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This memorandum is a working draft dated November 2, 2026. It has **not** been reviewed or approved by the Company's securities counsel, and its terms will change. It is shared only for review and feedback. It is not an offer to sell, or a solicitation of an offer to buy, any security. No one should rely on it or invest based on it.

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

Service Depot Search Fund

[Service Depot Search Fund, LLC], a [Delaware] limited liability company

Up to $500,000 of Search Capital

20 Search Units at $25,000 per Unit

Minimum subscription: 2 Units ($50,000)

Memorandum date: [●], 2026

Memorandum No. [●] · Offeree: [●]

THE UNITS OFFERED BY THIS MEMORANDUM HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE, AND ARE OFFERED IN RELIANCE ON EXEMPTIONS FROM REGISTRATION, INCLUDING [RULE 506(B)] [RULE 506(C)] OF REGULATION D. THE UNITS ARE RESTRICTED SECURITIES. THEY MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED BY THE SECURITIES ACT, APPLICABLE STATE SECURITIES LAWS, AND THE COMPANY'S OPERATING AGREEMENT. INVESTORS SHOULD BE PREPARED TO BEAR THE ECONOMIC RISK OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD AND TO LOSE THEIR ENTIRE INVESTMENT. SEE "RISK FACTORS."

IMPORTANT NOTICES

THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM (THIS "MEMORANDUM") HAS BEEN PREPARED SOLELY FOR THE OFFEREE NAMED ON THE COVER, FOR USE IN EVALUATING AN INVESTMENT IN THE UNITS OF MEMBERSHIP INTEREST (THE "UNITS") OF [SERVICE DEPOT SEARCH FUND, LLC] (THE "COMPANY"). IT MAY NOT BE REPRODUCED OR DISTRIBUTED, IN WHOLE OR IN PART, OR USED FOR ANY OTHER PURPOSE. BY ACCEPTING DELIVERY OF THIS MEMORANDUM, THE OFFEREE AGREES TO RETURN IT AND ALL RELATED DOCUMENTS TO THE COMPANY IF THE OFFEREE DOES NOT INVEST.

THE UNITS ARE OFFERED ONLY TO PERSONS WHO ARE "ACCREDITED INVESTORS" AS DEFINED IN RULE 501(A) OF REGULATION D. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES REGULATOR HAS APPROVED OR DISAPPROVED OF THE UNITS OR PASSED ON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION ABOUT THE COMPANY OR THE UNITS OTHER THAN AS CONTAINED IN THIS MEMORANDUM AND THE DOCUMENTS REFERRED TO IN IT. ANY OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED ON. NEITHER THE DELIVERY OF THIS MEMORANDUM NOR ANY SALE OF UNITS IMPLIES THAT THE INFORMATION IN IT IS CORRECT AFTER ITS DATE.

THE CONTENTS OF THIS MEMORANDUM ARE NOT LEGAL, TAX OR INVESTMENT ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN ADVISORS ABOUT THE LEGAL, TAX AND FINANCIAL CONSEQUENCES OF AN INVESTMENT IN THE UNITS. THE COMPANY'S COUNSEL REPRESENTS THE COMPANY AND DOES NOT REPRESENT ANY INVESTOR.

THIS MEMORANDUM SUMMARIZES CERTAIN PROVISIONS OF THE COMPANY'S OPERATING AGREEMENT AND SUBSCRIPTION DOCUMENTS. THOSE SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY BY THE DOCUMENTS THEMSELVES, WHICH CONTROL IN THE EVENT OF ANY INCONSISTENCY.

PROSPECTIVE INVESTORS MAY ASK QUESTIONS OF, AND RECEIVE ANSWERS FROM, THE COMPANY ABOUT THE TERMS OF THE OFFERING, AND MAY REQUEST ADDITIONAL INFORMATION TO VERIFY THE INFORMATION IN THIS MEMORANDUM, TO THE EXTENT THE COMPANY HAS IT OR CAN OBTAIN IT WITHOUT UNREASONABLE EFFORT OR EXPENSE.

