

all applicants. Upon approval, a Business Note and Security Agreement ("Note") (Exhibit C) with personal guaranties must be signed. Copies of drivers' licenses of all signatories must be provided to SMAC. SMAC typically charges an annual interest rate of 12%, retains the right to change the rate of interest charged and, at any given time, may offer financing arrangements that differ from those disclosed here for the equipment/accessory purchase, subject to restrictions. SMAC may sell the Note to a third party.

AmeriSpec does not receive payment for the placement of your financing with SMAC. Neither AmeriSpec nor any employee, salesperson, or agent of AmeriSpec has any express or implied authority to act as an agent of The ServiceMaster Acceptance Company Limited Partnership. The rates and terms offered are authorized solely by The ServiceMaster Acceptance Company Limited Partnership. AmeriSpec does not arrange financing from sources other than SMAC.

²The Interest Rate (APR) is stated as of December 31, 2005.

³Your first payment is due one month after the sale. Monthly payments will be automatically transferred from your bank account (Exhibit C, Form A). Should SMAC agree to accept payments in any form other than by automatic transfer, a fee may be charged to the borrower. If any payment is returned for any reason, a fee of \$25 will be charged. Any payment not received by the tenth day after its due date is subject to a late charge in the amount of 5% of the payment or \$25 (whichever is greater).

⁴SMAC requires a personal guaranty of the Note by all applicants, by all outstanding owners of the business, and may require additional guarantees as deemed appropriate. The computer and accompanying software will be pledged as security in the Note. You may prepay the Note at any time without penalty.

⁵If you do not make payments when due, SMAC may demand immediate payment of the full outstanding balance of this loan and any other outstanding loans you may have with SMAC. We also have the right to terminate your franchise and any other franchise you may have with AmeriSpec if you do not make your Note payments on time. In the case of default, interest will accrue at the fixed rate of eighteen percent (18%).

Item 11

FRANCHISOR'S OBLIGATIONS

Except as listed below, we need not provide any assistance to you.

Pre-Opening Assistance. Before you open your business we will:

(01) Designate your territory and approve your office location within the territory. We grant your franchise for a designated area and approve your site selection at the time you sign the franchise agreement (Franchise Agreement – Paragraphs 3 and 7).

(02) Make available to you a two-week initial training course ("initial training") that consists of one week of technical training on the performance of home inspections and one week of management training on the operation of a business at no additional charge for you or your approved manager (up to two people) plus additional training credits for you and/or your employees (Franchise Agreement - Paragraph 8(01) and (02)).

(03) Provide to you an initial supply of business cards, stationery, and marketing materials (excludes AmeriSpec Report binder and its contents) that you will use in starting your Franchised Business (Franchise Agreement - Paragraph 8(04)). The Table of Contents of the Marketing Catalog is attached as Exhibit D.

(04) Loan to you our Technical, Business Management, Technology, and Marketing Manuals, as well as the Phoenix software and Phoenix manual, which we use during our initial training. (Franchise Agreement - Paragraph 8(07). The Tables of Contents of these manuals are attached as Exhibit D.

(05) Provide to you specifications and lists of approved suppliers for many of the items you will need to operate your business (see Item 8 for details) (Franchise Agreement - Paragraph 11(01)).

Ongoing Assistance. During the operation of your business, we will:

(01) Conduct on a regular basis, at our discretion, a convention or seminar for all AmeriSpec® franchisees (Franchise Agreement - Paragraph 8(08)).

(02) Develop and implement national and/or regional advertising and marketing campaigns through management of the national advertising fund (Franchise Agreement - Paragraph 6).

(03) Periodically update our Manuals (Franchise Agreement - Paragraph 8(06) and 8(07)).

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 franchise business must attend and complete the first scheduled initial training following the execution of the franchise agreement, before you may begin operating your franchise business. The factors that affect this time are the date you start your training and when you purchase your initial equipment. You must establish and operate from a regular, full-time business office within your designated territory. This office can be in your home, as long as your home is located within your designated territory. If you own multiple franchises, the designated territories of which are contiguous, you are only required to establish one full-time office. We have the right to approve your office location.

Advertising Programs. As described above, we develop and implement national and/or regional advertising and marketing campaigns through management of the national advertising fund. This fund consists of national advertising fees you and other franchisees deposit into the fund. We manage the advertising fund and use advertising contributions deposited in the advertising fund to conduct general advertising and promotion of the Names and Marks. These monies are not used to pay any of our operating expenses, except for administrative expenses related to the administration of the advertising fund. We are solely responsible for determining how to spend the money held in the advertising fund. Although we do not have an advertising council, we have a President's Advisory Council ("PAC") consisting of members from various regions of the country. These individual franchisees are selected solely by the President of AmeriSpec, and they are consulted regarding new ideas for use of the advertising fund, as well as departures from any existing program. We may add or remove members and dissolve this council at any time.

