

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): July 15, 2008

ABM Industries Incorporated

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

1-8929

(Commission File
Number)

94-1369354

(IRS Employer
Identification No.)

551 Fifth Avenue, Suite 300, New York, New York

(Address of principal executive offices)

10176

(Zip Code)

Registrant's telephone number, including area code **(212) 297-0200**

N/A

(Former name or former address if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

Amended and Restated Employment Agreement with Henrik C. Slipsager

On July 15, 2008, ABM Industries Incorporated (the “Company”) entered into an Amended and Restated Employment Agreement (the “Amended Employment Agreement”) with Henrik C. Slipsager, the Company’s President and Chief Executive Officer. The Amended Employment Agreement amends, extends and restates Mr. Slipsager’s prior employment agreement, dated June 7, 2005, which was scheduled to expire on October 31, 2008. The initial term of the Amended Employment Agreement will expire on October 31, 2013, and the term will automatically renew for consecutive one-year terms unless the Company provides notice not to renew. Mr. Slipsager’s initial base salary under the Amended Employment Agreement will continue to be his current annual base salary of \$765,000. In addition, under the terms of the Amended Employment Agreement, Mr. Slipsager is eligible for an annual bonus of up to 180% of his base salary, based on performance. Mr. Slipsager will also be entitled to receive fringe benefits as normally provided to executives of the Company and certain post-employment health insurance assistance payments.

If Mr. Slipsager’s employment is terminated by the Company without “Just Cause” (as defined in the Amended Employment Agreement), Mr. Slipsager will be entitled to receive two times the sum of his base salary and target bonus, payable in equal installments in accordance with the Company’s normal payroll practice during the 24 month period following the termination of employment, and a lump sum payment equal to a pro-rated portion of his annual bonus for the year of termination. The terms of the Amended Employment Agreement provide that upon the termination of Mr. Slipsager’s employment for any reason, he will refrain from competing with, or soliciting the employees or customers of the Company for one year following the termination of employment.

In addition, certain provisions were included in the Amended Employment Agreement to reflect changes required to comply with the provisions of Sections 409A and 162(m) of the Internal Revenue Code.

A copy of the Amended Employment Agreement is filed herewith as Exhibit 10.1 to this current report and is incorporated herein by reference.

Amended and Restated Severance Agreement with Henrik C. Slipsager

On July 15, 2008, the Company entered into an Amended and Restated Severance Agreement (the “Amended Severance Agreement”) with Mr. Slipsager, which amends and restates Mr. Slipsager’s prior severance agreement, dated December 13, 2005, to reflect changes required to comply with the provisions of Sections 409A and 162(m) of the Internal Revenue Code.

A copy of the Amended Severance Agreement is filed herewith as Exhibit 10.2 to this current report and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits.

10.1 Amended and Restated Employment Agreement dated July 15, 2008 by and between ABM Industries Incorporated and Henrik C. Slipsager.

10.2 Amended and Restated Severance Agreement dated July 15, 2008 by and between ABM Industries Incorporated and Henrik C. Slipsager.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ABM INDUSTRIES INCORPORATED

Dated: July 18, 2008

By: /s/ Sarah H. McConnell

Sarah H. McConnell
Senior Vice President and
General Counsel

EXHIBIT INDEX

- 10.1 Amended and Restated Employment Agreement dated July 15, 2008 by and between ABM Industries Incorporated and Henrik C. Slipsager.
- 10.2 Amended and Restated Severance Agreement dated July 15, 2008 by and between ABM Industries Incorporated and Henrik C. Slipsager.

AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT (“Agreement”) is effective as of July 15, 2008 (the “Effective Date”), by and between Henrik C. Slipsager (“Executive”) and **ABM Industries Incorporated** for itself and on behalf of its subsidiary corporations as applicable herein.

WHEREAS, the subsidiaries of ABM (as hereinafter defined) are engaged in the building maintenance and related service businesses, and

WHEREAS, Executive is experienced in the administration, finance, marketing, and/or operation of such services, and

WHEREAS, Executive and ABM are party to an Executive Employment Agreement dated June 7, 2005 (the “Prior Agreement”),

WHEREAS, the parties desire to amend and restate the Prior Agreement to, among other things, reflect changes required to comply with Section 409A and Section 162(m) of the Internal Revenue Code,

WHEREAS, ABM and its subsidiaries have invested significant time and money to develop proprietary trade secrets and other confidential business information, as well as invaluable goodwill among its customers, sales prospects and employees, and

WHEREAS, ABM and its subsidiaries have disclosed or will disclose to Executive such proprietary trade secrets and other confidential business information which Executive will utilize in the performance of his duties and responsibilities as Chief Executive Officer and under this Agreement, and

WHEREAS, Executive wishes to, or has been and desires to remain employed by ABM, and to utilize such proprietary trade secrets, other confidential business information and goodwill in connection with his employment,

NOW THEREFORE, Executive and ABM agree as follows:

1. **EMPLOYMENT.** ABM hereby agrees to employ Executive, and Executive hereby accepts such employment, on the terms and conditions set forth in this Agreement.
-

2. **TITLE.** Executive's title shall be President and Chief Executive Officer of ABM, subject to modification as mutually agreed upon by ABM and Executive.
 3. **DEFINITIONS.** The capitalized terms used in this agreement shall have the following definitions:
 - A. "ABM" means ABM Industries Incorporated, its successors, and assigns.
 - B. "Base Salary" means the salary paid under Paragraph 7A for the applicable Fiscal Year.
 - C. "Board" means the Board of Directors of ABM.
 - D. "Bonus" means a performance-based bonus payable under Paragraph 7B of this Agreement.
 - E. "CEO Committee" means a committee designated by the Board which shall constitute all of the Independent Directors.
 - F. "Company" means ABM and its subsidiaries.
 - G. "Compensation Committee" means the Compensation Committee of the Board.
 - H. "EOIP" means the ABM Executive Officer Incentive Plan adopted by the Board on January 10, 2006, as such plan may be amended from time to time, or any successor plan.
 - I. "Executive" means Henrik C. Slipsager.
 - J. "Extended Term" means the period for which this agreement is extended under Paragraph 14 of this Agreement.
 - K. "Fiscal Year" means the period beginning on November 1 of a calendar year and ending on October 31 of the following calendar year or such other period as shall be designated by the Board as ABM's fiscal year.
-

