges having received at least 14 calendar days prior to the execution of this Agreement)."

4. Nothing in this Agreement waives any rights Franchisee may have under Illinois laws.

5. In all other respects, the Franchise Agreement will be construed and enforced according to its terms.

AMERISPEC SPE LLC	**FRANCHISEE**
_____	By: _____
By: _____	Name: _____
Title: _____	Title: _____

ADDENDUM TO 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 17.

A. The Franchise Agreement provides for termination if you are insolvent under any applicable state or federal law. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Section 101 et seq.).

B. The general release required as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

C. "The Maryland Franchise Registration and Disclosure Law allows a Franchisee to bring a lawsuit in Maryland for claims arising under this law."

D. Any limitation on the period of time arbitration and/or litigation claims must be brought shall not act to reduce the three (3) year statute of limitations afforded a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law.

E. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise.

ADDENDUM TO 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 (the "Agreement"), AmeriSpec SPE LLC (the "Company") and Franchisee agree to amend the Agreement as follows:

1. Section 22 of the Agreement is amended by adding 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."

2. Section 16(04)(h) of the Agreement is amended by adding the following language:
"Pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale, assignment and/or transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law."

3. Section 20 of the Agreement is amended by adding a new paragraph (11):
"Any limitation on the period of time arbitration and/or litigation claims must be brought shall not act to reduce the three (3) year statute of limitations afforded a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law."

4. Section 20 of the Agreement is amended by adding a new paragraph (12):
"Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise."

5. Section 23(03) of the Agreement is amended by adding the following language:
"The acknowledgments or representations of the franchisee which disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Franchise Law are not intended to, nor shall they ace as a release, estoppels or waiver of, any liability incurred under the Maryland Franchise Registration and Disclosure Law."

6. In all other respects, the Franchise Agreement will be construed and enforced according to its terms.

AMERISPEC SPE LLC	**FRANCHISEE**
_____	By: _____
By: _____	Name: _____
Title: _____	Title: _____

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MINNESOTA

The following information applies to franchises and Franchisees subject to Minnesota statutes and regulations. Item numbers correspond to those in the main body:

1. Cover Page

Risk Factors:

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 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:

> "The Franchisor will protect the Franchisee's right to use the trademarks, service marks, trade names, logotypes or 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.

With respect to franchises governed by Minnesota law, we will comply with Minnesota Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, (1) 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, and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

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 Franchise Disclosure Document or agreement(s) can abrogate or reduce: (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

Minnesota Statutes § 80C.21 and Minnesota Rule 2860.4400D provide that a Franchisee cannot be required to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes 1973 Supplement, sections 80C.01 to 80C.22; provided, however, that these laws do not bar the voluntary settlement of disputes.

Minn. Rules 2860.4400J permits a franchisor to seek injunctive relief; however, a franchisee cannot consent to the franchisor obtaining injunctive relief. A Court will determine if a bond is required.

Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

ADDENDUM TO FRANCHISE AGREEMENT
FOR THE STATE OF MINNESOTA

This Addendum relates to franchises sold in the state of Minnesota and is intended to comply with Minnesota statutes and regulations. In consideration of the execution of the Franchise Agreement (the "Agreement"), AmeriSpec SPE LLC (the "Company") and Franchisee agree to amend the Agreement as follows:

1. Section 22(01) of the Agreement is amended by adding the following language:

"Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J, prohibit the Company 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 right to any procedure, forum, or remedies provided for by the laws of the jurisdiction."

2. Sections 3(04), 16, and 19(02) of the Agreement are amended by adding the following language:

"With respect to franchises governed by Minnesota law, the Company will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, (1) that a Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement, and (2) that consent to the transfer of the franchise will not be unreasonably withheld."

3. Section 10 of the Agreement is amended by the addition of the following language:

"The Company will protect the Franchisee's right to use the trademarks, service marks, trade names, logotypes or 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.

4. Section 20 of the Agreement is amended by the addition of the following language:

"The franchisor may seek injunctive relief; however, franchisee cannot consent to the franchisor obtaining injunctive relief. A Court will determine if a bond is required."

"The Limitations of Claims must comply with Minnesota Statutes, Section 80C.17, Subd.5."

