

MROZEK ERNEST J
Form 4
February 12, 2007

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
MROZEK ERNEST J

2. Issuer Name and Ticker or Trading Symbol
SERVICEMASTER CO [SVM]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
3250 LACEY ROAD, SUITE 600

3. Date of Earliest Transaction (Month/Day/Year)
02/12/2007

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)

VICE CHAIRMAN

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

DOWNERS
GROVE, IL 60515-1700

(City) (State) (Zip)

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)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Ownership (Instr. 4)
			Code	V Amount or (D) Price			
Common stock \$.01 par value	02/12/2007		M	303,750 ⁽¹⁾ A \$ 11.2222	834,749	D	
Common stock \$.01 par value					4,993 ⁽²⁾	I	by 401(k) plan
Common stock \$.01 par value					3,400 ⁽³⁾	I	Deferred Comp

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

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SEC 1474
(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 Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Stock Options (Right to buy)	\$ 13.83					02/08/2003	02/07/2009	Common stock \$.01 par value
Stock Options (Right to buy)	\$ 13.972					05/03/2003	05/02/2009	Common stock \$.01 par value
1997 Option Plan (Right to Buy)	\$ 11.2222	02/12/2007		M	303,750 <u>(1)</u>	02/13/1998	02/12/2007	Common stock \$.01 par value
1998 Non-Qual. Stock Option (Right to Buy)	\$ 18.075					01/29/2000	01/28/2009	Common Stock
Senior Ex. Ownership Elec. Plan (Right to Buy)	\$ 11.5					12/31/2000	12/31/2009	Common stock \$.01 par value
1998 Empl. Stock Option (Right to Buy)	\$ 18.2583					02/16/1999	02/15/2008	Common stock \$.01 par value
2000 Empl. Stock Option (Right to Buy)	\$ 8.75					08/08/2001	08/07/2007	Common stock \$.01 par value
2000 Empl. Stock Option	\$ 9.88					03/18/2004	03/17/2013	Common Stock

(Right to Buy)

2000 Emplee Stock Option (Right to Buy)	\$ 10.52	03/16/2002	03/15/2008	Common stock \$.01 par value
WSH Emplee Stock Option (Right to Buy)	\$ 13.87	05/04/2000	05/03/2006	Common stock \$.01 par value
2003 EIP Stock Appreciation Right	\$ 10.73	02/13/2005	02/12/2014	Common Stock
2003 EIP Stock Appreciation Right	\$ 12.45	02/14/2007	02/13/2016	Common Stock
2003 EIP Stock Appreciation Right	\$ 13.44	02/11/2006	02/10/2015	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MROZEK ERNEST J 3250 LACEY ROAD, SUITE 600 DOWNS GROVE, IL 60515-1700			VICE CHAIRMAN	

Signatures

Cristen Kogl by power of attorney 02/12/2007

__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) Mr. Mrozek exercised the ten-year option to purchase shares of common stock on its expiration date of February 12, 2007. The exercise price of \$11.2222 per share was established at the time of the grant of the option in February 1997. All of the shares of common stock subject to the option were beneficially owned by Mr. Mrozek prior to the exercise date and have been previously reported by Mr. Mrozek as beneficially owned by him.
 - (2) Includes shares purchased through the ServiceMaster Profit Sharing and Retirement Plan during through December 31, 2006.
 - (3) Includes shares purchased through the dividend reinvestment feature of the ServiceMaster Deferred Compensation Plan through December 31, 2006.
 - (4) The option is exercisable in five equal annual installments beginning on the first anniversary of the date of the grant.
 - (5) The stock appreciation right is exercisable in five equal annual installments beginning on the first anniversary of the date of grant.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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