



FRANCHISE DISCLOSURE DOCUMENT

SERVICEMASTER
RESIDENTIAL/ COMMERCIAL
SERVICES LIMITED
PARTNERSHIP
A Delaware Limited
Partnership dba
ServiceMaster Clean,
dba ServiceMaster Restore, and
dba ServiceMaster Recovery
Management 150 Peabody Place,
SMC-7000
Memphis, Tennessee 38103-3720
Phone: 901-597-7500
smfranchiseinfo@smclean.com
www.servicemasterclean.com
www.ownafranchise.com

We grant the following franchises:

1. **Disaster Restoration Services:** provides disaster restoration services directly to residential and commercial customers and to customers following a fire, flood, earthquake or storm. The total investment necessary to begin operation of this franchise ranges from \$ 235,295 to \$294,433. This investment includes from \$141,000 to \$186,000 that must be paid to the franchisor.
2. **Janitorial Services:** provides contracted janitorial services on a continuing basis and may also provide carpet, furniture and other periodical non-janitorial cleaning and maintenance to management or tenants of commercial or institutional buildings. The total investment necessary to begin operation of this franchise ranges from \$93,698 to \$100,530 which includes \$51,500 that must be paid to the franchisor.
3. **Small Market Services:** provides contracted janitorial services as well as carpet and furniture cleaning and disaster restoration services to residential and commercial customers. The total investment necessary to begin operation of this franchise ranges from \$196,330 to \$250,638. This includes from \$112,500 to \$157,500 (depending on the opening package) that must be paid to the franchisor.
4. **Recovery Management Services:** provides recovery management and disaster restoration services directly to commercial customers that have the capacity to provide commercial restoration opportunities meeting or exceeding \$500,000 in contract value. The total investment necessary to begin operation of this franchise ranges from \$147,913 to \$254,375. This includes \$57,500 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 David Montanez at 150 Peabody Place, SMC- 7000, Memphis, Tennessee 38103-3720 or at 901-597-7500.

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.

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

The issuance date of this disclosure document is: April 29, 2019.

STATE COVER PAGE

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

Call the state franchisor administrator listed in Exhibit C for information about the franchisor or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT PERMITS THE FRANCHISEE TO SUE OR TO ARBITRATE ONLY IN TENNESSEE. OUT-OF-STATE LITIGATION OR ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO SUE OR TO ARBITRATE SERVICEMASTER IN TENNESSEE THAN IN YOUR HOME STATE. THIS PROVISION IN THE FRANCHISE AGREEMENT MAY BE SUPERSEDED BY CERTAIN STATE LAWS. PLEASE REVIEW THE STATE-SPECIFIC ADDENDUM ATTACHED AS AN EXHIBIT TO THIS DISCLOSURE DOCUMENT FOR MORE INFORMATION.
2. THE FRANCHISE AGREEMENT STATES THAT TENNESSEE LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. PLEASE NOTE THAT 70.0% OF THE SERVICEMASTER COMPANY ASSETS ARE INTANGIBLE. YOU MAY WANT TO CONSIDER THIS WHEN MAKING A DECISION TO PURCHASE THIS FRANCHISE OPPORTUNITY.
4. YOUR SPOUSE MUST SIGN A GUARANTY MAKING THE SPOUSE JOINTLY AND SEVERALLY LIABLE FOR THE OBLIGATIONS UNDER THE FRANCHISE AGREEMENT WHICH ALSO PLACES YOUR PERSONAL AND MARITAL ASSETS AT RISK. YOU MAY WANT TO CONSIDER THIS WHEN MAKING A DECISION TO PURCHASE THIS FRANCHISE OPPORTUNITY.
5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We may use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

State Effective date: see next page

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