- L. "Independent Directors" means the directors designated by the Board as independent directors, which persons shall qualify both as independent under the rules and regulations of the New York Stock Exchange and as outside directors under Section 162(m).
- M. "Initial Term" is the period beginning on the Effective Date and ending on October 31, 2013, unless sooner terminated under Paragraph 15 of this Agreement.
- N. "Just Cause" means (i) theft or dishonesty, (ii) more than one instance of neglect or failure to perform employment duties, (iii) more than one instance of inability or unwillingness to perform employment duties, (iv) insubordination, (v) abuse of alcohol or other drugs or substances affecting Executive's performance of his employment duties, (vi) material and willful breach of this Agreement, (vii) other misconduct, unethical or unlawful activity, (viii) a conviction of or plea of "guilty" or "no contest" to a felony under the laws of the United States or any state thereof, or (ix) a conviction of or plea of "guilty" or "no contest" to a misdemeanor involving a crime of moral turpitude under the laws of the United States or any state thereof.
- O. "Performance Assessment" means the Compensation Committee's annual assessment, after consultation with the CEO Committee, of Executive's performance against the Performance Criteria.
- P. "Performance Criteria" means the performance criteria for Executive established annually by the Compensation Committee, after consultation with the CEO Committee, in accordance with Paragraph 7B of this Agreement.
- Q. "Section 162(m)" means Section 162(m) of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder, or any successor statute.
- R. "Section 409A" means Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder, or any successor statute.
- S. "Significant Transaction" means the Company's acquisition or disposition of a business or assets which ABM is required to report under Item 2.01 of Form 8-K under the rules and regulations issued by the Securities and Exchange Commission.

- T. "State of Employment" means New York.
- U. "Target Bonus" means 100% of Executive's Base Salary.
- V. "Total Disability" means Executive's inability to perform his duties under this Agreement and shall be deemed to occur on the 91st consecutive or non-consecutive calendar day within any 12 month period that Executive is unable to perform his duties under this Agreement because of any physical or mental illness or disability.
4. **DUTIES & RESPONSIBILITIES.** Executive shall assume and perform such executive or managerial duties and responsibilities as are assigned from time-to-time by the Board, to which Executive shall report and be accountable.
5. **TERM OF AGREEMENT.** This agreement shall end on October 31, 2013, unless sooner terminated pursuant to Paragraph 15 or later extended to an Extended Term under Paragraph 14 of this Agreement.
6. **PRINCIPAL OFFICE.** During the Initial Term and any Extended Term, as applicable, of this Agreement, Executive shall be based at an ABM office located in the State of Employment or such other location as shall be mutually agreed upon by the Board and Executive.
7. **COMPENSATION.** ABM agrees to compensate Executive, and Executive agrees to accept as compensation in full, for Executive's assumption and performance of duties and responsibilities pursuant to this Agreement:
- A. **SALARY.** Executive shall be entitled to a Base Salary in an amount to be determined by the CEO Committee in its sole discretion, provided that Executive's initial Base Salary shall be \$765,000.
- B. **BONUS.** Subject to the provisions of the EOIP, the provisions of Paragraph 15 and subparagraphs (iii), (iv) and (v) below, Executive shall be entitled to a Bonus for each Fiscal Year, as follows:
- i. Executive's Bonus may range from 0% to 180% of the Target Bonus and shall be based on the Performance Assessment of Executive for the applicable Fiscal Year evaluated on the basis of the Performance Criteria.

Performance Criteria may include both ABM and individual objectives, may be both qualitative and quantitative in nature and shall be established and communicated to Executive within 90 days after the beginning of the Fiscal Year for which they apply. The Compensation Committee or the CEO Committee (or members of such committees) may seek the views of members of the Board with respect to whether the Performance Criteria have been achieved, provided that the Performance Assessment shall be solely determined by the Compensation Committee. The determination of the Bonus amount for each Fiscal Year shall be determined by the CEO Committee.

- ii. The Performance Criteria may be adjusted by the Compensation Committee, after consultation with the CEO Committee, in the event of a Significant Transaction and/or for any unanticipated and material events that are beyond the control of ABM, including but not limited to acts of god, nature, war or terrorism, or changes in the rules for financial reporting set forth by the Financial Accounting Standards Board, the Securities and Exchange Commission, rules of the New York Stock Exchange and/or for any other reason which the Compensation Committee determines, in good faith, to be appropriate, provided that no adjustment shall be permitted to the extent it would result in the nondeductibility of any portion of the Bonus under Section 162(m).
- iii. ABM shall pay Executive the Bonus for each Fiscal Year as soon as practicable following completion of the audit of ABM's financial statements for such Fiscal Year and within 10 days after determination of the Bonus by the CEO Committee. Notwithstanding the foregoing, the Bonus shall be paid no later than March 15th of the year following the end of the calendar year in which the Bonus is earned. In the event of termination of employment hereunder other than a termination under Paragraph 15B or a termination under Paragraph 15C, ABM shall pay Executive a prorated portion of the Bonus, for the fraction of the Fiscal Year that has been completed prior to the date of termination, based on the Company's actual performance for the entire Fiscal Year. The prorated portion of the Bonus shall be paid at such time as bonuses are paid to employees generally, but in no event later than March 15th of the year following the end of the calendar year in which the bonus is no longer subject to a substantial risk of forfeiture.
- iv. Absent bad faith or material error, any conclusions of the Compensation Committee or the CEO Committee with respect to the Performance Criteria, the Performance Assessment, or the actual Bonus shall be final and binding upon Executive and ABM.

