

SECTION: Termite Administration	SUBJECT: Termite Guarantee Transfer Fee/Renewal
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P & P No.: 810

Section: Termite Administration

Subject: Termite Guarantee Transfer Fee/Renewal

Approved By: Eddie Faircloth

Effective Date: October 15, 1996

Last Reviewed Date:

Policy Owner:

All Termite and WDO Guarantees issued after October 1, 1986 will require a transfer fee in order to have the guarantee transferred to a new owner. Massey reserves the right to adjust the annual renewal fee upon the transfer of ownership.

All other steps in Section I, II, III, and IV must occur including new renewal pricing and collection of renewal fees.

All Guarantees issued prior to October 1986 date must be reviewed by management as to the specifics of the transfer clause(s). In the event that a transfer clause prohibits charging a transfer fee, then of course, no transfer fee (I, H) will be imposed. An administrative fee of \$50 will be charged however, for graphing, inspecting and other necessary administrative functions.

Should the new owner fail to request transfer and pay the transfer fee the guarantee terminates automatically as of the date of the change of ownership.

In the event the new owner pays the transfer fee and requests transfer to their name, the following actions must take place.

I. ASSIGN TO SALES INSPECTOR

- A. New Owner's name, address, telephone number and all pertinent information will be given to a Sales Inspector to set appointment and:
- B. Make complete inspection
- C. Draw new graph and note...
 - 1. Any additions
 - 2. Any Conditions Conducive
 - 3. Any signs of infestation/damage
- D. Obtain new owners' signature on graph
- E. Complete WDO Re-Inspection Report and obtain customers' signature

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F. Inspect and submit proposals for:

1. Pest Prevention
2. Lawn/Tree Shrub

G. Schedule any needed treatment to maintain current guarantees.

H. Collect \$95.00 transfer fee and any renewal fee(s) due.

Note: Inspectors will be paid a 15% commission to do the above on a transfer, and on any renewal increases, on the increased renewal amount only. They will also be paid any normal commissions on any Pest Prevention, Lawn and/or Tree Shrub sales.

II. NEW RENEWAL PRICING

A. New renewal price will be based on current rate card.

Example: Calculate treatment price on current rate card. Renewal will be minimum or percentage of total treating price determined by rate card, whichever is greater.

B. On renewals that were refunded, a pro-rata basis will be used to compute the first year's renewal against the refunded months.

Example: 1. Current owners' renewal of \$105.00 is due in January. House sold in August. Original owner asked for and received a prorated fund. Four months of refund computed @ $\$105 \div 12 = \8.75 per month. $\$8.75 \times 4$ months (September, October, November & December) = \$35.00 refund back to original customer.

Example: 2. New renewal based on current rate card equals $\$150.00 \div 12 = \12.50×4 months = \$50.00. New customer's prorated renewal for September through December plus \$95.00 transfer fee. The annual renewal rate for new customer due in January will be \$150.00.

III. RENEWAL TRANSFER REQUESTS (CORRESPONDENCE, PHONE CALLS)

A. Transfer correspondence received at Corporate Office will be batched daily by Customer Care and sent to the appropriate Service Center(s).

B. When received by the Service Center(s) the following actions must take place;

1. Log the customer's name, address, telephone number in the Lead Log on a separate sheet identified as Termite Renewal Transfers.
2. If a telephone number is available, assign to the appropriate Sales Inspector to schedule and make the inspection and to perform the required functions as outlined on page 1 of this policy.
3. If a telephone number is not available, the Sales Inspector, and/or Management will go out as soon as possible to make contact with the New Owner and complete the required functions of this policy.

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IV. ADMINISTRATION

A. Once the transfer fee and the renewal fee (if applicable) are collected, the Customer Service Specialist will:

1. Update computer files
2. Update hard copy files
3. Post the Lead Log as to disposition of transfer
4. Enter account information on Termite Account Sales and Backlog form. The account should be recorded as sold and completed on the same day.
5. Post transfer fee to termite revenue Service Type 4, Account Type 4.
6. Post monies received to termite collection.
7. Enter transfer fee in the following termite-related columns on the Daily Operations Report:
 - a. Jobs Sold (#)
 - b. Daily Sales (\$)
 - c. Daily Completions (\$)
 - d. Daily Collections (\$)

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