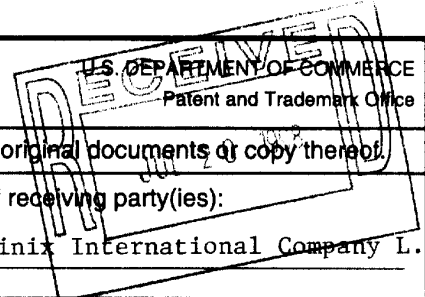


07-23-1998

ET



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To the Honorable Commissioner of F

attached original documents or copy thereof

MRO 7-20-98

1. Name of conveying party(ies):

Pest Arrest Corp.
John Goldman
Charles A. Phillips

- Individual(s)
- General Partnership
- Corporation-State
- Other
- Association
- Limited Partnership

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other Asset Purchase and Sale Agreement
- Merger
- Change of Name

Execution Date: January 10, 1996

Name and address of receiving party(ies):

Name: The Terminix International Company L.P.

Internal Address: _____

Street Address: 860 Ridge Lake Boulevard

City: Memphis State: TN ZIP: 38120

- Individual(s) citizenship: _____
- Association: _____
- General Partnership: _____
- Limited Partnership: Delaware
- Corporation-State: _____
- Other: _____

Additional name(s) & address(es) attached? Yes No
A domestic representative designation is attached: Yes No
(Designations must be a separate document from Assignment)

4. Application number(s) or registration number(s):

A. Trademark Application No(s).

B. Trademark Registration No(s) 1,089,869

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: John F. Rollins

Address: BANNER & WITCOFF, LTD.
~~BANNER & ALLEGRETTO LTD.~~
10 South Wacker Drive
Suite 3000
Chicago, Illinois 60606

6. Total number of applications and registrations involved:

1

7. Total fee (37 CFR 3.41): \$ 40.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit Account No. 01-0850

(Attach duplicate copy of this page if paying by deposit account.)

DO NOT USE THIS SPACE

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

John F. Rollins
Name of Person Signing

Signature

July 16, 1998
Date

07/23/1998 DNGUYEN 00000133 1089869

01 FC:481

40.00 OP

Total number of pages comprising cover sheet: 1

Do Not Detach This Portion

Mail documents to be recorded with required cover sheet information to:

Commissioner of Patents and Trademarks
Box Assignments
Washington, D.C. 20231

TRADEMARK

ASSET PURCHASE AND SALE AGREEMENT

THIS AGREEMENT, dated the 10th day of January, 1996, by and among THE TERMINIX INTERNATIONAL COMPANY L. P., a Delaware limited partnership, with its principal place of business in Memphis, Tennessee ("Buyer"), and PEST ARREST CORPORATION, an Ohio corporation, with its principal place of business in Cincinnati, Ohio ("Seller"), John Goldman, a resident of Cincinnati, Ohio, and Charles A. Phillips, a resident of Cincinnati, Ohio ("Shareholders").

W I T N E S S E T H:

WHEREAS, Seller is a termite and pest control business operating in Hamilton, Butler, Warren, Clermont and Brown counties in Ohio and Campbell, Kenton and Boone counties in Kentucky; and

WHEREAS, Seller wishes to sell certain assets pertaining to said business to Buyer and Buyer wishes to purchase such assets upon the terms and conditions herein set forth; and

WHEREAS, Shareholders collectively own all of the issued and outstanding stock of Seller, and wish to induce Buyer to enter into the aforesaid transactions with Seller;

NOW THEREFORE, in consideration of the mutual promises and covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Definitions. As used in this Agreement, the following terms shall have the following meanings:

(a) "Accounts Receivable" shall mean all customer accounts receivable arising out of the Contracts (as hereinafter defined) or in respect of termite and/or pest control service, on Seller's Books and Records (as hereinafter defined), net of customer payments in advance and without discount or reserve, arising out of the Business (as hereinafter defined). Accounts Receivable do not include termite or other warranty renewal fees.

(b) "Assets" shall mean Seller's Accounts Receivable, Books and Records, Contracts, Inventory, Fixed Assets, Other Assets and Other Agreements, each as defined herein, including all Seller's rights, title and interest to the name "Pest Arrest Corporation" and all other tradenames, trademarks, servicemarks, and telephone numbers used by Seller in its termite and pest control business.

(c) "Books and Records" shall mean all of Seller's books and records relating to the Business, including but not limited to all financial and operating records, customer files, and records relating to active and canceled customer contracts, invoices and personnel records.