- v. Except as may otherwise be determined by the CEO Committee in the event of extraordinary circumstances affecting the financial performance of the Company, no Bonus for any Fiscal Year of ABM shall be payable unless ABM's EPS for the Fiscal Year then ending is equal to or greater than 80% of ABM's EPS for the previous Fiscal Year of ABM. Notwithstanding the above, no determination by the Committee to pay Executive a Bonus pursuant to this Paragraph shall result in the nondeductibility of any portion of such Bonus under Section 162(m).
 - vi. Notwithstanding any other provision of this Agreement, the CEO Committee may, no later than 90 days after the beginning of any Fiscal Year (but in no event later than the date required for the Bonus to qualify as performance-based compensation within the meaning of Section 162(m)), approve and notify the Executive of a modification to the Target Bonus or the bonus range set forth in subparagraph (i) above. The CEO Committee's decision in this regard shall be deemed final and binding on Executive. In addition, the CEO Committee may grant a discretionary incentive bonus to Executive at any time in its sole discretion.
- C. **FRINGE BENEFITS.** Executive shall receive the then current fringe benefits generally provided by ABM to its executives. Such benefits may include but not be limited to the use of an ABM-leased car or a car allowance, group health benefits, long-term disability benefits, group life insurance, sick leave and vacation. Each of these fringe benefits is subject to the applicable ABM policy at all times. Executive expressly agrees that should he terminate employment with ABM for the purpose of being re-employed by an ABM subsidiary or affiliate, he shall "carry-over" any previously accrued but unused vacation balance to the books of the affiliate. ABM reserves the right to add, increase, reduce or eliminate any fringe benefit at any time, but no such benefit or benefits shall be reduced or eliminated as to Executive unless generally reduced or eliminated as to senior executives at ABM.
- D. **LIMIT.** To the extent that any compensation to be paid to Executive under this Agreement would cause compensation payable to Executive to be non-deductible by ABM as a result of the compensation limit provisions of Section 162(m), Executive agrees that any such amount in excess of such compensation limit shall not be paid out to Executive but shall be deferred by Executive under the ABM Deferred Compensation Plan to the extent permitted by Treas. Reg. 1.409A-2(b) (7) (i). The distribution of such deferred amounts will be made during the first calendar year in which ABM reasonably anticipates that, if the payment is made during that year, the deduction of the payment will not be barred by Section 162(m) or, if sooner, upon the later of the end of the Fiscal Year in which Executive incurs a "separation from service" within the meaning of Section 409A

or the date which is two-and-one-half months following the date of such "separation from service." Amounts deferred by Executive will be credited with interest or gains and losses in accordance with the ABM Deferred Compensation Plan.

- E. **POST EMPLOYMENT HEALTH INSURANCE ASSISTANCE.** Subject to Paragraph 16 of this Agreement, upon Executive's termination of employment for any reason other than for Just Cause and concluding no later than 10 years after such termination, ABM shall pay Executive \$10,000 per year to assist Executive in purchasing health insurance for Executive and his spouse. In the event that Executive dies prior to the expiration of such ten-year period, ABM shall pay Executive's surviving spouse \$5,000 per year until the first to occur of (i) the death of Executive's spouse or (ii) the end of the ten-year period.
8. **PAYMENT OR REIMBURSEMENT OF BUSINESS EXPENSES.** ABM shall pay directly or reimburse Executive for reasonable business expenses of ABM incurred by Executive in connection with ABM business in accordance with the ABM Travel & Entertainment Policy, in effect from time to time.
9. **BUSINESS CONDUCT.** Executive shall dedicate his full business time and attention to the performance of duties hereunder, perform his duties in good faith and to a professional standard, and fully comply with all laws and regulations pertaining to the performance of this Agreement, all ethical rules, and ABM's Code of Business Conduct, as well as any and all of policies, procedures and instructions of Company including but not limited to the provisions of Section 304 of the Sarbanes-Oxley Act of 2002. Executive agrees that if he is approached by any person to discuss a possible acquisition or other transaction that could reasonably result in a change of control of ABM, Executive will immediately advise ABM's General Counsel and Chairman of the Board.
10. **NO CONFLICT.** Executive represents to ABM that Executive is not bound by any contract with a previous employer or with any other business that might prevent Executive from entering into this Agreement. Executive further represents that he is not bound by any other contracts or covenants that in any way restrict or limit Executive's activities in relation to his or her employment with ABM that have not been fully disclosed to ABM prior to the signing of this Agreement.
11. **COMPANY PROPERTY.** ABM shall, from time to time, entrust to the care, custody and control of Executive certain of the Company's property, such as motor vehicles, equipment, supplies, passwords and electronic and paper documents. Such documents may include, but shall not be limited to, customer lists, financial statements, cost data, price lists, invoices, forms, electronic files and media, mailing lists, contracts, reports,

manuals, personnel files or directories, correspondence, business cards, copies or notes made from Company documents and documents compiled or prepared by Executive for Executive's use in connection with Company business. Executive specifically acknowledges that all such items, including passwords and documents, are the property of the Company, notwithstanding their preparation, care, custody, control or possession by Executive at any time(s) whatsoever.

12. GOODWILL & PROPRIETARY INFORMATION. In connection with Executive's employment hereunder:

- A. **PROPRIETARY INFORMATION.** Executive agrees to utilize and further the Company's goodwill among its customers, sales prospects and employees, and acknowledges that the Company may disclose to Executive and Executive may disclose to the Company Proprietary Information (as hereinafter defined).
- B. **DUTY OF LOYALTY.** Executive agrees that the Proprietary Information and the Company's goodwill have unique value to the Company, are not generally known or readily available to the Company's competitors, and could only be developed by others after investing significant time and money. ABM makes the Proprietary Information and the Company's goodwill available to Executive in reliance on Executive's agreement to hold the Proprietary Information and the Company's goodwill in trust and confidence. Executive hereby acknowledges that to use this Proprietary Information and the Company's goodwill other than for the benefit of the Company would be a breach of such trust and confidence and a violation of Executive's duty of loyalty to the Company.

13. RESTRICTIVE COVENANTS. In consideration of the compensation, contract term, potential severance benefits, continued employment provided by ABM, and access to Proprietary Information, as defined below, necessary to the performance of Executive's duties hereunder, Executive hereby agrees to the following during his employment and thereafter as provided:

- A. **NON-SOLICITATION OF EMPLOYEES.** Executive acknowledges and agrees that during the course of Executive's employment with ABM, Executive will come into contact with Company employees and acquire information regarding their knowledge, skills, abilities, salaries, commissions, benefits, and other matters that are not generally known to the public. Executive further acknowledges and agrees that hiring, recruiting, soliciting, or inducing the termination of such employees will be detrimental and harmful to Company's business. Accordingly, Executive agrees that while employed by ABM and for a period of one year following the termination of Executive's employment (whether

termination is voluntary or involuntary), Executive will not directly or indirectly solicit, hire, recruit or otherwise encourage or arrange for any executive or employee to terminate employment with Company or any other Company-affiliated entity except in the proper performance of this Agreement. This prohibition against solicitation shall include but not be limited to: (i) identifying to other employers or their agents, recruiting or staffing firms, or other third parties the Company employee(s) who have specialized knowledge concerning inventions, processes, methods, or other confidential affairs or who have contacts, experience, or relationships with particular customers; (ii) disclosing or commenting to other employers or their agents, recruiting or staffing firms, or other third parties regarding the quality or quantity of work, specialized knowledge, or personal characteristics of any person still employed by Company or any other Company-affiliated entity; and (iii) providing such information to prospective employers or their agents, recruiting or staffing firms, or other third parties preceding possible employment.