All franchisees must contribute 3% of their Gross Receipts to the national advertising fund. There is a minimum contribution of \$125 per month, except the minimum for a franchise in an Alternate Territory is \$55 per month. No one else makes contributions to this fund, but the fund may earn interest on its unused balances, and this interest will be used, before the principal, to fund the expenditures of the advertising fund. Any amounts in the advertising fund that are not spent in any fiscal year are kept in the advertising fund for use in the following year. Our auditor reviews the contributions and expenditures of the fund each year. At your written request, we will provide you an annual statement of the financial condition of the advertising fund, certified by an executive officer of AmeriSpec.

During the fiscal year ended December 31, 2005, the advertising fund was spent as follows:

<u>Item</u>	<u>Amount</u>
Marketing/Advertising	79.1%
General & Administration expenses	20.9% (Note 1)

Note 1: This accounts for employee/staff salaries and benefits in administrating the fund, general administrative expenses, professional fees, management fee, travel, lodging, freight, convention fees and subscriptions of the fund.

The source of advertising material comes primarily from in-house, but we also use outside advertising sources. The advertising fund promotes all AmeriSpec® Franchised Businesses. We are not required, however, to spend any amount in any specific geographic area or territory. We do not use any portion of the fund in a way that is principally aimed at helping us sell franchises.

In addition to making contributions to the advertising 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. You are not required to participate in any local or regional advertising cooperative.

Computer System. You must maintain the following equipment and software:

Brand and Type of Hardware and Software	Principal Functions	How Used In Franchisee's Business	Types of Information or Data Collected
Laser Jet Printer	Reports and letters	Printing home inspection reports and letters	Reports and letters

Brand and Type of Hardware and Software	Principal Functions	How Used In Franchisee's Business	Types of Information or Data Collected
IBM Compatible Computer with at least a Pentium III 1 GHz processor, a 30GB hard drive, and 256 MB RAM	Report processing and database applications	Run all software discussed in this document	Names and addresses transaction data, letters, home inspection report information
Microsoft Windows Operating System (Windows 2000 or newer)	Operating System	Run all PC-based software discussed in this document	None
High Speed Internet Access required where available; if High Speed Internet Access not available, Modem with minimum 56K or higher speed solution	Telecommunications	Connect to AmeriSpec's intranet (the BOSS); access emails and websites; order supplies from preferred vendors	E- mail, file transfers, general news, library, technical support, software upgrades
Microsoft Office 2000 or newer	Word for word processing, Excel for spreadsheets, and Access for database manipulation (only if on AmeriSpec Home Inspector Software)	Direct mail program, correspondence; financial modeling; templates for AmeriSpec Home Inspector Software	Letters, financial data, home inspection template data
Internet Service Provider (ISP)	Allows access to the Internet	Required to access the BOSS, your amerispec.net e-mail box, and franchisee web sites	
Internet Explorer (version 5.0 or greater)	Internet browser	Required to view the BOSS and your amerispec.net e-mail box	
Adobe Acrobat Reader (version 5.0 or greater)	Viewing and printing PDF documents	Viewing and printing documents on the BOSS	
Current approved version of Phoenix provided by AmeriSpec (Phoenix DX2)	Database management	Keep track of contacts, record-keeping, financial report generation, scheduling.	Names and addresses, inspection information, inspector records, financial data
AmeriSpec Home Inspector Software (optional)	Database collection and report generation	Collect information and prepares home inspection report during home inspection	Data related to home inspection

We do not provide any support for computer hardware, "Proprietary Software" operated on computer systems that do not meet our current specifications, non-Proprietary Software or for outdated (not current version) Proprietary Software. The AmeriSpec Home Inspector Software and the Phoenix Software (both described below) are, collectively, the "Proprietary Software." As inspection report preparation and processing software program and office management programs become more sophisticated, you may need to upgrade or supplement hardware and related items. You must upgrade your computers, modems and printers and purchase any additional equipment we specify to accommodate our software, or to improve the overall

effectiveness and competitiveness of your 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 “Phoenix Software” is AmeriSpec’s proprietary business management software. We are not obligated to provide support or upgrades to this program or its replacement program(s), although we have provided this in the past. If we provide upgrades or support, we have the right to charge you for this, although we have not charged for upgrades or support in the past. If we do charge you for these upgrades or support, we will limit our fees to our direct costs. Functional use of the Phoenix Software provides AmeriSpec with the information and data generated by this system.