5. Section 23.3.6 of the Franchise Agreement is hereby deleted in its entirety.

6. In all other respects, the Franchise Agreement will be construed and enforced according to its terms.

AMERISPEC SPE LLC	**FRANCHISEE**
_____	By: _____
By: _____	Name: _____
Title: _____	Title: _____

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF NEW YORK

The following information applies to franchises and Franchisees subject to New York statutes and regulations. Item numbers correspond to those in the main body:

1. Cover Page

Risk Factors:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NY 10271

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE PROSPECTUS; HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE: TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS PROSPECTUS.

2. Item 3

Item 3 is amended by the deletion of "Other than these actions, no litigation is required to be disclosed in this Item" and replacing it with the following language substituted in order to conform with 13 NYCRR 200.4 (iii):

Other than this action, neither AmeriSpec, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the AmeriSpec principal trademark:

a. Has an administrative, criminal or civil action pending against that person alleging: a felony; a violation of a franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion, misappropriation of property; unfair or deceptive practices or comparable civil or misdemeanor allegations. In addition, there are no pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.
b. Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging; violation of a franchise, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.
c. Is subject to currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from an order or any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective

injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. Item 4

Item 4 is amended by the deletion of the language contained therein and the following language substituted in order to conform with 13 NYCCR 200.4 (iii):

Neither AmeriSpec, its affiliate, its predecessor, officers or general partner during the ten-year period immediately before the date of the DISCLOSURE DOCUMENT: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of the franchisor held this position in the company or partnership.

4. Item 17

Item 17, Section d, is amended by the addition of the following language to the original language that appears therein:

"The Franchisee may terminate the Agreement upon any grounds available by law"; and

Item 17, Section w, is amended by the addition of the following language to the original language that appears therein:

"The foregoing choice of law should not be considered a waiver of any right conferred upon the Franchisor or upon the Franchisee by Article 33 of the General Business Law of the State of New York"

Item 17, Section j, is amended by the addition of the following language:

"However, no assignment will be made except to an assignee who, in the good faith and judgment of the Franchisor, is willing and able to assume the Franchisor's obligations under the Franchise Agreement"

ADDENDUM TO FRANCHISE AGREEMENT
FOR THE STATE OF NEW YORK

This Addendum relates to franchises sold in the state of New York and is intended to comply with New York statutes and regulations. In consideration of the execution of the Franchise Agreement (the "Agreement"), AmeriSpec SPE LLC (the "Company") and Franchisee agree to amend the Agreement as follows:

1. Section 19, Termination, is amended by adding the following language to the original language that appears therein:

"Franchisee may terminate this agreement on any grounds available by law."

2. Section 16, Assignment, is amended by the addition of the following language to the original language that appears therein:

"However, no assignment will be made except to an assignee who, in the good faith and judgment of the Franchisor is willing and able to assume the Franchisor's obligations under the Franchise Agreement."

3. Section 22, Governing Law/Binding Effect/Construction/Waiver/Notices, paragraph 22.1, Governing Law, is amended by the addition of the following language to the original language that appears therein:

"The foregoing choice of law should not be considered a waiver of any right conferred upon the Franchisor or upon the Franchisee by Article 33 of the General Business law of the state of New York."

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.

AMERISPEC SPE LLC	**FRANCHISEE**
_____	By: _____
By: _____	Name: _____
Title: _____	Title: _____

ADDENDUM TO 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. Item 17 is amended to read as follows:

A. Any provision of the Franchise Agreement requiring the Franchisee to sign a release in a format designated by AmeriSpec is unenforceable.

B. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorneys' fees.

C. Any provision of the Franchise Agreement requiring you to consent to waiver of exemplary and punitive damages is unenforceable under Section 51-19-09 of the North Dakota Franchise Investment Law.

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 will be conducted at a site agreeable to all parties.

F. The venue of any litigation arising out of the franchise relationship between you and AmeriSpec will be within the state of North Dakota.

G. The North Dakota Securities Commissioner has held that requiring franchisees to consent to waiver of a trial by jury unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

H. Notwithstanding anything in the Disclosure Document, covenants not to compete may be subject to Section 9-08-06 of the North Dakota Century Code and unenforceable in the state of North Dakota if contrary to Section 9-08-06.

ADDENDUM TO FRANCHISE AGREEMENT
FOR THE STATE OF NORTH DAKOTA

This Addendum relates to franchises sold 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 "Agreement"), AmeriSpec SPE LLC (the "Company") and Franchisee agree to amend the Agreement as follows:

1. 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."

2. Section 3 of the Agreement is amended to read as follows:

"Any provision of this Agreement requiring the Franchisee to execute a release in a format designated by the Company is unenforceable."