- B. NON-DISCLOSURE. Except in the proper performance of this Agreement, Executive agrees to hold all Proprietary Information in the strictest confidence, and to refrain from making any unauthorized use or disclosure of such information both during Executive's employment and at all times thereafter. Executive shall not directly or indirectly disclose, reveal, transfer or deliver to any other person or business, any Proprietary Information which was obtained directly or indirectly by Executive from, or for, Company or by virtue of Executive's employment with Company. "Proprietary Information" means Company's trade secrets, ideas, processes and other confidential information not generally known that could have value to a third party such as plans for business development, marketing, business plans, budgets and financial statements of any kind, costs and suppliers, and information regarding the skills and compensation of other employees of the Company or employees of any company that contracts to provide services to the Company. Proprietary Information also includes information of third parties to which Executive had access by virtue of employment with the Company, including, but not limited to, information regarding customers such as: (i) the identity of Company's customers, customer contacts, and sales prospects; (ii) the nature, extent, frequency, methodology, cost, price and profit associated with services and products purchased by customers from Company; (iii) the names, office hours, telephone numbers and street addresses of its purchasing agents or other buyers or customer contacts; (iv) Company and customer billing procedures; (v) Company and customer credit limits and payment practices; (vi) Company and customer organizational structure; and (vii) any information related to past, current or future acquisitions between Company or Company-affiliated entities including Company information used or relied upon for said acquisition.

- C. **NON-SOLICITATION OF CUSTOMERS.** Executive agrees that during and for one year following the termination of Executive's employment with ABM (whether such termination is voluntary or involuntary), Executive shall not, directly or indirectly, for the benefit of any person or entity other than the Company, seek, solicit, divert, take away, obtain or accept work from any customer or prospective customer of the Company. In addition, Executive agrees that at all times after the voluntary or involuntary termination of Executive's employment, Executive shall not seek, solicit, divert, take away, obtain, or accept work from any customer or sales prospect of Company or any other Company-affiliated entity through the direct or indirect use of any Proprietary Information or by any other unfair or unlawful business practice.
- D. **POST EMPLOYMENT COMPETITION.** Executive agrees that while employed by ABM and, to the fullest extent allowed by law, for a period of one year following Executive's termination of employment (whether such termination is voluntary or involuntary), Executive shall not engage in any business activity which competes directly or indirectly with the Company or the operations of any Company-affiliated entity. The Executive acknowledges that the Company is engaged in business in various states throughout the U.S. and that the Company intends to expand the geographic scope of its activities. Accordingly and in view of the nature of Executive's position and responsibilities, the Executive agrees that the provisions of this Paragraph shall be applicable to each state and each foreign country in which the Company may be engaged in business within the twelve-month period preceding the effective date of Executive's termination of employment.
- E. **NON-DISPARAGEMENT.** During Executive's employment with ABM and thereafter, Executive agrees not to make any statement or take any action which disparages, defames, or places in a negative light Company, Company-affiliated entities, or its or their reputation, goodwill, commercial interests or past and present officers, directors and employees.
- F. **COOPERATION WITH LEGAL MATTERS IN SUPPORT OF COMPANY.** During Executive's employment with ABM and thereafter, Executive shall cooperate with Company and any Company-affiliated entity in its or their investigation, defense or prosecution of any potential, current or future legal matter in any forum, including but not limited to lawsuits, administrative charges, audits, arbitrations, and internal and external investigations. Executive's cooperation shall include, but is not limited to, reviewing and preparing documents and reports, meeting with attorneys representing Company or any Company-affiliated entity, providing truthful testimony, and communicating Executive's knowledge of relevant facts to any attorneys, experts, consultants, investigators, employees or other representatives working on behalf of Company

or any Company-affiliated entity. Except as required by law, Executive agrees to treat all information regarding any such actual or potential investigation or claim as confidential. Executive also agrees not to discuss or assist in any litigation, potential litigation, claim, or potential claim with any individual (or their attorney or investigator) who is pursuing, or considering pursuing, any claims against Company or any Company-affiliated entity unless required by law. In performing the tasks outlined in this Paragraph, Executive shall be bound by the covenants of good faith and veracity set forth in ABM's Code of Business Conduct and Ethics and by all legal obligations. Nothing herein is intended to prevent Executive from complying in good faith with any subpoena or other affirmative legal obligation. Executive agrees to notify Company immediately in the event there is a request for information or inquiry pertaining to Company, any Company-affiliated entity, or Executive's knowledge of or employment with the Company. In performing responsibilities under this Paragraph at the request or for the benefit of the Company, Executive shall be compensated for Executive's time at an hourly rate of \$400 per hour. However, during any period in which Executive is an employee of ABM or is receiving payments pursuant to Paragraph 15 of this Agreement or pursuant to the terms of any Other Severance Agreement (as hereinafter defined), Executive shall not be so compensated.

- G. **REMEDIES AND DAMAGES.** The parties agree that compliance with Paragraph 13 of the Agreement is necessary to protect the business and goodwill of Company, that the restrictions contained herein are reasonable and that any breach of this Paragraph will result in irreparable and continuing harm to Company, for which monetary damages may not provide adequate relief. Accordingly, in the event of any actual or threatened breach of this Paragraph by Executive, Company and Executive agree that Company shall be entitled to all appropriate remedies, including temporary restraining orders and injunctions enjoining or restraining such actual or threatened breach. Executive hereby consents to the issuance thereof forthwith by any court of competent jurisdiction.
- H. **LIMITATIONS.** Nothing in this Agreement shall be binding upon the parties to the extent it is void or unenforceable for any reason in the State of Employment, including, without limitation, as a result of any law regulating competition or proscribing unlawful business practices.