Forward-looking statements

This Memorandum contains forward-looking statements, including statements about the Company's search strategy, acquisition criteria, expected purchase prices and multiples, margins, exit values, timing and use of proceeds. Words such as "expect," "target," "plan," "intend," "estimate" and "may" identify them. Forward-looking statements are based on the searcher's experience and the Company's internal modeling. They are not guarantees, and actual results may differ materially. All financial figures in this Memorandum are modeled projections, not audited or historical results. The Company undertakes no obligation to update them.

Notice to residents of certain states

[Counsel to insert state-specific legends for each state in which offers are made.]

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1. SUMMARY OF THE OFFERING

This summary highlights selected information from this Memorandum. It is qualified in its entirety by the rest of this Memorandum and by the Operating Agreement and Subscription Agreement. Read all of them before investing.

Issuer	[Service Depot Search Fund, LLC], a [Delaware] limited liability company formed to fund a search for, and the acquisition of, a commercial facilities services business.
Searcher and Manager	Paul Mederos, Founder & CEO (the "Searcher"), who will serve as the Company's sole manager (the "Manager").
Securities offered	Units of membership interest representing search capital ("Search Units" or "Units").
Offering size	Up to $500,000 : 20 Units at $25,000 per Unit.
Minimum subscription	2 Units ($50,000). The Manager may accept smaller subscriptions at its discretion.
Expected investors	Approximately 8 to 12 accredited investors.
Closings	An initial closing (the "Initial Closing") once subscriptions for at least [$400,000] have been accepted, and subsequent closings until the offering is fully subscribed or terminated, no later than [●]. Investors in subsequent closings receive the same terms as investors in the Initial Closing.
Purpose	To fund a search of up to 24 months to identify, negotiate and close the acquisition of one founder-led commercial facilities services company, with a focus on credentialed healthcare cleaning (the "Base Company"). The Company expects the Base Company to be followed over time by two to four add-on acquisitions.
Search period	24 months from the Initial Closing. It may be extended by up to [6] months with the consent of investors holding a majority of the outstanding Units. See "The search plan."
Use of proceeds	Searcher salary ($325,000), due diligence ($80,000), travel and owner outreach ($45,000), fund formation and administration ($30,000), and research stack ($20,000). See "Use of proceeds."
Step-up	If the Company completes the Base Company acquisition, each investor's search capital converts into securities of the acquisition vehicle at 150% of the amount invested (a 1.5× step-up), on the same terms as the securities issued to acquisition investors.

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Right of first refusal	Each investor has the right, but not the obligation, to invest in the equity financing for the Base Company acquisition, pro rata to its Units, before the opportunity is offered to others.
Searcher equity	The Searcher is expected to earn up to [25%] of the common equity of the acquisition vehicle, vesting [one-third at the closing of the acquisition, one-third over four years of continued service, and one-third on investors reaching specified return thresholds].
If no acquisition is completed	The Company will wind down, and any search capital remaining after expenses will be returned to investors pro rata. Investors should expect to lose most or all of their search capital in this case.
Management fee	None. The Searcher's salary and the Company's expenses are paid from search capital as budgeted.
Reporting	Quarterly written updates on the search, annual financial statements, and annual Schedule K-1s.
Transfer	Units may not be transferred without the Manager's consent and compliance with securities laws. There is no market for the Units.
Investor eligibility	Accredited investors only. [Under Rule 506(c), the Company will take reasonable steps to verify accredited status.]
Risk factors	An investment in the Units is speculative and involves a high degree of risk, including the risk of total loss. See “Risk factors.”

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2. THE OPPORTUNITY

A fragmented industry facing succession

Commercial facilities services (janitorial, porter and related building services) is a large, fragmented industry made up of thousands of owner-operated companies. Many were founded between the 1960s and 1990s and are now led by owners in their sixties and seventies with no internal successor. These businesses tend to have recurring, contracted revenue and a loyal customer base. When they sell, they often sell at modest multiples because the pool of buyers is thin.

The Company's thesis is straightforward: acquire one solid, founder-led facilities services company in a credentialed niche, run it well with an experienced operator, and grow it carefully through add-on acquisitions. Larger, integrated operators in this industry trade at higher multiples than small private companies. The Company believes that spread, earned through disciplined operation rather than assumed, is the source of return.