AmeriSpec also has an optional proprietary software program that allows home inspectors to collect data while performing a home inspection and that generates a home inspection report (the “AmeriSpec Home Inspector Software”). The AmeriSpec Home Inspector Software is typically operated on hand-held computers, although this software also will operate on laptop or desktop computers. You must sign a “Software License Agreement” generally in the form included as an exhibit to the Franchise Agreement (Exhibit G to this Offering Circular). We will provide help desk support and major bug fixes for the AmeriSpec Home Inspector Software. (Software License Agreement, Section 2.) If you are acquiring your first Franchised Business, we will not charge you the initial license fee for the AmeriSpec Home Inspector Software. (Software License Agreement, Section 3.) We otherwise will charge an initial license fee of \$300 per license for up to three licenses (each additional license over three is provided at no additional cost to you) and an annual renewal fee of \$50 per year per license. There are no contractual limitations in the frequency or cost of this obligation. New releases of the software may be provided at additional cost and require the execution of a new license agreement.

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

AmeriSpec has a private, secure site on the Internet, which is available to our franchisees. This “intranet,” Business Owners Support System (the “BOSS”), 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. We may, in the future, expand the capabilities of the BOSS to include functions such as on-line product ordering.

AmeriSpec also makes available to its franchise system on-line ordering of marketing supplies at amerispecvendormall.com.

Training. As described earlier, we offer a two-week initial training course that consists of one week of technical training on the performance of home inspections and one week of management training on operating a business to our franchisees. You or the manager of your Franchised Business must attend and complete the first scheduled initial training course following the execution of your franchise agreement. Anyone purchasing an AmeriSpec® franchise from an existing franchise owner must also attend the first scheduled initial training

course following the purchase of the existing franchise. Infield certification is not permissible. The technical training portion of the initial training consists of training on the performance of home inspections. AmeriSpec 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 AmeriSpec in writing. As the owner of the franchise, you and up to one other person may attend the initial training program at no additional charge (other than your travel and specified living expenses) for two weeks. The person who will actually manage your business (whether it is you or a manager) must attend this training. The following table will give you additional information about the content of the training program we offered to franchisees during the last fiscal year:

Type of Training	Subject (Note 1)	Approximate Hours in Classroom	Hours on the Job (Note 2)
Management Institute (required for new franchisees)	Risk Management	3	
	Marketing	16	
	Administration/Operations	10	
	Financial Management	4	
	Personnel Recruiting/Management	2	
	Computer Training	14	
	Inspector/Technical	44 (Note 3)	100-150
Regional Training (Elective – offered to all franchisees)	Technical Topics	8-16	
	Marketing Topics	0-4	
	Administrative Topics	0-4	
	Management Topics	0-5	
TOTALS		101-122	100-150

Note 1: We will use our various manuals and the Essentials of Home Inspection as the instructional materials for these training programs.

Note 2: Inspectors are required to accompany certified AmeriSpec inspectors doing inspections and submit copies of inspection reports for evaluation by the Technical Department.

Note 3: Of these 44 hours of classroom instruction, we spend 4 hours on roofing, 4 hours on electrical systems, 4 hours on structure, 4 hours on heating systems, 4 hours on AC/heat pumps, 4 hours on exterior, 4 hours on plumbing and appliances, 4 hours on contracts and AmeriSpec/industry standards, 9 hours on infield practice inspections and 3 hours on the final test and graduation.

There are two weeks of initial training. One week of the initial training is devoted to technical training on the performance of home inspections and is primarily conducted by our Director of Technical Training and Development, Gale Colvin, and our Technical