(d) "Business" shall mean Seller's termite and pest control business presently operating in Hamilton, Butler, Warren, Clermont and Brown counties in Ohio and Campbell, Kenton and Boone counties in Kentucky.

(e) "Closing" shall mean the consummation and date of consummation of the transactions contemplated by this Agreement to be effective as of the 10th day of January, 1996, time being of the essence.

(f) "Contracts" shall mean all of Seller's active and inactive termite and pest control customer contracts arising out of the Business and including agreements not to compete of any kind relating to the Business.

(g) "Fixed Assets" shall mean all of Seller's treating and service equipment, shop equipment, telephone systems, mobile phone systems, computer systems, signs, small tools owned or used in connection with the Business, all of the substantial items being set forth on Exhibit "H".

(h) "Inventory" shall mean all of Seller's EPA and state registered chemical and pesticide inventory located at or used in connection with the Business as set forth on Exhibit "C" attached hereto. Inventory does not include, and Buyer will not purchase chlorinated hydrocarbon termiticides or chemical or pesticide which is not currently registered with EPA and state authorities. A physical inventory will be taken at or before Closing.

(i) "Liabilities" shall mean all liabilities of Seller or Shareholders incurred in connection with the Business, none of which are assumed except as expressly set forth on Exhibit "B" attached hereto.

(j) "Other Agreements" shall mean the other agreements pertaining to the Business to which Seller or Shareholders is a party, all of which are described on Exhibit "E" attached hereto.

(k) "Other Assets" shall mean all other assets used in connection with the Business except "Excluded Assets".

(l) "Excluded Assets" shall mean all assets not listed on Exhibits "A" or "H", including all cash and cash equivalents, money market funds, bid deposits, receivables from employees, notes receivable, prepaid insurance and expenses, security

deposits, any tax refund receivables, cash surrender value of officers' life insurance, employees cash advances, land, buildings, any excess costs of assets acquired over assigned values.

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wev

2. Assets Conveyed and Purchase Price. Seller hereby agrees to sell, transfer and convey the Assets to Buyer, and Buyer hereby agrees to buy the Assets for the total sum of Three Hundred Forty Thousand Twenty-Three and No/100 Dollars (~~\$340,023.00~~) (the "Purchase Price"), computed as set forth on Exhibit "A" and to be adjusted on a dollar-for-dollar basis at Closing for any increase or decrease in the book value of Inventory and Accounts Receivable from the estimated book value set forth on Exhibit "A" to that date.

3. Payment of Purchase Price. The Purchase Price shall be paid by an electronic funds transfer in the estimated amount of ~~\$48,200.00~~ ^{\$43,690.00}, to be adjusted at Closing in accordance with paragraph 2 above, and promissory notes in the form of Exhibit I attached hereto. wev

4. Assumption of Liabilities. Except as expressly set forth in Exhibit "B", Buyer does not and shall not be deemed to have assumed any Liabilities or obligations of Seller or Shareholders arising out of the Business, or otherwise.

5. Accounts Receivable. Seller and Shareholders warrant that the Accounts Receivable shall have arisen only in the ordinary course of business and shall be valid and fully collectible within ninety days (90) from Closing (less normal discounts for timely payment and customer prepayments for service, if any). Accounts Receivable not collected within the ninety (90) day period will be transferred back to and repurchased by Seller and Shareholders at cost. Subsequent collections by Buyer or Seller with respect to any Accounts Receivable which shall have been repurchased by Seller shall be for Seller's account only.

6. Risk of Loss. If during the period from the date hereof to the Closing, any of the Assets have been damaged or destroyed by fire or other casualty, Seller will give Buyer immediate notice thereof, Seller shall have the right to terminate this Agreement, and if not terminated the Purchase Price shall be reduced in an amount equal to the market value of the damaged or destroyed property.

7. Representations and Warranties of Seller and Shareholders. In order to induce Buyer to enter into this Agreement, Seller and Shareholders make the following continuing representations and warranties: wev

pp (a) Authority. Seller and Shareholders have full power and authority to enter into this Agreement and to carry out the

transactions contemplated hereby, and all proceedings required to be taken by Seller or Shareholders to authorize the execution, delivery and performance of this Agreement and all agreements relating hereto have been or, by the Closing will be, properly taken. Shareholders own all of the issued and outstanding stock of Seller, and have given unanimous consent to the transactions contemplated herein. The making and performance by Seller of this Agreement and the transactions contemplated herein have been duly authorized by all necessary corporate action and will not violate any provision of law or its Certificate of Incorporation or Bylaws.