14. EXTENSION OF EMPLOYMENT.

- A. **RENEWAL.** Absent at least 90 days written notice of termination of employment or notice of non-renewal from ABM to Executive prior to expiration of the then current Initial or Extended Term, as applicable, of this Agreement, employment

hereunder shall continue for an Extended Term (or another Extended Term, as applicable) of one year.

- B. NOTICE OF NON-RENEWAL. In the event that notice of non-renewal is given at least 90 days prior to the expiration of the then Initial or Extended Term, as applicable, of this Agreement, employment shall continue on an “at will” basis following the expiration of such Initial or Extended Term. In such event, ABM shall have the right to terminate Executive’s employment or to change the terms and conditions of Executive’s employment, including but not limited to Executive’s position and/or compensation. For the avoidance of doubt, Executive will not be entitled to receive any payments under this Agreement or any policy or plan of the Company as in effect from time to time that provides for payment of amounts on termination of employment, by reason of the Company electing not to renew this Agreement.

15. TERMINATION OF EMPLOYMENT.

- A. TERMINATION UPON EXPIRATION OF TERM. Either the Company or the Executive may elect to terminate Executive’s employment upon the Company providing Executive with a notice of non-renewal pursuant to Paragraph 14B above, in which event Executive’s employment shall terminate at the expiration of the then current Initial or Extended Term. Upon termination pursuant to this Paragraph, Executive shall not be entitled to any payments under the Agreement other than (i) the payment when due of any and all previously earned, but as yet unpaid, salary, and reimbursement of business expenses and fringe benefits (“Accrued Compensation”), (ii) any payments to be made pursuant to Paragraph 7E, and (iii) an amount with respect to Bonus (if any) as determined by the CEO Committee pursuant to Paragraph 7B; provided, however, that if the expiration of the term is in connection with a termination of employment for Just Cause or a voluntary termination of employment by Executive, such termination will be governed by the provisions of Paragraphs 15B and 15C, respectively. The prorated portion of the Bonus (if any) shall be paid at such time as bonuses are paid to employees generally, but in no event later than March 15th of the year following the end of the calendar year in which the bonus is no longer subject to a substantial risk of forfeiture.
- B. TERMINATION FOR CAUSE. ABM may terminate Executive’s employment hereunder at any time during the then current Initial or Extended Term, as applicable, of this Agreement, without notice, subject only to a good faith determination by a majority of the Board of Just Cause. Upon such termination, Executive shall not be entitled to any payments under this Agreement other than the Accrued Compensation.

- C. VOLUNTARY TERMINATION BY EXECUTIVE. At any time during the Initial or then current Extended Term, as applicable, of this Agreement and with or without Just Cause, Executive may terminate employment hereunder by giving ABM 90 days' prior written notice, and Executive shall not be entitled to any payments under this Agreement other than Accrued Compensation and those payments provided under Paragraph 7E.
- D. DISABILITY OR DEATH. Employment hereunder shall automatically terminate upon the Total Disability or death of Executive. ABM shall pay when due to Executive or, upon death, Executive's designated beneficiary or estate, as applicable, (i) the Accrued Compensation, and (ii) a prorated portion of the Bonus for the fraction of the Fiscal Year that has been completed through the end of the month in which death or Total Disability occurs, based on the Company's actual performance for the entire Fiscal Year, such prorated portion to be paid at the time set forth in Paragraph 7B(iii). Upon such termination, Executive shall not be entitled to any other payments under this Agreement other than those provided under Paragraph 7E.
- E. TERMINATION WITHOUT CAUSE. ABM may terminate Executive's employment hereunder without Just Cause at any time during the Initial or then current Extended Term of this Agreement, as applicable, by giving Executive 90 days written notice. Upon such termination without Just Cause, in addition to the Accrued Compensation, Executive shall be entitled to receive two times the sum of Executive's Base Salary and Target Bonus payable, subject to Paragraph 16 of this Agreement, in equal installments in accordance with the Company's normal payroll practice over the twenty-four month period following Executive's termination of employment. Upon such termination, Executive shall not be entitled to any other payments under this Agreement other than those provided under Paragraph 7E.
- F. OTHER OBLIGATIONS. A termination of employment pursuant to Paragraph 15 of this Agreement will not affect any rights that Executive may have pursuant to any agreement, policy, plan, program or arrangement of the Company or Subsidiary providing employee benefits, which rights will be governed by the terms thereof. To the extent that Executive receives payments or benefits by reason of his termination of employment pursuant to any other severance agreement or employee plan (collectively, "Other Severance Agreements"), the amounts otherwise receivable under Paragraph 15 will be reduced by the amounts actually paid pursuant to the Other Severance Agreements, but not below zero, to avoid duplication of payments so that the total amount payable or value of benefits receivable hereunder and under the Other Severance Agreements is not any more or less than the amounts so payable or value so receivable had such benefits been paid in full hereunder.

- G. **PAYMENTS AND BENEFITS WITH RESPECT TO A CHANGE IN CONTROL.** Notwithstanding anything to the contrary in this Agreement or otherwise, if Executive employment is terminated during the “Severance Period” (as defined in the Severance Agreement entered into between Executive and the Company on December 13, 2005, as amended from time to time), Executive shall not be entitled to payments and benefits under Paragraph 15 of this Agreement and, alternatively, Executive’s entitlement to payments and benefits, if any, shall be governed by the terms of such Severance Agreement.
- H. **ACTIONS UPON TERMINATION.** Upon termination of employment hereunder, Executive shall immediately resign as an officer and/or director of Company and of any Company subsidiaries or affiliates, as applicable. Executive shall promptly return and release all Company property in Executive’s possession to Company, including but not limited to, any motor vehicles, equipment, supplies, passwords and documents set forth in Paragraph 11 of this Agreement.
16. **CONDITIONS TO PAYMENT AND ACCELERATION; CODE SECTION 409A.** Notwithstanding anything contained herein to the contrary, Executive shall not be considered to have terminated employment with ABM for purposes of this Agreement and no payments shall be due to Executive under this Agreement or any policy or plan of ABM as in effect from time to time, providing for payment of amounts on termination of employment, unless Executive would be considered to have incurred a “separation from service” from ABM within the meaning of Section 409A. Each amount to be paid or benefit to be provided under this Agreement shall be construed as a separate identified payment for purposes of Section 409A, and any payments described in Paragraph 15E of this Agreement that are due within the “short term deferral period” as defined in Section 409A shall not be treated as deferred compensation unless applicable law requires otherwise. To the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Agreement during the six-month period immediately following Executive’s termination of employment shall instead be paid on the first business day after the date that is six months following Executive’s termination of employment (or upon Executive’s death, if earlier). In addition, to the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A, if Executive terminates employment after October 15th of any year, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this policy prior to December 31st of the year in which the termination of employment occurs shall, subject to the previous sentence of this Paragraph, instead be paid on the first business day following January 1st of the year following Executive’s termination of employment.
17. **GOVERNING LAW.** This Agreement shall be interpreted and enforced in accordance with the laws of the State of Employment.