AS FTC – _____

Trainer/Software Specialist, Michael Hughes. Mr. Colvin was an AmeriSpec® franchisee from 1993 through 1997, before becoming a member of our technical training staff. Mr. Hughes was an AmeriSpec® franchisee from 1998 to 2000 and joined our technical training staff in January 2001. The remaining week of initial training is presented by the Franchise Operations Department and focuses on successfully operating an AmeriSpec® franchise. We do not charge you for attending this initial training, except as noted below. You will be responsible for the compensation of any of your employees that attend the initial training, and for all travel, food and living expenses incurred while attending the training, unless otherwise specifically noted herein. You and/or your designated manager must satisfactorily complete this initial training before operating your Franchised Business. We provide, at no additional charge, the two weeks of initial training to you or your approved manager (up to two attendees). Any additional attendees (over two) from your Franchised Business will be charged the then-current fee for training. In addition, we provide, at no additional charge, up to a total of four additional weeks of initial training for your employees. (For example, we would not charge any fee for two employees to complete the two full weeks of initial training, or for four employees to complete one week of the initial training.) Thereafter, additional employees attending the initial training or any other additional training that we offer will be charged the then current fee for the training. (Existing franchisees who purchase additional franchises will not receive the two weeks of initial training for franchisees or their designated manager; however, they do receive the four additional weeks of initial training. Also, upon renewal, franchisees must pay for all initial training, unless he/she has training credits remaining from the expiring franchise term). All associated expenses for lodging, meals, transportation and other out-of-pocket expenses to attend the initial training are your sole responsibility, except as follows. The costs of the meals that we provide at the AmeriSpec training center during the initial training for up to two attendees, as well as the cost of 13 nights' stay for one room at a hotel designated by us are included in the initial franchise fee. At renewal, all of the initial training is at your expense.

You will typically attend the initial training approximately 30 – 60 days from signing the franchise agreement. You must successfully complete the “Technical” exam at the end of the technical part of the initial training with a minimum passing score of 75 percent as a prerequisite to operating your Franchised Business.

We hold initial training at our training facility located in Memphis, Tennessee. We maintain a regular calendar for these sessions. They are held approximately 6 times per year. All individuals conducting home inspection services for you must be certified as an “AmeriSpec Inspector”. An individual may become certified as an AmeriSpec Inspector by completing the technical part of the initial training, completing the study guide that we designate and successfully passing the final exam that we provide. We offer additional regional training programs and refresher courses to our existing franchisees and their inspectors throughout the year. We hold the regional training sessions for additional and continuing technical education across the United States at various sites approximately 6 times per year; the number of regionals held may vary from year to year. Regionals may be cancelled for insufficient attendance at our discretion.

All franchisees wishing to perform commercial inspections must become certified in commercial property inspections by meeting certain criteria, attending, and completing the

AmeriSpec Commercial Inspection training program which an independent third party conducts. The AmeriSpec Commercial Inspection training program is separate from the initial training program provided for AmeriSpec® franchisees. The required training program required is offered only to qualified inspectors, based on experience, and requires an additional training fee.

We generally hold a franchisee convention approximately once every 12 to 24 months. In February 2006, the convention included approximately 21 hours of instruction in a variety of topics, including technical procedures, business related topics, computer training, ancillary training, motivation, marketing and customer relations. The instructors included a number of the people described in Item 2 of this Offering Circular, members of our staff, and outside speakers. The charge for the franchisee registration for two people per franchise to attend the February 2005 annual convention was \$700. This fee is subject to increase from year to year. Even if you do not attend this program, you must pay this fee (unless you complete the Management Institute as a new franchisee within three months before the annual convention).

Item 12

TERRITORY

We designate a specific area for you to establish your office, and provide you with a designated area to operate your Franchised Business. Usually, your designated area will consist of a contiguous area having approximately 4,000 residential real estate transactions per year. A "Standard Territory" has a designated area which contains approximately 4,000 annual residential real estate transactions, involving the sale of one to four units, based on data collection by Onboard, LLC. In areas where data regarding the number of residential transactions is not available through Onboard, LLC, we will designate, as a Standard Territory, an area having a population of approximately 400,000 (based on the most recent U.S. Census report). In certain situations, we may (at our discretion) offer you a designated territory called an Alternate Territory. Alternate Territories generally encompass areas that have approximately 2,000, but not less than approximately 1,000, annual residential real estate transactions, involving the sale of one to four units, based on data collection by Onboard, LLC. In areas where data regarding the number of residential transactions is not available through Onboard, LLC, we will designate, as an Alternate Territory, an area having a population of approximately 200,000 (based on the most recent U.S. Census report). We have no obligation to grant a franchise for an Alternate Territory.

We will not grant any other person a franchise to establish a residential inspection service business under the name "AmeriSpec" or under any other name in any part of your designated area. We also will not establish any company-owned residential inspection home service under the name "AmeriSpec" or under any other name, within your designated area. However, we do have the right to operate or grant a franchise to operate a business at any location outside of your designated area, even if that business competes for customers in your designated area. We also do not prevent any of our franchisees from advertising their business, or soliciting customers, outside of their designated area, even if it is in part of your designated area, and we do not prevent you from soliciting customers outside your designated area.