MODELED ASSUMPTION	VALUE	BASIS
Purchase price, per company	~3.7× EBITDA	Company model: price of 3× monthly revenue at a 10% margin
Exit benchmark	~9× EBITDA	Five-year median EV/EBITDA of the listed sector leader
Underwritten EBITDA margin	10%	Roughly where well-run janitorial businesses operate today

These figures are modeled assumptions, not predictions. The exit benchmark is a large public company, and a smaller private company may sell for considerably less. See “Risk factors.”

Why healthcare first

- **Credential-gated entry.** Hospitals and medical office buildings require audited cleaning protocols, documented training (including OSHA, health department, CDC and Joint Commission requirements), background-checked and badged staff, and medically cleared employees. Qualification takes months and favors the incumbent.
- **Buyers choose on risk before price.** In a healthcare facility, a failed inspection or a contamination event is a clinical and compliance problem. Customers tend to keep a contractor that has never failed them.
- **Recurring, contracted revenue.** Janitorial work is typically delivered under multi-year service agreements.

Acquisition criteria

- A credentialed specialty, healthcare first. Other credentialed niches (such as data centers, cleanrooms, manufacturing, airports and corporate headquarters) may also qualify.

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- Recurring, contracted revenue rather than one-off project work.
- A founder or owner-operator motivated to stay through the transition.
- An entity type and customer contracts that permit an asset purchase (see below).

The Base Company should be sound on its own, without relying on add-ons to make it work.

One base company, then add-ons

The Company's goal is three to five acquisitions in total, made one at a time. Each add-on is expected to be integrated before the next is pursued. The Company's 32-company pipeline is a list of sourced candidates, not a list of planned acquisitions. Add-on acquisitions will require additional capital, raised separately, and are not funded by this offering.

Asset purchases only

As a matter of policy, the Company intends to acquire businesses by purchasing their assets, not their equity. An asset purchase limits the liabilities the buyer inherits, such as pre-closing wage-and-hour claims, tax deficiencies and litigation. It also brings costs: consents to assign customer contracts, re-hiring of the workforce, re-badging of staff at healthcare sites, and a longer time to close. See “Risk factors.”

Technology in the back office

The Company expects to use software and AI tools to reduce administrative work, such as scheduling and filling shifts, billing and collections, estimating and bidding, and compliance reporting. It does not underwrite any reduction in cleaning labor hours. The people who clean the buildings, and the supervisors who lead them, remain central to the business.

3. THE SEARCHER

Traditional search funds typically back recent business-school graduates who learn an industry during the search. This search is led by an operator with more than 35 years in commercial facilities services.

Paul Mederos, Founder & CEO

Paul's father emigrated from Cuba and built a janitorial company cleaning hospitals in Northern Virginia. Paul grew up working in the business, was running it by age 23, and grew it to roughly thirty commercial and medical-office properties, including Kaiser Permanente sites.

He then spent about two decades as a senior executive at a national facilities services contractor, most recently as Executive Vice President. He has overseen operations at Washington Dulles and Reagan National airports, a National Institutes of Health headquarters campus, more than 150 healthcare facilities, Class-AA commercial buildings, data centers and manufacturing plants: over 300 sites, more than 5,000 employees and subcontractor staff, and budgets above $100 million. His teams' contract

wins include the Dulles Airport custodial contract, won against more than twelve bidders including ABM, and work for NIH and the U.S. Coast Guard.

As General Partner of Mederossa LLC, he has scaled companies past $75 million in revenue, reorganized distressed businesses, and structured acquisitions and joint ventures. He negotiates in English, Spanish and Portuguese.

[Searcher to verify every statement in this section.]

Time commitment and current employment

Paul is currently employed as an executive at a national facilities services company. He will devote substantially all of his business time to the search beginning [within 30 days after] the Initial Closing, and will not take other employment during the search period. [Counsel to confirm the disclosure of any restrictive covenants with his current employer.]

The searcher as industry specialist

The Searcher will lead sourcing, owner relationships, valuation, negotiation and operating diligence himself. The Company will engage accountants and counsel for financial, tax and legal diligence on specific transactions. It does not budget for outside sourcing or transaction advisory firms.