(b) Organization and Standing. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Ohio and has corporate power to make and perform this Agreement and the transactions contemplated herein.

(c) Ownership. Seller owns and has good and marketable title to or rights in all of the Assets free and clear of any and all liens, encumbrances and other imperfections in title whatsoever.

(d) Contracts and Other Agreements. The Contracts and Other Agreements are valid and in full force and effect and Seller has not breached and has no notice of breach of any material provision and is not in default in any material aspect under the terms of any of the Contracts and Other Agreements. Except for the Contracts and Other Agreements, to their knowledge neither Seller nor Shareholders are party to any other contract or agreement relating to the Assets to be acquired by Buyer.

(e) Litigation. There are no claims, actions, suits or regulatory proceedings pending or, to the knowledge of Seller or Shareholders threatened against or affecting Seller, Shareholders, the Business or the Assets, excepting those which are disclosed on Exhibit "E".

(f) Labor Contracts and Disputes. Seller is not a party to any Union contracts regarding employees in the Business. To Seller's knowledge, there are no pending or threatened proceedings or existing disputes between Seller, and/or its employees and/or any labor union.

(g) Employee Benefit Plans. Seller has no pension, profit sharing, or other employee benefit plans except for medical insurance coverage. Buyer is not assuming any liability arising out of such plans. With regard to any employee claims or disputes, Seller agrees to indemnify Buyer for any claims for reimbursement under employment contracts or other claims arising prior to the Closing.

(h) Brokers. Seller has not employed any broker, agent or finder or incurred any liability for any brokerage fees, agent's compensation or finder's fee in connection with the transactions contemplated herein.

(i) Compliance with Laws. Both Seller and Shareholders are substantially in compliance, and to their knowledge there exists no alleged non-compliance, with all applicable statutes, orders, rules and regulations promulgated by governmental authorities relating or with respect to the Assets or the operation or conduct of the Business, or the use of the real property currently occupied by the Business, including, without limitation, any applicable statute, order, rule or regulation relating to (i) wages, hours, hiring, discrimination, promotion, retirement, benefits, pensions and working conditions, (ii) air, water, toxic substances, pesticides, noise, odor, or solid, gaseous or liquid waste generation, handling, storage, disposal or transportation, (iii) health, safety, and environment, (iv) zoning and building codes, (v) the production, storage, processing, advertising, sale, transportation, distribution, disposal, use and warranty of any products or services of the Business or (vi) trade and antitrust regulations, and neither Seller nor Shareholders has received any notice of alleged violation, or of any investigation pertaining thereto, of any such statute, order, rule or regulation. Seller and Shareholders shall indemnify Buyer for all costs associated with claims alleging non-compliance with laws.

(j) Operations: Defects. Inventory and Fixed Assets to be purchased are in*conformity with all applicable regulations, ordinances and laws relating thereto. Seller and Shareholders further warrant that operations at the business location have been in compliance with state and federal law concerning the use and storage of chemicals and the proper disposal of chemicals or any other hazardous substances or waste, if any, or used containers. * substantial *WCV*

(k) Books and Records. The Books and Records are in all material respects complete and correct, have been maintained in accordance with good business practices and generally accepted accounting principals, and accurately reflect the basis for the financial condition and results of operations of the Business.

(l) Inventory. To Seller's knowledge the Inventory consists of items of merchantable quality, usable at regular prices in the ordinary course of business.

WCV (m) Customers. Seller has no knowledge of any termination, cancellation, limitation, modification or change in the business relationship of the Business with any customer or group of customers whose purchases individually or in the

aggregate constitute more than five percent (5%) of the sales of the Business.

(n) Effect of Agreement. The execution, delivery and performance of this Agreement and the transactions contemplated hereby will not violate any provision of law applicable to the Seller or the Business, or result in the breach of any provision of any contract now in force with reference to the Business of Seller or constitute a default under any such contract or result in the creation of any lien, charge or encumbrance upon any of the Assets or upon the Business itself, pursuant to any mortgage, deed of trust, or other agreement or instrument to which Seller or Shareholders is a party, or arising due to any act or omission of Seller or Shareholders.