We grant your franchise for a designated area at the time you sign the franchise agreement. We do not have any obligation to allow you to change your designated area. Our consent will not be unreasonably withheld if you want to move your office, so long as your new proposed office is within your designated area. You may not move your office outside of your designated area, nor may you advertise an office location that is outside of your designated area. If you own multiple franchises, the designated territories of which are contiguous, you are only required to establish one full-time office. You do not have any option or right of first refusal to purchase any areas outside of your designated area.

We may terminate your franchise agreement if you do not reach certain revenues and market share in your business. During the first 12 months of operation, you must generate gross receipts of at least \$45,000; \$60,000 in the second 12 months of operation; \$75,000 in the third 12 months of operation; and, in each 12-month period after that, (including any 12 month period during the renewal period), you must generate gross receipts equal to the minimum amount required during the preceding 12 months, plus 15%. If your designated area is an Alternate Territory, the minimum annual level of gross receipts is \$22,000 for the first 12 months; \$30,000 for the second 12 months; \$37,500 in the third 12 months; and in each 12-month period after that, (including any 12 month period during the renewal period), gross receipts equal to the minimum amount required for the preceding 12 months, plus 15%. There are several instances where we may not terminate your franchise if you do not meet these sales quotas. If there is a decrease of 20% or more in the number of residential sales in your Designated Territory from the last 12-month period, we will not terminate the franchise agreement because of your failure to meet your quota during the 12-month period. Also, if during a 12-month period, you, the majority shareholder, member or partner, or the principal manager dies, we will not terminate your agreement because of your failure to meet your quota during the 12-month period. Finally, during the first 12-month period, if, in our sole discretion, we believe there were factors outside of your control, which caused you not to meet your quota, we will not terminate your agreement because of your failure to meet your quota during the first 12-month period. You should not construe the required minimum gross receipts as earnings claims.

Item 13

TRADEMARKS

The franchise agreement gives you the right to operate a residential inspection business under the Names and Marks. You must follow our rules when you use our marks. You cannot use any of our Names or Marks (or the names and marks of any other ServiceMaster company) 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 our Names or Marks for the sale of any unauthorized products or service or in a way we have not authorized in writing.

On November 3, 1987, we filed an application to register the service mark "AmeriSpec" home inspection services on the Principal Register of the United States Patent and Trademark Office (the USPTO). On July 19, 1988, we received registration of the service mark in the United States Trademark Office, bearing Registration No. 1,497,266. On February 22, 1993, we filed an application with the USPTO for the service mark, "AMERISPEC INSPECTION

SERVICE and design.” We received registration of the service mark from the USPTO on November 23, 1993, under Registration No. 1,806,582. All affidavits required to preserve and renew this mark have been filed. There are no agreements limiting our right to use or license the use of our Names and Marks. If you learn of an infringement or challenge to your use of our Names and 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 Names and Marks. However, we will protect you against claims of infringement or unfair competition that might be made against you from your use of our Names and 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.

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 Names and Marks.

We may adopt new marks at any time, or to change our existing Names and Marks. If we adopt new marks, or change our existing Names and Marks, you must use the new or modified Names and 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 franchise. We do 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 property. You may use them only as long as you are a franchisee, and only as provided in the franchise agreement.

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

We will be disclosing to you certain information we believe to be confidential or proprietary information and trade secrets. 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.

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 our training program, however, must always directly supervise the business. The manager is not required to have any ownership interest in your business. However, we hold you personally responsible for the day-to-day management of the business and you will sign a Guaranty that will individually bind you and your partners to all covenants, obligations and commitments contained in the Franchise Agreement. We may require the manager to sign a confidentiality or non-compete agreement with us. You may also want your manager to sign this type of agreement with you.

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 inspecting single-family residences and certain multi-family buildings and commercial buildings. You must be certified by us to inspect either residential or commercial buildings. The certification for residential inspections is separate and distinct from certification for commercial inspections. We may prescribe certain goods and 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.

Item 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists certain important provisions of the franchise agreement and related agreements. You should read these provisions in the agreements attached to this Offering Circular.