4. THE SEARCH PLAN

Starting point

The Searcher has already sourced 32 founder-led commercial cleaning and facilities companies across several U.S. metropolitan areas. They were screened for credentialed specialties, contracted revenue and owner succession. The Searcher knows the founders of one Base Company candidate, with roughly $50 million in annual revenue, and has raised a potential acquisition with them. They have asked to revisit the conversation, including terms, in the first quarter of 2027. No negotiation is under way, there is no letter of intent or other agreement with any candidate, and the owners may decide not to sell. [Re-confirm before each use of this Memorandum.]

Timeline

The Company has budgeted a full 24-month search, even though the existing pipeline may allow a faster process. In the Searcher's experience and in the experience of search investors, the period from a signed letter of intent to closing alone typically takes six to eight months.

PHASE	INDICATIVE TIMING	WORK
Sourcing and screening	Months 1–6	Owner conversations across the pipeline; financial screening; site visits

Letter of intent	Months 4–12	Valuation, negotiation, and a signed non-binding LOI on the Base Company
Diligence and financing	Months 6–20	Commercial, tax, financial and legal diligence; senior debt and seller financing; acquisition equity raise, offered first to search investors
Closing	By month 24	Purchase agreement, customer consents, workforce transition, closing

Extension

If the Company has not completed an acquisition within 24 months, the Manager may extend the search period by up to [6] months with the consent of investors holding a majority of the outstanding Units. Any additional search capital needed for an extension will be offered first to existing investors, pro rata, on terms [including the step-up] set out in the Operating Agreement.

Acquisition financing

The Company expects to finance the Base Company acquisition with a combination of acquisition equity, senior debt, and seller financing (seller notes and seller rollover equity), and estimates that the equity raise will be [$10–20 million]. The terms of that financing will be set out in separate offering documents at the time. This offering does not fund any part of the purchase price.

5. USE OF PROCEEDS

Assuming the offering is fully subscribed, the Company expects to use the $500,000 of search capital over the 24-month search period as follows.

CATEGORY	WHAT IT COVERS	AMOUNT	SHARE
Searcher salary	$162,500 per year for 24 months, full-time and exclusive [confirm treatment of employer payroll taxes and benefits]	$325,000	65%
Due diligence	Commercial, tax, financial and legal work from letter of intent to purchase documents, including on transactions that do not close	$80,000	13%
Travel and owner outreach	Site visits, owner meetings, industry events	$45,000	7%
Fund formation and administration	Entity and offering counsel, accounting and tax filings, insurance, regulatory filings	$30,000	5%
Research stack	AI tooling, data subscriptions, pipeline and CRM software	$20,000	3%
Total		**$500,000**	**100%**

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Diligence costs for the acquisition that closes are expected to be paid as transaction expenses from the acquisition financing. The diligence line above funds work before that point, including on transactions that do not close.

The Manager may reallocate up to [15%] of the total among categories as the search requires, except that the Searcher's salary may not be increased without the consent of investors holding a majority of the outstanding Units. If the offering is not fully subscribed, the Manager will reduce non-salary categories first and may shorten the search period. Pending use, proceeds will be held in a bank account in the Company's name.

6. TERMS OF THE UNITS AND THE ACQUISITION

The following summarizes the principal economic terms. The Operating Agreement (Exhibit A) controls.

Step-up on conversion

When the Base Company acquisition closes, each investor's search capital converts into securities of the acquisition vehicle with a value equal to 150% of the search capital the investor contributed. The converted securities carry the same terms, rights and preferences as the securities issued to acquisition investors. Conversion occurs whether or not the investor also invests in the acquisition equity.

Right of first refusal on acquisition equity

Before offering acquisition equity for the Base Company to anyone else, the Company will offer each investor the right to invest an amount pro rata to its Units. Investors may decline in whole or in part. Any portion not taken up may be offered to other investors, including new investors, on terms no more favorable than those offered to search investors.

Approval of the acquisition

The Company will not complete the Base Company acquisition unless investors holding [a majority] of the outstanding Units have approved it, after receiving a summary of the target, the proposed price and terms, the financing plan and the key diligence findings. In practice, each investor's decision whether to fund the acquisition equity is also its own decision on the deal.

