

ADMINISTRATIVE PROCEEDING
BEFORE THE
SECURITIES COMMISSIONER OF MARYLAND

In the Matter of:

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MaidPro Franchise, LLC,

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Case No. 2025-0076

Respondent,

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CONSENT ORDER

WHEREAS, the Securities Division of the Office of the Attorney General of Maryland (the “Securities Division”) initiated an investigation into the franchise-related activities of MaidPro Franchise, LLC (“MaidPro”) under the authority granted under the Maryland Franchise Registration and Disclosure Law, MD. BUS. REG. CODE ANN. Sections 14-201 et seq. (2024 Repl. Vol.) (the “Maryland Franchise Law”); and

WHEREAS, as a result of that investigation, the Maryland Securities Commissioner (the “Securities Commissioner”) found grounds to allege that MaidPro violated the Maryland Franchise Law by failing to defer franchise fees and other initial payments owed by Maryland franchisees that MaidPro was required to defer under section 14-217 of the Maryland Franchise Law and COMAR 02.02.08.08; and

WHEREAS, before the holding of a hearing in this matter, without trial or final adjudication of any issue of fact or law, and without MaidPro admitting or denying any violation of law, the Securities Commissioner and MaidPro have reached an agreement to enter into this Consent Order; and

WHEREAS, MaidPro waives its rights to a hearing and any rights to seek judicial review or otherwise challenge or contest the terms and conditions of this Consent Order; and

WHEREAS, the Securities Commissioner has determined that it is in the public interest to issue this Consent Order;

NOW, THEREFORE, it is hereby agreed, and the Securities Commissioner hereby orders:

I. JURISDICTION

1. The Securities Commissioner has jurisdiction in this proceeding and over MaidPro pursuant to Section 14-210 (a) of the Maryland Franchise Law.

II. FINDINGS OF FACT

2. MaidPro is a Delaware limited liability company with a principal business address of 77 North Washington Street, Boston, Massachusetts 02114.

3. MaidPro offers and sells franchises for businesses that provide residential and commercial cleaning services and other services.

4. MaidPro has offered franchises since 1997.

5. For most periods since 2002, in order to offer and sell franchises under the Maryland Franchise Law, MaidPro or its predecessor filed with the Securities Division franchise registration applications or exemption applications.

6. Under section 14-217 of the Maryland Franchise Law and COMAR 02.02.08.08, any time after the submission of a registration application and upon a finding that it is necessary and appropriate for the protection of prospective franchisees, the Securities Commissioner may require a franchisor to escrow franchise fees and other funds paid by a franchisee until the franchisor's obligations under the offering have been satisfied ("Escrow Condition").

7. Maryland Franchise Regulations provide alternative forms of financial assurances other than the Escrow Condition. Under COMAR 02.02.08.08G, instead of the imposition of an

Escrow Condition, the Securities Commissioner may in appropriate circumstances accept a franchisor's agreement to defer franchise fees and other initial payments owed by franchisees until the franchisor's obligations under the offering have been satisfied ("Deferral Condition").

8. On July 8, 2021, as a condition of granting MaidPro's exemption from registration under the Maryland Franchise Law, the Securities Division notified MaidPro that, on the basis of the financial information MaidPro submitted, the Securities Commissioner had imposed an Escrow Condition, and that Maryland regulations allow alternatives to the imposition of an Escrow Condition in the form of a Deferral Condition.

9. In response to the Securities Division's July 8, 2021 letter, MaidPro indicated that it opted for the Deferral Condition by amending its Franchise Disclosure Document ("FDD") and Franchise Agreement in Maryland to state that, because the Maryland Securities Commissioner had required a financial assurance condition, "all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the Franchise Agreement and the franchisee's franchise outlet is opened."

10. The Securities Division notified MaidPro that its notice of exemption was deemed filed on August 9, 2021, authorizing MaidPro to offer and sell franchises under the Maryland Franchise Law using the FDD that MaidPro filed with the Securities Division, subject to the Deferral Condition.

11. MaidPro disclosed the Deferral Condition in FDDs that MaidPro included with subsequent registration filings made with the Securities Division between August 2021 and 2024.

