

SERVICEMASTER CO

Form 5

February 11, 2005

**FORM 5****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**Check this box if  
no longer subject  
to Section 16.Form 4 or Form  
5 obligations  
may continue.See Instruction  
1(b).Form 3 Holdings  
Reported

Form 4

Transactions

Reported

**ANNUAL STATEMENT OF CHANGES IN BENEFICIAL  
OWNERSHIP OF SECURITIES**Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
30(h) of the Investment Company Act of 1940

## OMB APPROVAL

OMB  
Number: 3235-0362Expires: January 31,  
2005Estimated average  
burden hours per  
response... 1.01. Name and Address of Reporting Person \*  
PRESTON STEVEN C

(Last) (First) (Middle)

3250 LACEY ROAD, SUITE 600

(Street)

2. Issuer Name **and** Ticker or Trading  
Symbol  
SERVICEMASTER CO [SVM]3. Statement for Issuer's Fiscal Year Ended  
(Month/Day/Year)  
12/31/20044. If Amendment, Date Original  
Filed(Month/Day/Year)5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

☐ Director ☐ 10% Owner  
☒ Officer (give title below) ☐ Other (specify below)

Ex. Vice President

6. Individual or Joint/Group Reporting

(check applicable line)

DOWNERS

GROVE, IL 60515-1700

(City) (State) (Zip)

☒ Form Filed by One Reporting Person  
☐ Form Filed by More than One Reporting  
Person**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	(A) or (D)	5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common stock \$.01 par value	Â	Â	Â	Â	Â	74,560	D	Â
Common stock \$.01 par value	Â	Â	Â	Â	Â	726 <sup>(1)</sup>	I	by 401(k) plan
Common stock \$.01 par value	Â	Â	Â	Â	Â	17,530 <sup>(2)</sup>	I	Deferred Comp

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 2270  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount Underlying Security (Instr. 3 and 4)
					(A) (D)	Date Exercisable Expiration Date	Title Amount Number of Shares
Stock Options (Right to buy)	\$ 13.4667	Â	Â	Â	Â Â	02/13/1999 02/12/2007	Common stock \$.01 par value 2
Stock Options (Right to buy)	\$ 13.83	Â	Â	Â	Â Â	02/08/2003 02/07/2009	Common Stock 10
1997 Option Plan (Right to Buy)	\$ 11.2222	Â	Â	Â	Â Â	02/13/1998 02/12/2007	Common stock \$.01 par value 22
1997 Option Plan (Right to Buy)	\$ 12.3467	Â	Â	Â	Â Â	02/13/1998 02/12/2007	Common stock \$.01 par value 2
1997 Option Plan (Right to Buy)	\$ 14.5911	Â	Â	Â	Â Â	02/13/2000 02/12/2007	Common stock \$.01 par value 2
1997 Option Plan (Right to Buy)	\$ 15.7111	Â	Â	Â	Â Â	02/13/2001 02/12/2007	Common stock \$.01 par value 2
1997 Option Plan (Right to Buy)	\$ 16.8355	Â	Â	Â	Â Â	02/13/2002 02/12/2007	Common stock \$.01 par value 2
Non-Qual. Stock Option (Right to	\$ 18.075	Â	Â	Â	Â Â	01/29/2000 01/28/2009	Common stock 9

Buy)

\$.01 par  
value

1998

Non-Qual.Stock  
Option (Right to  
Buy)

\$ 11.5

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12/31/2000

12/31/2009

Common  
stock  
\$.01 par  
value

23

1998

Non-Qual.Stock  
Option (Right to  
Buy)

\$ 18.2583

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02/16/1999

02/15/2008

Common  
Stock

4

Senior Ex.

Ownership Elec.  
Plan (Right to  
Buy)

\$ 8.75

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08/08/2001

08/07/2007

Common  
stock  
\$.01 par  
value

20

2000 Employee

Stock Option  
(Right to Buy)

\$ 9.88

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03/18/2004

03/17/2013

Common  
Stock

6

2000 Employee

Stock Option  
(Right to Buy)

\$ 10.52

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03/16/2002

03/15/2008

Common  
stock  
\$.01 par  
value

25

WSH Employee

Stock Option  
(Right to Buy)

\$ 13.87

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05/04/2000

05/03/2006

Common  
stock  
\$.01 par  
value

2

2003 EIP Stock

Appreciation  
Right

\$ 10.73

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02/13/2005

02/12/2014

Common  
Stock

5

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PRESTON STEVEN C 3250 LACEY ROAD, SUITE 600 DOWNERS GROVE, IL 60515-1700	^	^	^ Ex. Vice President	^

## Signatures

Sandra L. Groman by power of  
attorney

02/10/2005

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- (1) Includes 21 shares acquired through the ServiceMaster Profit Sharing and Retirement Plan during the months of April, July and November 2004.
- (2) Includes 458 shares acquired through the dividend reinvestment feature of the ServiceMaster Deferred Compensation Plan during the months of April, July and November 2004.

(3) Exercise Vesting/Exercise Prices - 1st anniversary 20% exercisable at 110% FMV:\$12.3467 per share - 2nd anniversary 20% exercisable at 120% FMV - \$15.7111 per share - 3rd anniversary - 20% exercisable - at 130% FMV \$14.5911 per share - 4th anniversary 20% exercisable at 140% FMV \$13.4667 - 5th anniversary 20% exercisable at 150% of FMV - \$16.8355 per share FMV - Fair Market Value on Grant Date.

- (4) The option is exercisable in five equal annual installments beginning on the first anniversary of the date of the grant.
- (5) Option becomes exercisable 10% per year on anniversary date of the grant for a period of 8 years, the 9th anniversary the remaining 20% becomes exercisable..

(6) In 1999, ServiceMaster entered into a joint venture with Kleiner, Perkins, Caufield & Byers to develop an Internet company, We Serve Homes.com ("WSH"). A WSH option was granted in 2000. On January 11, 2002, the WSH option was converted into a ServiceMaster option at a ratio of 55.48 to 1, pursuant to a merger with a subsidiary of ServiceMaster in a transaction exempt under Rule 16b-7.

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.