Searcher equity

The Searcher is expected to receive up to [25%] of the common equity of the acquisition vehicle, earned in three equal tranches: [(1) at the closing of the acquisition; (2) over four years of continued service; and (3) on investors achieving specified internal rate of return thresholds.] Searcher equity dilutes all other common equity holders. The final terms will be set out in the acquisition documents.

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Add-on acquisitions

Add-on acquisitions after the Base Company will be financed separately, through the acquisition vehicle's cash flow, debt, seller financing or new equity. The Company intends to offer search and acquisition investors a pro-rata opportunity to participate in any new equity for add-ons, on terms to be set at the time.

If no acquisition is completed

If the search period (including any extension) ends without an acquisition, or if the Manager determines that the search should end, the Company will wind down. After paying its expenses and liabilities, it will distribute any remaining search capital to investors pro rata. No step-up applies.

7. MANAGEMENT, GOVERNANCE AND REPORTING

Manager

The Company is managed by its Manager, Paul Mederos. The Manager has full authority over the Company's day-to-day affairs, including the search, engagement of advisors, and negotiation of letters of intent, subject to the investor consent rights below.

Investor consent rights

The following require the consent of investors holding a majority of the outstanding Units [counsel to confirm list and thresholds]:

- completing the Base Company acquisition;
- extending the search period or raising additional search capital;
- increasing the Searcher's salary;
- any transaction between the Company and the Searcher, his family members or their affiliates (other than the salary and expense reimbursement described here);
- amending the Operating Agreement in a manner adverse to investors; and
- dissolving the Company before the end of the search period.

Advisors

The Manager may invite investors with relevant experience to serve as informal advisors during the search. Advisors have no authority to bind the Company and no fiduciary duties to it.

Reporting

- Quarterly written updates covering pipeline activity, owner conversations, letters of intent, and spending against budget.
- Annual financial statements [unaudited].

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- Schedule K-1s for each tax year, delivered as soon as practicable after year-end.
- Prompt notice of any signed letter of intent, and a full investment summary before any request for acquisition approval.

8. COMPENSATION AND CONFLICTS OF INTEREST

Compensation of the Searcher

- **Salary.** $162,500 per year during the search period, paid from search capital.
- **Expenses.** Reimbursement of reasonable, documented search expenses within the budget categories.
- **Equity.** Searcher equity in the acquisition vehicle as described in “Terms of the Units and the acquisition.”
- **No other fees.** The Company pays no management fee, transaction fee, or finder's fee to the Searcher or his affiliates.

Conflicts of interest

- **Incentive to complete a deal.** Searcher equity is earned only if an acquisition closes. That may create an incentive to pursue an acquisition that investors would not favor. The approval rights and each investor's choice whether to fund the acquisition are intended to address this.
- **Current employment.** Until he transitions to the search full-time, the Searcher remains employed by a facilities services company that may compete for the same acquisition targets or customers. [Counsel to complete.]
- **Other business interests.** The Searcher is General Partner of Mederossa LLC. He will not use Mederossa LLC or any other affiliate to pursue an acquisition that falls within the Company's acquisition criteria during the search period.
- **Family members.** Members of the Searcher's family may assist with the search. Any compensation to them, or other transaction with them, requires investor consent as described in “Management, governance and reporting.” [Disclose any existing arrangement.]
- **Seller relationships.** The Searcher has long-standing industry relationships with owners in the pipeline. Those relationships are a source of deal flow and may also affect the negotiation of terms.

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9. RISK FACTORS

AN INVESTMENT IN THE UNITS IS SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK. ONLY INVESTORS WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT SHOULD INVEST. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER THE FOLLOWING RISKS, TOGETHER WITH THE REST OF THIS MEMORANDUM. THE RISKS BELOW ARE NOT THE ONLY ONES THE COMPANY FACES.

Risks related to the search

The Company may not complete an acquisition, and investors may lose all of their search capital.

Many search funds do not complete an acquisition. The Company has no binding agreement with any target. If no acquisition closes, most or all of the search capital will have been spent on salary and search expenses and will not be recovered.

The Company depends entirely on one person.