12. In March 2025, the Securities Division received information alleging that MaidPro offered and sold a franchise in Maryland in 2022 but may have failed to comply with

the Deferral Condition by accepting franchise fees from that Maryland franchisee before MaidPro had completed its pre-opening obligations to the franchisee.

13. On March 18, 2025, the Securities Division contacted counsel for MaidPro and requested that MaidPro confirm that it had complied with the Deferral Condition for all franchise sales that MaidPro made to Maryland residents between 2022 and 2025.

14. Upon this request, MaidPro performed an investigation into its franchise sales activities in Maryland and determined that, between 2022 and 2025, MaidPro sold three (3) franchises to Maryland franchisees, all between March 2022 and December 2022.

15. MaidPro acknowledged that for two (2) of the three (3) franchise sales MaidPro made in 2022, MaidPro failed to comply with the Deferral Condition because MaidPro inadvertently accepted some or all the franchise fees payable from Maryland franchisees prior to MaidPro's completion of its pre-opening obligations under its franchise agreement.

16. MaidPro represents that it did comply with the Deferral Condition in the case of a third franchise sale to a Maryland resident that occurred on December 28, 2022.

17. MaidPro represents that, ultimately, MaidPro did complete its pre-opening obligations to the two (2) Maryland franchisees from whom MaidPro accepted franchise fees before completing its pre-opening obligations to those franchisees.

18. MaidPro represents that its failure to comply with the Deferral Condition on two occasions in Maryland was inadvertent, and MaidPro further represents that it has taken steps to ensure that it commits no future mistakes complying with the Deferral Condition in Maryland.

19. On May 4, 2025, Counsel for MaidPro submitted to the Securities Division a proposed set of new procedures ("Deferral Procedures") that MaidPro has agreed to implement in order to ensure that MaidPro complies with the Deferral Condition in Maryland for as long as

that Deferral Condition is in effect.

20. The Securities Division has reviewed and approved the new Deferral Procedures that MaidPro has proposed.

IV. CONCLUSIONS OF LAW

21. The Securities Commissioner has concluded that MaidPro violated section 14-217 of the Maryland Franchise Law and COMAR 02.02.08.08.

V. ORDER AND CONSENT

22. THE SECURITIES COMMISSIONER HEREBY ORDERS AND MAIDPRO HEREBY CONSENTS AND REPRESENTS AS FOLLOWS:

- A. MaidPro shall permanently cease and desist from the offer and sale of franchises in violation of the Maryland Franchise Law;
- B. MaidPro shall comply with the Deferral Procedures for sales of franchises under the Maryland Franchise Law for as long as MaidPro is subject to a Deferral Condition.
- C. MaidPro shall pay the Office of the Attorney General the sum of Fifteen Thousand Dollars (\$15,000) as a civil monetary penalty; and
- D. MaidPro acknowledges that this Consent Order is a disclosable order as described under the Maryland Franchise Law and Item 3 of the NASAA Franchise Registration and Disclosure Guidelines and Amended FTC Franchise Rule.

VI. JURISDICTION RETAINED

23. Jurisdiction shall be retained by the Securities Commissioner for such further orders and directions as may be necessary or appropriate for the construction or enforcement of the Consent Order.

VII. CONSEQUENCES OF VIOLATING THIS CONSENT ORDER

24. If MaidPro fails to comply with any term of this Consent Order, the Securities Division may bring administrative or judicial proceedings against MaidPro to enforce this

Consent Order or to sanction it for violating an order of the Securities Commissioner and may take any other action authorized under the Maryland Franchise Law or any other applicable law. In any such proceeding in which, after an opportunity for a hearing, the Securities Commissioner or a court finds that MaidPro violated this Consent Order, the Statement of Facts and the violations of the Maryland Franchise Law alleged in this Consent Order shall be deemed admitted and may be introduced into evidence against MaidPro.

VIII. MODIFICATION OF CONSENT ORDER

25. The terms of this Consent Order may be modified only by a subsequent order issued by the Securities Commissioner.

DATE OF THIS ORDER:

August 13, 2025

BY CONSENT:

MAIDPRO FRANCHISE, LLC

By:

SO ORDERED:

**Commissioner's Signature on File
w/Original Documents**

MELANIE SENTER LUBIN
SECURITIES COMMISSIONER