Provision	Section in Franchise Agreement	Summary
A. Term of the franchise	Section 3(01)	10 years

Provision	Section in Franchise Agreement	Summary
B. Renewal or extension of the term	Section 3(03)	If you have complied with all provisions of the franchise agreement and comply with our operating procedures, you may renew for an additional term consistent with the then-current franchise agreement, currently 10 years. There is no renewal fee.
C. Requirements for you to renew or extend	Section 3(03)	You must have complied with all of the provisions of your franchise agreement, operated your business utilizing and conforming to the system of operation, utilized exclusively the Names and Marks in operating your business, upgraded your office to meet our then current standards, and executed all renewal agreements and documents that we send you within 30 days after you have received them from us.
D. Termination by you	Section 19(01)	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 us without cause	None	
F. Termination by us with cause	Section 19	We may terminate only if you default or commit one of several violations.
G. "Cause" defined – curable defaults	Section 19(03)	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(02). In addition, you have ten days to cure any noncompliance with federal, state or local regulations applicable to your business, five days to cure any levy on your franchise agreement, and five days to cure any late payment and fees to us.
H. "Cause" defined – defaults which cannot be cured	Section 19(02)	Noncurable defaults include failure to satisfactorily complete the initial training, abandonment of the franchise, 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 franchise business, or the franchise, any material misrepresentation relating to the purchase of the franchise, 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 designated territory.
I. Your obligations on termination/ nonrenewal	Sections 15 and 19	Obligations include complete de-identification and payments of amounts owed (also see R below). You must also assign your phone number to us and return all loaned and Confidential Materials.

Provision	Section in Franchise Agreement	Summary
J. Assignment of contract by AmeriSpec	Section 16(01)	No restriction on our right to assign.
K. "Assignment" by you – definition	Section 16(02)	Includes assignment of contract, the business, or ownership of the business.
L. Our approval of assignment by you	Sections 16(03) and 16(04)	We have the right to approve all assignments, but we will not unreasonably withhold approval.
M. Conditions for our approval of assignment	Sections 16(03) and 16(04)	New franchisee must qualify and sign an assignment document, assuming the existing franchise agreement or sign our then-current franchise agreement. You must sign a general release and pay a \$6,000 assignment fee if one-half or more of the franchise is assigned, and the new franchisee must complete training. Any existing training credits will be assigned to the new franchisee.
N. Our right of first refusal to acquire your business	Section 17	We may match any offer for your business.
O. Our option to purchase your business	None	
P. Your death or disability	Sections 16(02) and 16(04)(g)	Your heirs can assume the business, but they must meet the same conditions as a transferee or assignee, except no assignment fee is charged (see M above).
Q. Noncompetition covenants during the term of the franchise	Section 15	You may not be involved in a competing business during the term of the franchise agreement.
R. Noncompetition covenants after the franchise is terminated or expires	Section 15	You may not be involved for 1 year in a competing business within the designated territory, 10 miles of any office you maintained during the 2-year period before the date of the termination or expiration of your franchise agreement, or within 10 miles of the location of any other AmeriSpec business.
S. Modification of the agreement	Section 22	No modifications without the written consent of all parties, but manuals are subject to change.
T. Integration/merger clause	Section 22(03)	Only the terms of the franchise agreement are binding (subject to state law). Any other promises may not be enforceable.
U. Dispute resolution by arbitration	Section 20	In certain circumstances arbitration is mandatory.
V. Choice of forum	Section 22	Arbitration will be held in Memphis, Tennessee.*
W. Choice of Law	Section 22	Tennessee law applies.*

*Some states have statutes which address jurisdiction, venue and governing law. If applicable, additional disclosure will be furnished in the attached state addendum.

These states have statutes which may supersede the franchise agreement in your relationship with us including the areas of termination, renewal and forum/choice of law: ALASKA [Stat. Sections 45.45.700-45.45.790], ARKANSAS [Code Sections 4-72-201 – 4-72-210], CALIFORNIA [Bus. & Prof. Code Sections 20000-20043], CONNECTICUT [Gen. Stat. Section 42-133e *et seq.*], DELAWARE [Code Sections 2551 - 2556], HAWAII [Rev. Stat.

Section 482E-6], IDAHO [Code Section 29-110], ILLINOIS Statute [815 ILCS 705/1-44], INDIANA [Stat. Section 23-2-2.7-1 – 23-2-2.7-7], IOWA [Code Sections 523H.1-523H.17 and 537A.10], MICHIGAN [Stat. Section 19.854(27)], MINNESOTA [Stat. Section 80C.14 and 80C.21], MISSISSIPPI [Code Section 75-24-51 – 75-24-63], MISSOURI [Stat. Sections 407.400 – 407.413 and 407.420], NEBRASKA [Rev. Stat. Sections 87-401 – 87-410], NEW JERSEY [Stat. Sections 56:10-1 – 56:10-12], RHODE ISLAND [Stat. Sections 19-28.1-14 – 19-28.1-16 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 enforceable under this Act.”], SOUTH DAKOTA [Codified Laws Sections 37-5A-51 and 37-5A-51.1], VIRGINIA [Code 13.1-557-574], WASHINGTON [Code Section 19.100.180], WISCONSIN [Stat. Section 135.01-135.07]. These and other states may also have court decisions, which may supersede the franchise agreement in your relationship with AmeriSpec, including the areas of termination and renewal of your franchise. If applicable, additional disclosure will be furnished in the attached state addendum.