3. Section 19.6 of the Agreement is amended by adding the following language:

"Any provision of this 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."

4. Section 20 of the Agreement is amended by adding the following language:
   A. Any provision of the Franchise Agreement which requires the Franchisee to consent to waiver of exemplary and punitive damages unenforceable pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law.
   B. Arbitration and mediation proceedings will be conducted at a site agreeable to all parties.
   C. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorneys' fees.
   D. The venue of any litigation arising out of the franchise relationship between Franchisee and the Company will be within the state of North Dakota.
   E. Both Franchisor and Franchisee will be allowed the option of a jury trial.

5. In all other respects, the Franchise Agreement will be construed and enforced according to its terms.

AMERISPEC SPE LLC	**FRANCHISEE**
_____	By: _____
By: _____	Name: _____
Title: _____	Title: _____

ADDENDUM TO FRANCHISE AGREEMENT
FOR THE STATE OF RHODE ISLAND

This Addendum relates to franchises sold 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 "Agreement"), AmeriSpec SPE LLC (the "Company") and Franchisee agree to amend the Agreement as follows:

1. Section 22(01) of the Agreement is amended by adding the following language: 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."

2. In all other respects, the License Agreement will be construed and enforced according to its terms.

AMERISPEC SPE LLC	**FRANCHISEE**
_____	By: _____
By: _____	Name: _____
Title: _____	Title: _____

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF VIRGINIA

The following information applies to franchises and Franchisees subject to Virginia statues 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.

ADDENDUM TO FRANCHISE AGREEMENT
FOR THE STATE OF WASHINGTON

This Addendum relates to franchises sold in the state of Washington and is intended to comply with Washington statutes and regulations. In consideration of the execution of the Franchise Agreement (the "Agreement"), AmeriSpec SPE LLC (the "Company") and Franchisee agree to amend the Agreement as follows:

1. The state of Washington has a statute, RCW 19.100.180 which may supersede the Franchise Agreement in your relationship with the Company, including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the Company, including the areas of termination and renewal of your franchise.

2. 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.

3. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

4. A release or waiver of rights excluded by a franchisee will not include rights under the Washington Franchise Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

5. Transfer fees are collectable to the extent that they reflect the Company's reasonable estimated or actual costs in effecting a transfer.

6. 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 provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

7. 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.

8. Section 4 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 franchise fee until the franchisor has fulfilled its

initial pre-opening obligations under this Agreement and the franchisee is open for business.

9. Sections 23.3.2., 23.3.4., and 23.3.6 of the Franchise Agreement are hereby deleted in their entirety.

10. In all other respects, the Franchise Agreement will be construed and enforced according to its terms.

AMERISPEC SPE LLC	**FRANCHISEE**
_____	By: _____
By: _____	Name: _____
Title: _____	Title: _____

ADDENDUM TO FRANCHISE AGREEMENT
FOR THE STATE OF WISCONSIN

This Addendum relates to franchises sold in the state of Wisconsin and is intended to comply with Wisconsin statutes and regulations. In consideration of the execution of the Franchise Agreement (the "Agreement"), AmeriSpec SPE LLC (the "Company") and Franchisee agree to amend the Agreement as follows:

1. The Wisconsin Fair Dealership Law supersedes any provisions of the Franchisee's Franchise Agreement inconsistent with that law.

2. In all other respects, the Franchise Agreement will be construed and enforced according to its terms.

AMERISPEC SPE LLC	**FRANCHISEE**
_____	By: _____
By: _____	Name: _____
Title: _____	Title: _____

FDD EXHIBIT G

Table of Contents of Manuals

AMERISPEC FRANCHISE OPERATIONS MANUAL

TECHNOLOGY MANUAL
Table of Contents

1. AMS	141 Pages
2. Template	10 Pages
3. Owner Websites	12 Pages
4. Connection	13 Pages
5. AmeriSpec.Net	14 Pages
6. Utilizing Technology	11 Pages
Total Pages	**201 Pages**

ACADEMY MANUAL
Table of Contents

1. ServiceMaster Commitment	14 Pages
2. Presentation Skills	31 Pages
3. Marketing	49 Pages
4. Basic Financial Training	22 Pages
5. Royalty Reporting	24 Pages
6. Tell AmeriSpec	41 Pages
7. AmeriSpec.Net Email	14 Pages
8. Legal Presentation	33 Pages
9. Smart Start	29 Pages
10. Customer Service	33 Pages
Total Pages	**290 Pages**