18. REMEDIES & DAMAGES.

- A. **INJUNCTIVE RELIEF.** The parties agree that compliance with Paragraphs 12 and 13 of this Agreement is necessary to protect the business and goodwill of the Company, and that any breach of such Paragraphs will result in irreparable and continuing harm to Company, for which monetary damages may not provide adequate relief. Accordingly, in the event of any actual or threatened breach of Paragraphs 12 and 13 of this Agreement by Executive, ABM and Executive agree that ABM shall be entitled to all appropriate remedies, including temporary restraining orders and injunctions enjoining or restraining such actual or threatened breach. Executive hereby consents to the issuance thereof forthwith by any court of competent jurisdiction.
- B. **WITHHOLDING AUTHORIZATION.** To the fullest extent permitted under the laws of the State of Employment hereunder, Executive authorizes ABM to withhold from any severance payments otherwise due to Executive and from any other funds held for Executive's benefit by ABM, any damages or losses sustained by Company as a result of any material breach or other material violation of this Agreement by Executive, pending resolution of the underlying dispute.
19. **NO WAIVER.** Failure by either party to enforce any term or condition of this Agreement at any time shall not preclude that party from enforcing that provision, or any other provision of this Agreement, at any later time.
20. **SEVERABILITY.** The provisions of this Agreement are severable. If any arbitrator (or court as applicable hereunder) rules that any portion of this Agreement is invalid or unenforceable, the arbitrator's or court's ruling shall not affect the validity and enforceability of other provisions of this Agreement. It is the intent of the parties that if any provision of this Agreement is ruled to be overly broad, the arbitrator or court shall interpret such provision with as much permissible breadth as is allowable under law rather than consider such provision void.
21. **SURVIVAL.** All terms and conditions of this Agreement which by reasonable implication are meant to survive the termination of this Agreement, including but not limited to the provisions of Paragraph 13 of this Agreement, shall remain in full force and effect after the termination of this Agreement.
22. **REPRESENTATIONS.** Executive represents and agrees that he has carefully read and fully understands all of the provisions of this Agreement, that he is voluntarily entering

into this Agreement and has been given an opportunity to review all aspects of this Agreement with an attorney, if he chooses to do so.

23. NOTICES.

- A. ADDRESSES. Any notice required or permitted to be given pursuant to this Agreement shall be in writing and delivered in person, or sent prepaid by certified mail, bonded messenger or overnight express, to the party named at the address set forth below or at such other address as either party may hereafter designate in writing to the other party:

Executive: Henrik C. Slipsager
17 Stratton Road
Purchase, NY 10577

ABM: ABM Industries Incorporated
551 Fifth Avenue
New York, New York 10176
Attention: Board of Directors

Copy: ABM Industries Incorporated
551 Fifth Avenue
New York, New York 10176
Attention: General Counsel

- B. RECEIPT. Any such notice shall be assumed to have been received when delivered in person or 48 hours after being sent in the manner specified above.

24. ENTIRE AGREEMENT. Unless otherwise specified herein, this Agreement sets forth every contract, understanding and arrangement as to the employment relationship between Executive and ABM.

- A. NO EXTERNAL EVIDENCE. The parties intend that this Agreement speak for itself, and that no evidence with respect to its terms and conditions other than this Agreement itself may be introduced in any arbitration or judicial proceeding to interpret or enforce this Agreement.
- B. SUPERSEDES OTHER AGREEMENTS. It is specifically understood and accepted that this Agreement supersedes all oral and written employment agreements between Executive and ABM prior to the date of this Agreement as well as all conflicting provisions of Company's Human Resources Manual,

including but not limited to the termination, discipline and discharge provisions contained therein.

- C. AMENDMENTS. This Agreement may not be amended except in a writing approved by the Board and signed by the Executive and the Chair of the Compensation Committee.

[Remainder of this page is intentionally left blank]

IN WITNESS WHEREOF, Executive and the Chair of the Compensation Committee of the Board have executed this Agreement as of the date set forth above.

Executive: Henrik C. Slipsager

Signature: /s/ Henrik C. Slipsager

Date: July 15, 2008

ABM: ABM Industries Incorporated

Signature: /s/ Linda Chavez

Title: Chair of the Compensation Committee of the Board of Directors

Date: July 15, 2008

AMENDED AND RESTATED SEVERANCE AGREEMENT

This Amended and Restated Severance Agreement (this "Agreement"), effective as of July 15, 2008, is made between ABM Industries Incorporated, a Delaware corporation (the "Company"), and the individual executing this Agreement as the Executive on the signature page (the "Executive").

RECITALS

A. The Executive is a senior executive of the Company and has made and is expected to continue to make major contributions to the short- and long-term profitability, growth and financial strength of the Company;

B. The Company recognizes that the possibility of a Change in Control exists and that such possibility, and the uncertainty it may create among management, may result in the distraction or departure of management personnel, to the detriment of the Company and its stockholders, including a reduction of the value received by stockholders in a Change in Control transaction;

C. The Executive and the Company are party to a Severance Agreement dated December 13, 2005 (the "Prior Agreement");

D. The parties desire to amend and restate the Prior Agreement to reflect changes required to comply with Section 409A and Section 162(m) of the Code;

E. The Company desires to assure itself of both present and future continuity of management and to establish fixed severance benefits for certain of its senior executives, including the Executive, applicable in the event of a Change in Control; and

F. The Company desires to provide additional inducement for the Executive to continue to remain in the employ of the Company. Accordingly, the Company and the Executive agree as follows:

1. Certain Defined Terms. In addition to terms defined elsewhere herein, the following terms have the following meanings when used in this Agreement with initial capital letters:

(a) "After-Tax Amount" means the amount to be received by an Executive determined on an after-tax basis taking into account the excise tax imposed pursuant to Section 4999 of the Code, or any successor provision thereto, any tax imposed by any comparable provision of state law and any applicable federal, state and local income and employment taxes.