The success of the search depends on Paul Mederos. His death, disability, departure or loss of focus would likely end the search. The Company does not budget for key-person insurance.

The Searcher has not previously raised or run a search fund.

Although the Searcher has extensive operating experience and has participated in acquisitions, this is his first search fund. Search funds have conventions and investor expectations that may be new to him.

Most of the search budget is salary, and the budget may be insufficient.

The Searcher's salary is about 65% of the budget and is paid regardless of outcome. The remaining budget for diligence, travel and administration is modest. If costs run higher, or a deal fails late in diligence, the Company may need additional search capital, which could dilute investors or might not be available.

The budget does not include outside transaction advisors.

The Searcher will lead sourcing, valuation and negotiation himself, with accountants and counsel engaged for diligence. Complex transactions may benefit from advice the Company has not budgeted for.

The Searcher's transition from current employment may delay or limit the search.

The Searcher is currently employed in the same industry. Obligations to his current employer, including any confidentiality, non-competition or non-solicitation obligations, could delay his full-time start or restrict which companies he may pursue.

The pipeline is preliminary.

The Company's pipeline consists of companies identified and screened from public and industry sources and personal relationships. The owners of the Base Company candidate have asked to discuss terms in the first quarter of 2027; they have not agreed to sell or to any terms, and the conversation may not lead to a letter of intent. Owners frequently change their minds about selling.

Competition for acquisitions is increasing.

Private equity-backed platforms, including Rainier Partners (Kleen-Tech), Angeles Equity (Xanitos), Littlejohn (Pritchard) and Blue Sage Capital (Clean Team), are acquiring commercial cleaning companies. Competition may raise purchase prices or cause the Company to lose targets.

Acquisition financing may not be available on acceptable terms.

Completing an acquisition requires equity, senior debt and seller financing. Interest rates, lender appetite and seller expectations may make financing unavailable or more expensive than modeled.

The Company's asset-purchase policy adds cost, time and execution risk.

Asset purchases require consents to assign customer contracts, re-hiring of the workforce, re-badging of staff at healthcare and restricted-access sites, and transfer of permits and certifications. Some targets may be unwilling or unable to sell on these terms. Customers may use the consent process to renegotiate or leave. An asset purchase narrows, but does not eliminate, exposure to the seller's liabilities; successor liability may still apply in some circumstances.

A multi-company strategy is unusual for a search fund.

Search funds traditionally acquire and operate a single company. The Company's plan to add two to four add-ons after the Base Company introduces integration risk, requires additional capital, and may not be achievable.

The modeled multiples and margins may not be achieved.

The entry multiple, exit benchmark and margin in this Memorandum come from the Company's internal model and the Searcher's experience. The exit benchmark is the median multiple of a large, listed company. A smaller private business, even after add-ons, may sell for a much lower multiple, or may not be saleable at all on attractive terms.

Risks related to the industry

The business is labor-intensive and sensitive to wages and turnover.

Labor is the largest cost of a janitorial business. Minimum wage increases, labor shortages, high turnover, overtime and benefit costs can reduce margins, particularly under fixed-price contracts.

Employment law compliance is complex.

Facilities services businesses are exposed to wage-and-hour, classification, immigration (Form I-9), prevailing-wage (including the Service Contract Act) and collective bargaining obligations. Violations can result in significant liabilities.

Healthcare work carries heightened compliance and reputational risk.

Cleaning in healthcare settings involves infection-control protocols, bloodborne-pathogen exposure, and customer audits. A failure can lead to contract loss, liability claims and reputational harm.

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Contracts may be terminated on short notice, and customers may be concentrated.

Many janitorial contracts, even multi-year agreements, allow termination for convenience on 30 to 90 days' notice. A small number of customers may account for a large share of a target's revenue.

Insurance, safety and claims costs may rise.

Workers' compensation, general liability and other insurance costs can increase significantly and are partly outside the Company's control.

Technology may not deliver the expected savings.

The Company's plans to reduce administrative costs with software and AI tools may cost more, take longer, or save less than expected, and may introduce data security and privacy risks.

Economic conditions affect demand.

Changes in office occupancy, healthcare system budgets, government spending and general economic conditions may reduce demand or pricing for facilities services.