MARKETING MANUAL (Connection)
Table of Contents

1. Marketing Map	22 Pages
2. Monthly Gift Card/Promo Program	8 Pages
3. Tradeshow Co-Op	9 Pages
4. AmeriSpec Brand Guidelines	29 Pages
5. E-Newsletters	9 Pages
6. Email Templates	8 Pages
7. Keller Williams	36 Pages
8. Logos and Images	25 Pages
9. Marketing Images Release Form	1 Page
10. Press Releases	45 Pages
11. Real Estate Relationships	45 Pages
12. Sample Ad Slicks	4 Pages
13. Sample E-Newsletters	3 Pages
14. Sample Flyers	9 Pages
15. Social Media	31 Pages
16. Unifirst Uniforms	6 Pages
17. Vehicle Graphics	13 Pages
18. Website Aids	8 Pages
Total Pages	**311 Pages**

TECHNICAL MANUAL
Table of Contents

1.	Overview	23 Pages
2.	ASHI Standards	4 Pages
3.	Inspection Agreement	9 Pages
4.	Driveway Presentation	5 Pages
5.	Exterior/Foundation	31 Pages
6.	Roof	21 Pages
7.	Garage	7 Pages
8.	Electrical	35 Pages
9.	Fireplaces	17 Pages
10.	Plumbing	15 Pages
11.	Water Heater	18 Pages
12.	Heating A/C	45 Pages
13.	Kitchen	8 Pages
14.	Bathrooms	11 Pages
15.	Interior Areas	18 Pages
16.	Attic/Insulation/Ventilation	15 Pages
17.	Structure/Basement/Crawlspace	22 Pages
18.	Disclaimers	162 Pages
19.	Report Writing	45 Pages
20.	Code Check	4 Pages
21.	Miscellaneous	2 Pages
Total Pages		**517 Pages**

TOTAL PAGES FOR OPERATIONS MANUAL: 1,325 Pages

FDD EXHIBIT H

GENERAL RELEASE

THIS GENERAL RELEASE ("**Release**") is executed on _____ 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. AmeriSpec SPE LLC (**"Franchisor"**) and Franchisee are parties to the following Franchise Agreements (collectively, the "**Franchise Agreements**"):

Franchise Agreement Number(s)	Date of Agreement

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 **"Releasors"**) freely and without any influence forever release (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 claims, debts, demands, liabilities, suits, judgments, and causes of action of whatever kind or nature, 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 under federal, state, and local laws, rules, and ordinances and (b) Claims arising out of, or relating to, the Franchise Agreement and any other agreements between any Releasor and Franchisor or Franchisor's parents, subsidiaries, or affiliates.

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. 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.

6. 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.

7. 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.

8. 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 date shown above.

FRANCHISEE:

By: _____

Print Name: _____

Title: _____

Date: _____

TRANSFEREE:

By: _____

Print Name: _____

Title: _____

Date: _____

OWNER:

_____

Print Name: _____

Date: _____

OWNER:

_____

Print Name: _____

Date: _____

OWNER:

_____

Print Name: _____

Date: _____

FDD EXHIBIT I

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	Pending
Hawaii	Pending
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

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.

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 AmeriSpec SPE LLC, 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, franchisor 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.

If AmeriSpec SPE LLC 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):

( ) Tim Arpin ( ) Rochelle Castiglione ( ) Christopher Gammill

( ) Amber James ( ) Maryum Samah ( ) _____

at AmeriSpec SPE LLC, One Glenlake Parkway, 14th Floor, Atlanta, Georgia 30328, Telephone: 800-756-5656.

See Exhibit C for AmeriSpec's agent for service of process in your state.

Issuance Date: April 27, 2022

I have received a franchise disclosure document dated April 27, 2022, that included the following Exhibits:

A - Franchise 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 Franchise Agreement (where applicable)
G - Table of Contents of Manuals
H - General Release
I - State Effective Dates and FDD Receipts

_____

Signature Print Name- Date

_____

Signature Print Name Date

(Please retain this copy for your file)

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 AmeriSpec SPE LLC, 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, franchisor 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.

If AmeriSpec SPE LLC 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.

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I - State Effective Dates and FDD Receipts

_____

Signature Print Name Date

_____

Signature Print Name Date

(Please sign and return to AmeriSpec SPE LLC)