Item 18

PUBLIC FIGURES

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

Item 19

EARNINGS CLAIMS

We do not furnish or authorize our salespersons to furnish any oral or written information concerning the actual or potential sales, costs, income or profits for an AmeriSpec® franchise. Actual results vary from unit to unit and we cannot estimate the results of any particular franchise.

Item 20

LIST OF FRANCHISE OUTLETS

FRANCHISED STORE STATUS SUMMARY
FOR FISCAL YEARS 2003/2004/2005
(NOTE 1)

State	Transfers	Canceled or Terminated	Not Renewed	Reacquired by Franchisor	Left the System	Total From Left Columns	Franchises Operating at Year End
Alabama	0/0/0	0/0/0	0/1/1	0/0/0	0/0/0	1/1/1	6/6/7
Arizona	0/1/0	0/0/0	0/0/1	0/0/0	0/0/0	0/1/0	8/9/8
Arkansas	0/1/0	0/0/0	0/0/0	0/0/0	0/0/0	0/1/0	2/3/3
California	1/3/1	0/0/0	0/0/0	0/0/0	0/0/0	1/3/1	36/39/42
Colorado	1/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/0/0	12/14/14
Connecticut	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	2/2/2
Delaware	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/1/2
D. of Columbia	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/1/1
Florida	0/0/3	2/0/1	0/0/1	0/0/0	0/0/0	2/0/5	21/27/26
Georgia	0/0/1	0/0/0	0/1/0	0/0/0	0/0/0	0/1/1	10/9/9
Hawaii	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/0/0	0/0/0
Idaho	0/0/2	0/0/0	0/1/0	0/0/0	0/0/0	0/1/2	3/3/3
Illinois	1/0/0	0/0/1	0/0/0	0/0/0	0/0/0	1/0/1	16/16/15
Indiana	0/0/2	0/0/0	0/0/0	0/0/0	0/0/0	0/0/2	5/5/6
Iowa	0/1/3	0/0/0	0/0/0	0/0/0	0/0/0	0/1/3	3/3/4
Kansas	0/0/2	0/0/2	0/0/0	0/0/0	1/0/0	1/0/4	4/2/2
Kentucky	0/1/0	0/0/0	0/0/0	0/0/0	0/0/0	0/1/0	6/5/5
Louisiana	1/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/0/0	5/5/5
Maine	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	2/2/2
Maryland	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	6/6/6
Massachusetts	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	4/4/4
Michigan	0/0/1	0/0/1	0/0/0	0/0/0	0/1/0	0/1/0	12/12/11
Minnesota	1/0/1	0/0/0	0/0/0	0/0/0	0/0/0	1/0/1	7/7/7
Mississippi	0/0/0	1/0/0	0/0/0	0/0/0	0/0/0	1/0/0	1/3/3
Missouri	0/2/0	1/0/0	0/0/0	0/0/0	1/0/0	2/2/0	8/9/9
Montana	0/2/0	0/0/0	0/0/1	0/0/0	0/0/0	0/2/1	2/2/1
Nebraska	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/1	3/3/3
Nevada	0/0/0	0/0/0	0/0/1	0/0/0	0/0/0	0/0/1	4/4/3
New Hampshire	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	2/2/2
New Jersey	0/0/0	0/1/0	0/1/0	0/0/0	0/0/0	0/2/1	7/3/5
New Mexico	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/1/1
New York	1/1/4	0/0/0	0/0/0	0/0/0	0/0/0	1/1/4	14/16/13
North Carolina	1/1/0	0/1/0	0/0/0	0/0/0	0/0/0	1/2/0	12/12/12
North Dakota	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0
Ohio	0/0/0	1/1/0	0/0/0	0/0/0	1/2/0	2/3/0	8/7/7
Oklahoma	0/1/0	0/0/0	0/0/0	0/0/0	0/0/0	0/1/0	3/2/2
Oregon	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	6/6/6
Pennsylvania	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	7/9/12

