

ROLLINS INC
Form 11-K
June 28, 2013
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 11-K

(Mark One)

- ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]**

For the fiscal year ended December 31, 2012.

OR

- TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]**

For the transition period from _____ to _____

Commission file number 1-4422

- A. Full title of the plan and address of the plan, if different from that of issuer named below:

Waltham Services, LLC Tax-Favored Employees Savings Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive offices:

ROLLINS, INC.

2170 PIEDMONT ROAD, N.E.

ATLANTA, GA 30324

Table of Contents

Waltham Services, LLC Tax-Favored Employees Savings Plan

Financial Statements

December 31, 2012 and 2011

Contents

<u>Report of Independent Registered Public Accounting Firm</u>	3
Financial Statements	
<u>Statements of Net Assets Available for Benefits</u>	4
<u>Statement of Changes in Net Assets Available for Benefits</u>	5
<u>Notes to Financial Statements</u>	6-15
<u>Supplemental Schedule</u>	16
<u>Schedule of Assets (Held at End of Year)</u>	17
<u>Signatures</u>	18
Ex-23.1 Consent Independent Registered Public Accounting Firm	

Note: All other schedules required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA have been omitted because they are not applicable.

Table of Contents

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Plan Administrator and Participants of

the Waltham Services, LLC Tax Favored Employees Savings Plan

We have audited the accompanying statements of net assets available for benefits of the **Waltham Services, LLC Tax Favored Employees Savings Plan** (the Plan) as of December 31, 2012 and 2011, and the related statement of changes in net assets available for benefits for the year ended December 31, 2012. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2012 and 2011, and the changes in its net assets available for benefits for the year ended December 31, 2012, in conformity with accounting principles generally accepted in the United States.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2012 is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/Windham Brannon, P.C.

Atlanta, Georgia

June 18, 2013

Table of Contents

Waltham Services, LLC Tax-Favored Employees Savings Plan

Statements of Net Assets Available for Benefits

December 31, 2012 and 2011

	2012	2011
ASSETS		
INVESTMENTS, at fair value:		
Mutual funds	\$ 1,633,950	\$ 1,423,315
Rollins, Inc. Common Stock		86
Cash surrender value of insurance	23,849	22,120
Synthetic Guaranteed Investment Contract	244,823	268,037
Total Investments	1,902,622	1,713,558
RECEIVABLES:		
Employee contribution receivable	4,268	4,114
Employer contribution receivable	175	857
Notes receivable from participants	99,802	86,516
Total Receivables	104,245	91,487
Total Assets	2,006,867	1,805,045
NET ASSETS AVAILABLE FOR BENEFITS, AT FAIR VALUE	2,006,867	1,805,045
ADJUSTMENT FROM FAIR VALUE TO CONTRACT VALUE FOR FULLY BENEFIT-RESPONSIVE INVESTMENT CONTRACT	(979)	(376)
NET ASSETS AVAILABLE FOR BENEFITS	\$ 2,005,888	\$ 1,804,669

The accompanying notes are an integral part of these financial statements.

Table of Contents

Waltham Services, LLC Tax-Favored Employees Savings Plan

Statement of Changes in Net Assets Available for Benefits

For the Year Ended December 31, 2012

ADDITIONS:	
Investment Income:	
Net change in fair value of mutual funds	\$ 218,270
Net change in fair value of Rollins, Inc. Common Stock	7
Net change in contract value of Synthetic GIC	8,969
Net change in cash surrender value of life insurance	1,729
Total Investment Income	228,975
Interest income on notes receivable from participants	3,752
Contributions:	
Participants	123,763
Employer	11,281
Total Contributions	135,044
Total Additions	367,771
DEDUCTIONS:	
Distributions to participants	138,213
Loan defaults	10,419
Life insurance premiums	1,531
Participant transaction charges	600
Total Deductions	150,763
NET INCREASE IN NET ASSETS	217,008
TRANSFER OF ASSETS OUT OF THE PLAN	(15,789)
NET ASSETS AVAILABLE FOR BENEFITS:	
BEGINNING OF THE PERIOD	1,804,669
END OF PERIOD	\$ 2,005,888

The accompanying notes are an integral part of these financial statements.