(o) Disclosure. No representation or warranty by Seller or Shareholders in this Agreement and no statement, document, certificate or other instrument or exhibit furnished or to be furnished to Buyer in connection herewith or with the transactions contemplated hereby constitutes or will contain any untrue statement of a material fact or omits or will omit any material fact necessary in order to make the statement contained therein not misleading.

(p) Employees. Upon request, Seller and Shareholders will use best efforts to make available to Buyer after the Closing the services of any of the present employees of Seller which Buyer may desire to employ. Seller will assign, if any, employment contracts to Buyer as and when requested by Buyer, to the extent the contracts are assignable, including any and all non-compete covenants.

8. Representations and Warranties of Buyer. Buyer represents and warrants to Seller and Shareholders that:

(a) Organization and Standing. Buyer is a duly organized limited partnership, validly existing and in good standing under the laws of the State of Delaware, and has requisite power to make and perform this Agreement and the transactions contemplated herein.

(b) Authority. The making and performance by Buyer of this Agreement and the transactions contemplated herein have been duly authorized by all necessary partnership action and will not violate any provision of law or of its partnership agreement.

RP (c) Brokers. Buyer has not employed any brokerage, agent or finder or incurred any liability for any brokerage fees, agent's commission or finder's fee in connection with the transactions contemplated herein.

(d) Maintenance of Records. Seller or Shareholders may upon notice to Buyer inspect records of the Business during normal business hours for the purpose of preparing tax returns and other reports required by government authorities and responding to tax audits.

9. Survival. All representations and warranties made hereunder shall be deemed to be material and to have been relied upon by Buyer, Seller, and Shareholders, notwithstanding any investigation heretofore or hereafter made by or on behalf of Buyer or Seller, and shall survive the Closing.

for a period of five years after

10. Indemnity.

(a) Seller and Shareholders will indemnify and hold harmless Buyer to the extent of the Purchase Price, against and in respect of the following:

(i) any and all liabilities or claims against Seller or Shareholders of any nature, whether accrued, absolute, contingent or otherwise, arising out of the conduct of the Business prior to Closing, except as specifically assumed by Buyer on Exhibit "B";

(ii) any and all damage, loss or liability to Buyer resulting from any ~~alleged~~ breach of warranty, untrue representations or nonfulfillment of any covenant, agreement or indemnity made by Seller or Shareholders hereunder;

(iii) any and all actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including without limitation, reasonable legal fees and expenses, incident to any of the foregoing.

(b) Buyer will indemnify and hold harmless Seller and Shareholders against and in respect of the following:

(i) any and all liabilities or claims against Seller of any nature, arising out of the conduct of the Business subsequent to the Closing;

(ii) any and all damage, loss and liability to Seller resulting from any alleged breach of warranty, untrue representation or nonfulfillment of any covenant, agreement or indemnity made by the Buyer hereunder;

(iii) any and all actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including without limitation, reasonable legal fees and expenses, incident to any of the foregoing.

11. Right to Set-Off. Notwithstanding the foregoing or anything contained herein to the contrary, but subject to the provisions of Paragraph 10 above, Buyer shall have the right to set-off any payments due Seller or Shareholders under the Agreement Not to Compete for any damage, loss, or expense, including reasonable attorney's fees and legal expenses, incurred by Buyer arising out of any breach by Seller or Shareholders of any representation, warranty or covenant contained in this Agreement or in the event that Seller or Shareholders fail to satisfy promptly their indemnity obligations set forth in Paragraph 10 above. See Addendum #1 for additional language hereby incorporated into this Paragraph 11.

12. Expenses. Seller and Buyer shall pay their own expenses incidental to the preparation and carrying out of this Agreement.

13. Closing. At the Closing, Seller shall deliver to Buyer:

(i) such bill of sale, assignments, and/or other documents or instruments of conveyance, transfer or assignment, in form reasonably satisfactory to Buyer's counsel, as shall be necessary or appropriate to vest in or confirm to Buyer full, complete, good and marketable title to all of the Assets to be conveyed hereunder; and

(ii) the Books and Records.

Buyer shall deliver to Seller the funds referred to in Paragraph 3 above and the Promissory Notes. Buyer, Seller and Shareholders will each initial all Exhibits.

14. Further Acts. Seller and Shareholders hereby agree that, from time to time, upon the request of Buyer, they will execute and deliver such other instruments of conveyance and transfer and take such other action as such other party may reasonably require more effectively to convey, transfer to and vest in Buyer title and possession of the Assets and to evidence the transactions contemplated hereby.