AS FTC - _____

State	Transfers	Canceled or Terminated	Not Renewed	Reacquired by Franchisor	Left the System	Total From Left Columns	Franchises Operating at Year End
Rhode Island	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/1/1
South Carolina	0/0/0	2/0/0	1/0/0	0/0/0	0/0/0	3/0/0	4/3/3
South Dakota	1/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/0/0	1/1/1
Tennessee	0/0/1	0/1/0	0/0/0	0/0/0	0/1/0	0/1/1	10/8/9
Texas	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	8/7/9
Utah	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	4/4/4
Vermont	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0
Virginia	0/0/0	0/0/0	0/0/0	0/0/0	0/1/2	0/1/2	6/6/5
Washington	0/2/0	0/0/0	0/0/0	0/0/0	0/0/0	0/2/0	9/9/10
West Virginia	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	2/3/3
Wisconsin	1/0/0	0/1/1	0/0/0	0/0/0	0/0/0	1/0/1	5/5/4
Wyoming	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	0/0/0	1/1/1
TOTALS	9/16/21	7/7/7	2/3/5	0/0/0	3/0/2	21/26/35	300/309/314

Note 1 - The data is as of December 31 of each year.

STATUS OF COMPANY OWNED STORES FOR YEARS 2003/2004/2005

State	Stores closed during year	Stores opened during year	Total stores operating at year end
Pennsylvania	0/0/0	0/0/0	1/1/1
Texas	0/0/0	0/0/0	1/1/1
TOTALS	0/0/0	0/0/0	2/2/2

PROJECTED OPENINGS FOR FISCAL YEAR 2006 AS OF DECEMBER 31, 2005

State	Franchise Agreements Signed But Store Not Open	Projected Franchised New Stores in the Next Fiscal Year (Note 1)	Projected Company Owned Store Openings in Next Fiscal Year
Alabama		0	0
Alaska		0	0
Arizona		0	0
Arkansas		1	0
California		1	0
Colorado		0	0
Connecticut		0	0
Delaware		0	0
District of Columbia		0	0

AS FTC - _____

State	Franchise Agreements Signed But Store Not Open	Projected Franchised New Stores in the Next Fiscal Year (Note 1)	Projected Company Owned Store Openings in Next Fiscal Year
Florida		2	0
Georgia		1	0
Hawaii		1	0
Idaho		0	0
Illinois		0	0
Indiana		1	0
Iowa		0	0
Kansas		1	0
Kentucky		0	0
Louisiana		1	0
Maine		0	0
Maryland		0	0
Massachusetts		0	0
Michigan		2	0
Minnesota		1	0
Mississippi		1	0
Missouri		0	0
Montana		0	0
Nebraska		0	0
Nevada		0	0
New Hampshire		0	0
New Jersey		0	0
New Mexico		1	0
New York		0	0
North Carolina		0	0
North Dakota		0	0
Ohio		2	0
Oklahoma		1	0
Oregon		0	0
Pennsylvania		1	0
Rhode Island		0	0
South Carolina		1	0
South Dakota		0	0
Tennessee		1	0
Texas		1	0
Utah		1	0
Vermont		0	0
Virginia		2	0
Washington		0	0
West Virginia		0	0
Wisconsin		0	0
Wyoming		0	0

State	Franchise Agreements Signed But Store Not Open	Projected Franchised New Stores in the Next Fiscal Year (Note 1)	Projected Company Owned Store Openings in Next Fiscal Year
TOTAL	0	24	0

A list of all franchisees as of January 6, 2006, and their addresses and telephone numbers of their business is Exhibit E to this Offering Circular. Franchisees who have multiple franchised businesses may have only one office (and may be listed only once).

Exhibit F is a list of the name and last known home address and telephone number of every franchisee who has had their franchise terminated, canceled, not renewed, or otherwise voluntarily or involuntarily stopped doing business under the franchise agreement during the fiscal year ended December 31, 2005, or who has not communicated with us within 10 weeks of our application date.

Item 21

FINANCIAL STATEMENTS

The following financial statements are Exhibit I to this offering circular:

The ServiceMaster Company and subsidiaries audited consolidated financial statements for the years ended December 31, 2005, 2004, and 2003.

The ServiceMaster Company has absolutely and unconditionally guaranteed to assume our duties and obligations under the franchise agreement should we become unable to perform the duties and obligations.

Item 22

CONTRACTS

Exhibit B and Exhibit C are the financing documents utilized by SMAC. Exhibit G is the AmeriSpec Franchise Agreement (including the Computer Software License Agreement, the Website and E-Mail Account License Agreements, the Telephone Number Assignment Agreement and the Guaranty of the Franchise Agreement). Exhibit H is the Alternate Territory Addendum.

Item 23

RECEIPT

Two copies of an acknowledgement of your receipt of this Offering Circular are included at the end of this Offering Circular (Exhibit L). You should keep one copy as your file copy and return the second copy to us.