Table of Contents

Waltham Services, LLC Tax-Favored Employees Savings Plan

Notes to Financial Statements

December 31, 2012 and 2011

1. DESCRIPTION OF PLAN

The following brief description of the Waltham Services, LLC Tax-Favored Employees Savings Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan, as amended and restated, is a defined contribution plan. The Plan is sponsored by Rollins, Inc. (the Company) for employees of the Company's subsidiary, Waltham Services, LLC, who are covered by a collective bargaining agreement providing for participation in the Plan. Eligible employees may participate in the Plan upon the completion of one year of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Effective September 1, 2011, the Plan was amended as follows: to change its year-end from August 31 to December 31; to designate the Plan fund which invests in Rollins, Inc. Common Stock as an employee stock ownership plan within the meaning of Section 4975(e)(7) of the Internal Revenue Code (the Code); to allow participants to elect to receive dividends on Rollins, Inc. Common Stock in cash as taxable compensation or to have such dividends paid to the Plan and reinvested in Rollins, Inc. Common Stock with taxes deferred; to allow participants to exercise voting, tendering and similar rights with respect to shares of Rollins, Inc. Common Stock held in their accounts under the Plan; and to transfer assets of participants not subject to a collective bargaining agreement to the Rollins 401(k) Savings Plan, another plan sponsored by Rollins, Inc. Effective January 1, 2013, the Plan was amended to remove Rollins, Inc. Common Stock as a Plan investment and to provide that the Plan is no longer an employee stock ownership plan. As of December 31, 2012, there were no shares of Rollins, Inc. Common Stock remaining in the Plan. The Plan administrator has the discretion to provide transfers to and from defined contribution plans maintained by affiliated companies. This provision is intended primarily to facilitate periodic transfers to and from the Rollins 401(k) Savings Plan and the Western Industries Retirement Savings Plan, without requiring participant elections, but may also apply to other 401(k) plans acquired in other acquisitions.

Contributions

Edgar Filing: ROLLINS INC - Form 11-K

Participants may contribute from 1% to 75% of their compensation to the Plan on a before-tax basis, via payroll deductions. Contributions by participants may not exceed the annual maximum limitations of the Code, which for fiscal 2012 was \$17,000, plus an additional \$5,500 in catch-up contributions for participants who are at least age 50 during the year. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollovers).

The Company provides a matching contribution to participants equal to a percentage, determined by the Company, of each participant's before-tax contributions, excluding any contributions

Table of Contents

Waltham Services, LLC Tax-Favored Employees Savings Plan

Notes to Financial Statements

December 31, 2012 and 2011

designated as catch-up contributions. The Company will not make more than \$450 in matching contributions for any participant for any plan year. The Company's matching contributions are made for each payroll period. For the year ended December 31, 2012, the Company contributed approximately \$11,000 in matching contributions.

Participant Accounts

Each participant's account is credited with the participant's contributions, rollovers, the Company's contributions and earnings on the investments in their account and is charged with specific transaction fees. Participants direct the investment of their contributions and the Company's contributions into various investment options offered by the Plan. The Plan currently offers a synthetic guaranteed investment contract and eleven mutual funds as investment options for participants. Participants may change their investment options on a daily basis. The default investment fund is selected by the Administrator. The Administrator has elected GoalMaker (an asset allocation model based on the participant's expected retirement date which includes various fund options offered by the Plan) as the default investment option. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. At December 31, 2012, approximately 18 % of the participants were no longer employees of the Company

Individual whole life insurance policies currently in place may remain in the Plan. Beginning in 1997, no new policies could be purchased by the Plan.

Notes Receivable from Participants

The Plan provides for loans to participants up to the lesser of 50% of the individual participant's vested account balance of employee contributions plus actual earnings thereon or \$50,000. Principal and interest are paid ratably through payroll deductions. A participant's loan payments of principal and interest are allocated to their account and invested according to their current investment elections. Loan terms range from 1 to 5 years. Participant loans are secured by the balance in the participant's account and bear interest at a reasonable rate. Participants may only have one loan outstanding at a time.

Vesting

Participants are vested immediately in their contributions. Participants who previously participated in predecessor plans may be subject to different vesting schedules. Participants vest in Company contributions based on the following schedule:

Table of Contents

Waltham Services, LLC Tax-Favored Employees Savings Plan

Notes to Financial Statements

December 31, 2012 and 2011

	Vested Percentage
Years of service:	
Less than 2	0%
2, but less than 3	25%
3, but less than 4	50%
4, but less than 5	75%
5 or more	100%

Participants also become 100% vested if they are employed by the Company or an affiliate when they reach age 65, die, or become disabled.