(b) "Base Pay" means the Executive's annual base salary rate as in effect at the time a determination is required to be made under Section 4.

(c) “Board” means the Board of Directors of the Company; any action of the Board herein contemplated will be valid if adopted by a majority of the total number of directors then in office or a majority of the Incumbent Directors and, for purposes of interpreting, amending or waiving any portion of this Agreement, may be adopted by a majority of the Incumbent Directors by written action, whether or not unanimous, or may be delegated by specific action of the Board of Directors after the date hereof to any directorate committee comprised solely of Incumbent Directors who are also Independent Directors.

(d) “Cause” means that, prior to any termination, the Executive shall have:

(i) been charged with a crime involving fraud, embezzlement or theft in connection with Executive’s duties or in the course of Executive’s employment with the Company or any Subsidiary or been convicted of a felony;

(ii) intentionally breached his fiduciary obligations to the Company or any securities laws applicable to the Company; or

(iii) committed intentional wrongful engagement in any Competitive Activity;

and any such act shall have been demonstrably and materially harmful to the Company. For purposes of this Agreement, no act or failure to act on the part of the Executive will be deemed “intentional” if it was due primarily to an error in judgment or negligence, but will be deemed “intentional” only if done or omitted to be done by the Executive not in good faith and without reasonable belief that the Executive’s action or omission was in the best interest of the Company. Notwithstanding the foregoing, the Executive will not be deemed to have been terminated for “Cause” hereunder unless and until there shall have been delivered to the Executive a copy of a resolution duly adopted by the Board at a meeting of the Board called and held for such purpose, after reasonable notice to the Executive and an opportunity for the Executive, together with the Executive’s counsel (if the Executive chooses to have counsel present at such meeting), to be heard before the Board, finding that, in the good faith opinion of the Board after consultation with outside counsel, there is clear and convincing evidence that the Executive had committed an act constituting “Cause” as herein defined and specifying the particulars thereof in reasonable detail. Nothing herein will limit the right of the Executive or Executive’s beneficiaries to contest the validity or propriety of any such determination.

(e) “Change in Control” means that during the Term any of the following events occurs, provided that the occurrence of such event constitutes a “change in effective ownership or control” of the Company, as defined in Section 409A:

(i) any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a “Person”) (A) is or becomes the beneficial owner (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of more than 35% of the combined voting power of the then-outstanding Voting Stock of the Company or succeeds in having nominees as directors elected in an “election contest”

within the meaning of Rule 14a-12(c) under the Exchange Act and (B) within 18 months after either such event, individuals who were members of the Board of Directors of the Company immediately prior to either such event cease to constitute a majority of the members of the Board of Directors of the Company; or

(ii) a majority of the Board ceases to be comprised of Incumbent Directors; or

(iii) the consummation of a reorganization, merger, consolidation, plan of liquidation or dissolution, recapitalization or sale or other disposition of all or substantially all of the assets of the Company or the acquisition of the stock or assets of another corporation, or other transaction (each, a “Business Transaction”), unless, in any such case, (A) no Person (other than the Company, any entity resulting from such Business Transaction or any employee benefit plan (or related trust) sponsored or maintained by the Company, any Subsidiary or such entity resulting from such Business Transaction) beneficially owns, directly or indirectly, 35% or more of the combined voting power of the then-outstanding shares of Voting Stock of the entity resulting from such Business Transaction or, if it is such entity, the Company and (B) at least one-half of the members of the Board of Directors of the entity resulting from such Business Transaction were Incumbent Directors at the time of the execution of the initial agreement providing for such Business Transaction.

(f) “Code” means the Internal Revenue Code of 1986, as amended.

(g) “Competitive Activity” means the Executive’s participation, without the written consent signed by an officer of the Company and authorized by the Board, in the management of any business enterprise if (i) such enterprise engages in substantial and direct competition with the Company and such enterprise’s sales of any product or service competitive with any product or service of the Company amounted to 10% of such enterprise’s net sales for its most recently completed fiscal year and if the Company’s net sales of said product or service amounted to 10% of the Company’s net sales for its most recently completed fiscal year or (ii) the primary business done or intended to be done by such enterprise is in direct competition with the business of providing facility services in any geographic market in which the Company operates. “Competitive Activity” will not include the mere ownership of securities in any such enterprise and the exercise of rights appurtenant thereto, if such ownership is less than 5% of the outstanding voting securities or units of such enterprise.

(h) “Employee Benefits” means the benefits and service credit for benefits as provided under any and all employee retirement income and welfare benefit policies, plans, programs or arrangements in which the Executive is entitled to participate, including without limitation any stock option, performance share, performance unit, stock purchase, stock appreciation, savings, pension, supplemental executive retirement, or other retirement income or welfare benefit, deferred compensation, incentive compensation, group or other life, health, medical/hospital or other insurance (whether funded by actual insurance or self-insured by the Company or a Subsidiary), disability, salary continuation, expense reimbursement and other employee benefit policies, plans,

programs or arrangements that may now exist or any equivalent successor policies, plans, programs or arrangements that may be adopted hereafter by the Company or a Subsidiary, providing benefits and service credit for benefits at least as great in the aggregate as are payable thereunder immediately prior to a Change in Control.

(i) "ERISA" means the Employee Retirement Income Security Act of 1976, as amended

(j) "Excess Parachute Payment" means a payment that creates an obligation for Executive to pay excise taxes under Section 280G of the Code or any successor provision thereto.