15. Entire Agreement. The parties agree that this Agreement and the Exhibits attached hereto contain the entire agreement of the parties and that no prior understanding, written or oral, statement, promise or inducement made by any party which is not contained herein or in the Exhibits attached hereto, shall be valid or binding; and this Agreement shall not be modified, altered or amended except in writing signed by the parties hereto and made a part of this Agreement.

16. Taxes and Prepayments. All personal property and other taxes relating to the Assets, utility and telephone charges, and any prepayments of and to Seller, including any prepaid Contract(s), will be prorated between the parties as of the



Closing. At the Closing, any ad valorem taxes on Assets hereby purchased will be prorated between the parties to the date of the Closing. If there are any taxes which arise because of the sale of Assets hereunder and which are applicable to such sale, then any such taxes will be borne by the Seller.

17. Miscellaneous.

(a) Governing Law. This Agreement shall be deemed to be a contract made under the laws of the State of Ohio, and shall be construed in accordance with the laws of said state.

(b) Parties in Interest; Assignment. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. However, no party may assign its rights hereunder without the written consent of the others.

(c) Headings. The section headings herein are for convenience only and shall not affect the construction hereof.

(d) Notices. All notices, requests and demands shall be in writing and mailed postage prepaid to the respective parties as follows:

BUYER: The Terminix International Company L.P.
860 Ridge Lake Boulevard
Memphis, Tennessee 38120-9417
Attn: Dorris E. Burchett, Vice President

With copy to: W. B. Mallory, III, Esq.
Vice President & General Counsel
Terminix International Co. L.P.
860 Ridge Lake Boulevard
Memphis, Tennessee 38120-9417

Shareholders: John Goldman

John Goldman
(Address of record)

CINCINNATI, OH 45215
(City, State and Zip)

Charles A. Phillips
Charles A. Phillips
630 Chardonway Ridge
(Address of record)

Cant. Ohio 45226
(City, State and Zip)

With a copy to: PEST ARREST CORPORATION
40 Oliver Road
Cincinnati, OH 45215

*additional parties named below

or to such other address as either party shall furnish to the other by notice in writing.

(e) Multiple Copies. This Agreement may be signed in multiple copies, each of which shall be considered an original and the entire document.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date and year first above written.

THE TERMINIX INTERNATIONAL COMPANY L.P.
("Buyer")

By: Wayne C. Golden, V.P.
Wayne C. Golden, Vice President

PEST ARREST CORPORATION
("Seller")

By: John Goldman
John Goldman, President

By: John Goldman
John Goldman, Shareholder

By: Charles A. Phillips
Charles A. Phillips, Shareholder

** Stuart A. Schloss, Jr.
Benesch, Friedlander, Coplan & Aronoff
2800 Cincinnati Commerce Center
600 Vine Street
Cincinnati, Ohio 45202

Mary J. Healy
Thompson, Hine & Flory, P.L.L.
312 Walnut Street, Suite 1400
Cincinnati, Ohio 45202

GP

JG

WCA

ADDENDUM #1 TO ASSET PURCHASE AND SALE AGREEMENT

Provided, however, if Buyer exercises its right of set-off hereunder, fails to pay Seller or the Shareholders in accordance with this Agreement or the Agreements Not to Compete, and Buyer is found to have improperly exercised such right of set-off (including any set-off in excess of amounts which may be found to have been properly set-off by Buyer), then Buyer shall pay to Seller or the Shareholders the sum of the amount improperly set-off plus an amount of interest equal to the highest interest rate allowed by applicable law in effect on the date for which a determination of improper set-off is made plus all damages, loss or expense, including reasonable attorney's fees and legal expenses, incurred by Seller and the Shareholders arising out of Buyer's improper set-off.

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PEST ARREST CORPORATION
CINCINNATI, OHIO

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ASSET PURCHASE AND SALE AGREEMENT

Dated January 10, 1996

By and Among

THE TERMINIX INTERNATIONAL COMPANY L.P.

AS BUYER

and

PEST ARREST CORPORATION
(Tax ID 31-0798365)

AS SELLER

AND

JOHN GOLDMAN

AND

CHARLES A. PHILLIPS

AS SHAREHOLDERS

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EXHIBIT LIST

<u>EXHIBIT</u>	<u>SUBJECT</u>
A	Computation of Purchase Price
B	Liabilities
C	Chemical and Other Inventory
D	Other Agreements
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F	Warranty Bill of Sale
G	Assignment of Contracts and Accounts Receivable
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