Forfeitures

Forfeited non-vested accounts are used to reduce Company contributions. Total forfeitures used to reduce Company contributions were approximately \$6,700 for the year ended December 31, 2012. Forfeited non-vested accounts were approximately \$0 and \$6,300 at December 31, 2012 and December 31, 2011, respectively.

Insurance Premiums

The Plan allows for premiums on insurance contracts grandfathered into the Plan to be paid by the Plan. Premiums are limited in that the sum of one half of the premiums of ordinary life insurance policies and the total of all other life insurance policies cannot exceed 25% of Company contributions allocated to the participant's account.

Payment of Benefits

Edgar Filing: ROLLINS INC - Form 11-K

Upon retirement, death, disability, or termination for any reason, the participant or their beneficiary may receive the total value of their vested account in either a lump sum distribution, a rollover of assets into another qualified plan, or in systematic distributions.

A participant may also elect to withdraw all or a portion of his or her account at any time through hardship provisions as defined by the Code and subject to approval by the Company. After a hardship withdrawal, a participant may not make any contributions into their account for a period of six months.

Participants who are active employees may withdraw all or a part of their employee contributions upon reaching age 59 1/2. Participants may withdraw all or part of their account, including the Company's contributions, upon reaching age 70 1/2.

Table of Contents

Waltham Services, LLC Tax-Favored Employees Savings Plan

Notes to Financial Statements

December 31, 2012 and 2011

The Plan provides that if an employee terminates employment and their vested account balance in the Plan is more than \$1,000 but not more than \$5,000, and they do not elect either to receive or roll over a single lump-sum payment, their account will be rolled over into an Individual Retirement Account (IRA).

Participant Transaction Charges

All loan fees, investment transaction fees, and recordkeeping fees are paid by participants in the Plan. Loan fees are charged directly to the participant requesting the loan. Transaction and recordkeeping fees are netted with appreciation/depreciation in fair value in each participant s account. The Company paid all other administrative expenses of the Plan during the year ended December 31, 2012.

Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their accounts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting. In May 2011, The Financial Accounting Standards Board issued amended guidance on fair value measurement and related disclosures. The new guidance clarifies the concepts applicable for fair value measurement and requires new disclosures, with a particular focus on Level 3 measurements. This guidance was effective for the Plan as of December 31, 2012, and was applied retrospectively. The adoption of this guidance did not have a material impact on the financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's management to make estimates that affect the amounts reported in the accompanying financial statements and accompanying notes. Actual results could differ from those estimates.

Table of Contents

Waltham Services, LLC Tax-Favored Employees Savings Plan

Notes to Financial Statements

December 31, 2012 and 2011

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value, except for the cash surrender value of insurance policies. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments in mutual funds and common stock are stated at the quoted market prices for the identical security in an active market. The fair value of the synthetic guaranteed investment contract (GIC) is based on the market value of the underlying collateral portfolio. Securities transactions are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Because the synthetic GIC is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The contract value represents contributions made under the contract, plus earnings, and less participant withdrawals. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investments at contract value. The Statements of Net Assets Available for Benefits present the fair value of the investment contracts as well as the adjustment from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis for the synthetic GIC.

Notes Receivable from Participants

Notes receivable from participants are carried at their outstanding balance. Interest income is recognized when received, primarily per pay period. Delinquent participant notes 90 days past the due date are recorded as distributions based on the terms of the Plan agreement.

Benefit Payments

Benefit payments are recorded when paid.

Payment of Insurance Premiums

Payments of insurance premiums are considered distributions of the Plan and are recorded when paid.

Table of Contents

Waltham Services, LLC Tax-Favored Employees Savings Plan

Notes to Financial Statements

December 31, 2012 and 2011

3. INVESTMENTS

Investments at December 31, 2012 and 2011 that represent 5% or more of the Plan's net assets are as follows:

	2012	2011
<u>Mutual Funds:</u>		
Franklin Growth Advisor Fund	\$ 507,744	*
Vanguard 500 Index Fund	282,869	\$ 234,015
American Funds Europacific Growth R4 Fund	201,443	196,401
PIMCO Total Return Institutional Fund	189,006	163,925
Vanguard Windsor II Admiral Fund	178,111	154,857
Growth Fund of America R4 Fund		416,867
<u>Synthetic Guaranteed Investment Contract:</u>		
Prudential Guaranteed Fund-Waltham Services, LLC	244,823	268,037

* Investment is less than 5% of net assets

The Plan invests in various investment securities, which are exposed to various risks such as interest rate, market, currency and credit risks. The fair value of investment securities fluctuates, and it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the participant account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

4. FAIR VALUE MEASUREMENTS

Generally accepted accounting principles establish a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three levels. The fair value hierarchy gives the highest priority to quoted market prices (unadjusted) in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Level 2 inputs are inputs from quoted market prices in active markets for similar assets and liabilities, which are observable for the asset or liability, either directly or indirectly. The Plan uses Level 1 inputs when available as Level 1 inputs generally provide the most reliable evidence of fair value.