Risks related to the Units

The Units are illiquid and subject to transfer restrictions.

There is no market for the Units and none is expected to develop. Transfers require the Manager's consent and compliance with securities laws. Investors should expect to hold their Units until an acquisition closes or the Company winds down.

The offering has not been reviewed by any regulator.

The Units are offered under an exemption from registration. No regulator has reviewed this Memorandum or the fairness of the terms.

Investors will be diluted.

Investors' interests in the acquisition vehicle will be diluted by Searcher equity, by the acquisition equity raise, by any seller rollover equity, and by any additional search capital or add-on financing.

Investors have limited control.

Investors have only the consent rights described in this Memorandum and the Operating Agreement. They do not participate in management.

Investors may owe tax without receiving cash.

As a partnership for tax purposes, the Company allocates its income and losses to investors. Search expenses may be capitalized rather than deducted, so losses may not be currently usable. See “Certain U.S. federal income tax considerations.”

Investors are not separately represented.

Counsel to the Company represents only the Company. Each investor should consult its own advisors.

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The offering may not be fully subscribed.

If less than $500,000 is raised, the Company may have less time or fewer resources for the search.

10. CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

[Counsel to complete.] The Company expects to be treated as a partnership for U.S. federal income tax purposes and not as an association taxable as a corporation. Each investor will be required to report its allocable share of the Company's income, gain, loss and deduction, whether or not cash is distributed. Search and investigatory expenses may be required to be capitalized as start-up costs rather than deducted currently. The tax treatment of the conversion of search capital into securities of the acquisition vehicle, including the step-up, depends on the structure of the acquisition and will be addressed at that time. Prospective investors should consult their own tax advisors.

11. ERISA CONSIDERATIONS

[Counsel to complete.] The Company intends to limit investment by "benefit plan investors" to less than 25% of each class of Units, so that the Company's assets are not treated as "plan assets" under ERISA. Fiduciaries of employee benefit plans, IRAs and similar arrangements should consult their own advisors before investing.

12. INVESTOR SUITABILITY AND TRANSFER RESTRICTIONS

Units will be sold only to persons who are accredited investors under Rule 501(a) of Regulation D. For individuals, this generally means (a) a net worth, alone or with a spouse or spousal equivalent, of more than $1,000,000, excluding the value of a primary residence; (b) individual income above $200,000, or joint income above $300,000, in each of the two most recent years, with a reasonable expectation of the same in the current year; or (c) holding certain professional certifications, such as a Series 7, 65 or 82 license in good standing. Entities qualify under the categories set out in Rule 501(a). [Counsel to confirm current definitions.]

Each investor will represent that it is acquiring Units for its own account, for investment, and not with a view to distribution. Certificates or records for the Units will bear a legend reflecting the transfer restrictions.

13. HOW TO SUBSCRIBE

1. Review this Memorandum, the Operating Agreement (Exhibit A) and the Subscription Agreement (Exhibit B) with your advisors.

2. Complete and sign the Subscription Agreement and Investor Questionnaire. [Under Rule 506(c), provide the documents the Company requests to verify accredited status.]
3. Sign the Operating Agreement signature page.
4. Fund your subscription by wire to the Company's account on the instructions provided at closing.

The Manager may accept or reject any subscription in whole or in part. Subscriptions are irrevocable once submitted, except as required by applicable state law. Questions should be directed to Paul Mederos at paul@servicedepot.com.

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EXHIBITS

Exhibit A — Operating Agreement

[To be prepared by counsel.]

Exhibit B — Subscription Agreement and Investor Questionnaire

[To be prepared by counsel.]

Exhibit C — Search budget detail

CATEGORY	YEAR 1	YEAR 2	TOTAL
Searcher salary	$162,500	$162,500	$325,000
Due diligence	$30,000	$50,000	$80,000
Travel and owner outreach	$27,500	$17,500	$45,000
Fund formation and administration	$20,000	$10,000	$30,000
Research stack	$12,000	$8,000	$20,000
Total	**$252,000**	**$248,000**	**$500,000**

Year 1 front-loads formation costs, outreach and tooling setup. Year 2 shifts toward diligence as letters of intent mature. The phasing is indicative only.

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