Certain investments are reported at fair value on a recurring basis in the Statements of Net Assets Available for Benefits. The following methods and assumptions were used to estimate the fair values.

Mutual funds and common stock These investments consist of various publicly-traded mutual funds and common stock and are categorized as Level 1. The fair values are based on quoted market prices for the identical securities.

Table of Contents

Waltham Services, LLC Tax-Favored Employees Savings Plan

Notes to Financial Statements

December 31, 2012 and 2011

Synthetic GIC The synthetic GIC is a wrap contract paired with underlying investments which are owned by the Plan. The underlying investments consist of high-quality, intermediate fixed income securities. The wrapper contract relating to the synthetic GIC was purchased through Prudential Bank & Trust, FSB, and has a fair value of \$0 at December 31, 2012 based on the expected replacement cost of the contract. The crediting interest rate on the synthetic GIC is determined using an explicit formula specified in the interest schedule within the synthetic GIC contract. The rate is reset every six months. The average yields on the synthetic GIC based on actual earnings and interest rate credited to participants for the year ended December 31, 2012 and the four-month period ended December 31, 2011 are as follows:

	2012	2011
Based on actual earnings	1.52%	1.93%
Based on interest rate credited to participants	3.67%	3.99%

The synthetic GIC is categorized as a Level 2 asset as the fair value is determined using observable inputs including the average earnings yield, which is comparable to similar securities.

Life insurance policies These assets are not actively traded and no other significant observable inputs are available. Therefore, the fair value of the insurance policies is equal to the cash surrender value of the policies as of December 31, 2012 and 2011 (Level 3).

Fair value information for investments that are measured on a recurring basis was as follows at December 31, 2012 and 2011:

	Fair Value Measurements at December 31, 2012			
	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value Measurement
Mutual Funds:				
Large blend fund	\$ 282,869			\$ 282,869
Mid-cap value fund	55,569			55,569
Mid-cap growth fund	35,864			35,864
Foreign large blend fund	201,443			201,443
Foreign large value fund	10,059			10,059
Intermediate term bond fund	189,006			189,006
Large growth funds	507,744			507,744

Edgar Filing: ROLLINS INC - Form 11-K

Large value fund	178,111				178,111
Moderate allocation fund	39,008				39,008
Small value fund	94,292				94,292
Small growth fund	39,985				39,985
Cash surrender value of insurance policies				23,849	23,849
Synthetic GIC			244,823		244,823
Total investments, at fair value	\$ 1,633,950	\$	244,823	\$ 23,849	\$ 1,902,622

Table of Contents

Waltham Services, LLC Tax-Favored Employees Savings Plan

Notes to Financial Statements

December 31, 2012 and 2011

	Fair Value Measurements at December 31, 2011				Fair Value Measurement
	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)		
Mutual Funds:					
Large blend fund	\$ 234,015	\$	\$	\$	234,015
Mid-cap value fund	43,889				43,889
Mid-cap growth fund	30,644				30,644
Foreign large blend fund	196,401				196,401
Intermediate term bond fund	163,925				163,925
Large growth funds	429,726				429,726
Large value fund	154,857				154,857
Moderate allocation fund	41,361				41,361
Small value fund	10,720				10,720
Small growth fund	30,390				30,390
Small blend fund	87,387				87,387
Rollins, Inc. Common Stock	86				86
Cash surrender value of insurance policies				22,120	22,120
Synthetic GIC		268,037			268,037
Total investments, at fair value	\$ 1,423,401	\$ 268,037	\$ 22,120	\$	1,713,558

The table below sets forth a summary of changes in cash surrender value of the Plan's Level 3 assets for the year ended December 31, 2012:

Balance, beginning of period	\$ 22,120
Increase in cash surrender value	1,729
Balance, end of period	\$ 23,849

5. INCOME TAX STATUS

Prior to September 1, 2011, the Plan was subject to a prototype opinion from the Internal Revenue Service (IRS) dated May 11, 2009, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the Code) and, therefore, the related trust is exempt from taxation. Effective September 1, 2011, the Plan was amended and no longer falls under this prototype opinion from the IRS. Although the Plan cannot file for a determination letter until 2015, the Plan Administrator believes the Plan is being operated in compliance with the

Table of Contents

Waltham Services, LLC Tax-Favored Employees Savings Plan

Notes to Financial Statements

December 31, 2012 and 2011

applicable requirements of the Code and has no income subject to unrelated business income tax. Therefore, the Plan Administrator believes that the Plan, as amended, is qualified and the related trust is tax exempt. The Plan's income tax returns for the past three years are subject to examination by taxing authorities and may change upon examination.

6. TRANSACTIONS WITH PARTIES-IN-INTEREST

At December 31, 2012, the Plan held 0 shares of Rollins, Inc. Common Stock; whereas at December 31, 2011 the Plan held approximately 4 shares of Rollins, Inc. Common Stock. The fair value of the Plan's investment in Rollins, Inc. Common Stock at December 31, 2012 and 2011 was approximately \$0 and \$86, respectively. During 2012, the Plan received \$7 of dividend income related to the Rollins, Inc. Common Stock, which was used to purchase additional shares.

At December 31, 2012 and 2011, the Plan investments include a synthetic GIC that is managed directly by Prudential Retirement Insurance and Annuity Company (Prudential). Prudential is the custodian as defined by the Plan; therefore, this transaction qualifies as a party-in-interest transaction.

7. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2012 and, 2011:

	2012		2011
Total net assets available for benefits per the financial statements	\$ 2,005,888	\$	1,804,669
Less: current period employer and employee receivables	(4,443)		(4,971)
Less: cash surrender value of life insurance policies	(23,849)		(22,120)
Add: adjustment from contract value to fair value for fully benefit-responsive synthetic GIC	979		376
Total net assets available for benefits per the Form 5500	\$ 1,978,575	\$	1,777,954

Table of Contents

Waltham Services, LLC Tax-Favored Employees Savings Plan

Notes to Financial Statements

December 31, 2012 and 2011

The following is a reconciliation of the net increase to the Plan per the financial statements to the Form 5500 for the year ended December 31, 2012:

Net increase in net assets available for benefits per the financial statements	\$	201,219
Less: current period employer and employee receivables		(4,443)
Add: prior period employer and employee receivables		4,971
Less: current period cash surrender value of life insurance policies		(23,849)
Add: prior period cash surrender value of life insurance policies		22,120
Add: current period adjustment from contract value to fair value at end of period for fully benefit-responsive synthetic GIC		979
Less: prior period adjustment from contract value to fair value at end of period for fully benefit-responsive synthetic GIC		(376)
Net increase in net assets available for benefits per the Form 5500	\$	200,621

Table of Contents

Supplemental Schedule

16

Table of Contents**Waltham Services, LLC Tax-Favored Employees Savings Plan**

EIN: 51-0068479 Plan No: 006

FORM 5500 SCHEDULE H, PART IV, LINE 4i

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2012

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment	(e) Current Value
		Mutual Funds:	
	PIMCO Institutional Funds	PIMCO Total Return Institutional Fund	\$ 189,006
	Franklin Funds	Franklin Growth Adv Fund	507,744
	Victory Funds	Victory Small Company Opportunity Fund	94,292
	Vanguard Funds	Vanguard Windsor II Admiral Fund	178,111
	Vanguard Funds	Vanguard 500 Index Fund	282,869
	T. Rowe Price Funds	T. Rowe Price New Horizons Fund	39,985
	Goldman Sachs Funds	Goldman Sachs Mid Cap Value A Fund	55,569
	Morgan Stanley Funds	Institutional Mid Cap Growth Fund	35,864
	American Funds	American Funds Europacific Growth R4 Fund	201,443
	American Funds	American Funds Capital World G/I R4 Fund	10,059
	Oakmark Funds	Oakmark Equity and Income Fund	39,008
	* Prudential	Prudential Guaranteed Fund-Waltham Services, LLC	244,823
	Lincoln	Insurance Policies	23,849
	* Participant Loans	Interest rates ranging from 4.25% to 9.25%	99,802
			\$ 2,002,424

* Indicates a party-in-interest to the Plan.

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Waltham Services, LLC Tax-Favored Employees Savings Plan

Date: June 27, 2013

By: /s/ Henry Anthony
Henry Anthony
Vice President, Rollins, Inc.
Human Resources

Table of Contents

INDEX OF EXHIBITS

Exhibit

Number

(23.1) Consent of Independent Registered Public Accounting Firm.