(k) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(l) "Good Reason" means the occurrence of one or more of the following events:

(i) Failure to elect or reelect or otherwise to maintain the Executive in the office or the position he had with the Company immediately prior to a Change in Control, or a substantially equivalent or better office or position than that which he had with the Company immediately prior to the Change in Control, in either such case with the Company, any legal successor to the Company or, if the Company merges with or into another entity with substantial operations, with respect to the business of the Company and its Subsidiaries substantially as conducted immediately prior to the Change in Control;

(ii) Failure of the Company to remedy any of the following within 30 calendar days after receipt by the Company of written notice thereof from the Executive: (A) a significant adverse change in the nature or scope of the authorities, powers or functions attached to the position with the Company which the Executive held immediately prior to the Change in Control, (B) a material reduction in the Executive's Base Pay, (C) a material reduction in the Executive's Incentive Pay Opportunity or Incentive Pay Target, or (D) the termination or denial of the Executive's rights to material Employee Benefits or a material reduction in the scope or value thereof, unless such termination or reduction referred to in clauses (B), (C) or (D) applies on a substantially similar basis to all executives of the Company and its parent entities or such right is replaced with a right with a substantially similar scope or value;

(iii) The liquidation, dissolution, merger, consolidation or reorganization of the Company or the transfer of all or substantially all of its business and/or assets, unless the successor or successors (by liquidation, merger, consolidation, reorganization, transfer or otherwise) to which all or substantially all of its business and/or assets have been transferred (by operation of law or otherwise) assumed all duties and obligations of the Company under this Agreement pursuant to Section 11(a);

(iv) If the Executive's principal residence at the time in question is within 35 miles of the Company's headquarters or the headquarters of the Subsidiary

that is Executive's employer, the Company requires the Executive to have Executive's principal location of work changed to any location that is in excess of 50 miles from such residence without Executive's prior written consent; or

(v) Without limiting the generality or effect of the foregoing, any material breach of this Agreement or any Other Employment Agreement (as defined in Section 6) by the Company or any successor thereto which is not remedied by the Company within 10 calendar days after receipt by the Company of written notice from the Executive of such breach.

A termination of employment by the Executive for one of the reasons set forth in clauses (i) — (v), above, will not constitute "Good Reason" unless, within the 60-day period immediately following the occurrence of such Good Reason event, the Executive has given written notice to the Company specifying in reasonable detail the event or events relied upon for such termination and the Company has not remedied such event or events within 10 days of the receipt of such notice. The Company and the Executive may mutually waive in writing any of the foregoing provisions with respect to an event or events that otherwise would constitute Good Reason.

(m) "Incumbent Directors" means the individuals who, as of the date hereof, are Directors of the Company and any individual becoming a Director subsequent to the date hereof whose election, nomination for election by the Company's shareholders or appointment was approved by a vote of at least two-thirds of the then Incumbent Directors (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without objection to such nomination); provided, however, that an individual shall not be an Incumbent Director if such individual's election or appointment to the Board occurs as a result of an actual or threatened election contest (as described in Rule 14a-12(c) of the Exchange Act) with respect to the election or removal of Directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board.

(n) "Incentive Pay" means compensation in addition to Base Pay determined by reference to one or more performance measures, whether payable in cash, securities or otherwise.

(o) "Incentive Pay Opportunity" means the maximum amount of Incentive Pay that the Executive would receive pursuant to any Incentive Pay Plan in existence immediately prior to a Change in Control (disregarding the effects of the Change in Control, including without limitation increased depreciation or amortization, financing expense and transaction costs), assuming satisfaction of all thresholds or other conditions thereto established (i) prior to the Change in Control or (ii) after the Change in Control either (A) with the Executive's specific prior written approval or (B) by action of a committee of the Board comprised solely of Independent Directors.

(p) "Incentive Pay Plan" means any plan, program, agreement or arrangement (excluding employee stock options, restricted stock or other rights the value of which is determined solely by reference to the value of the Company's common stock).

(q) "Incentive Pay Target" means the amount or value of Incentive Pay the Executive would have received assuming that the Incentive Pay Plans in effect immediately prior to the Change in Control continue unchanged and are satisfied at the target level and, if applicable, any conditions to entitlement to payment at the target level thereunder that are not measured by the Company's results of operation are satisfied at the target level.

(r) "Independent Directors" means directors who qualify as "independent" directors under then-applicable New York Stock Exchange rules applicable to compensation committees (whether or not the Company's securities continue to be listed for trading thereon).

(s) "Other Agreement" means an agreement, contract or understanding (including any option or equity plan or agreement) other than this Agreement, heretofore or hereafter entered into by the Executive with the Company or any Subsidiary.

(t) "Retirement Plans" means the benefit plans of the Company that are intended to be qualified under Section 401(a) of the Code and any supplemental executive retirement benefit plan or any other plan that is a successor thereto as such Retirement Plans were in effect immediately prior to the Change in Control and if the Executive was a participant in such Retirement Plan immediately prior to the Change in Control.

(u) Section 162(m) means Section 162(m) of the Code, and the regulations and guidance promulgated thereunder, or any successor statute.

(v) Section 409A means Section 409A of the Code, and the regulations and guidance promulgated thereunder, or any successor statute.

(w) "Severance Period" means the period of time commencing on the date of the first occurrence of a Change in Control and continuing until the earlier of (i) the second anniversary of the occurrence of the Change in Control and (ii) the Executive's death.

(x) "Subsidiary" means an entity in which the Company directly or indirectly beneficially owns 50% or more of the outstanding Voting Stock.

(y) "Term" means the period commencing as of the date hereof and expiring on the close of business on December 31, 2008; provided, however, that (i) commencing on January 1, 2009 and each January 1 thereafter, the term of this Agreement will automatically be extended for an additional year unless, not later than September 30 of the immediately preceding year, the Company or the Executive shall have given notice that it or the Executive, as the case may be, does not wish to have the Term extended; (ii) if a Change in Control occurs during the Term, the Term will expire

on the last day of the Severance Period; and (iii) subject to Section 3(c), if, prior to a Change in Control, the Executive ceases for any reason to be a full-time employee of the Company, thereupon without further action the Term shall be deemed to have expired and this Agreement will immediately terminate and be of no further effect.

(z) “Termination Date” means the date on which the Executive’s employment is terminated (the effective date of which will be the date of termination, or such other date that may be specified by the Executive if the termination is pursuant to Section 3(b)).

(aa) “Voting Stock” means securities entitled to vote generally in the election of directors.

(bb) “Welfare Benefits” means Employee Benefits that are provided under any “welfare plan” (within the meaning of Section 3(1) of ERISA) of the Company, and fringe benefits and other perquisites of employment, such as car allowances, club dues, financial planning and product discounts.

2. Operation of Agreement. This Agreement will be effective and binding immediately upon its execution, but, anything in this Agreement to the contrary notwithstanding, except as provided in Section 3(c), this Agreement will not be operative unless and until a Change in Control occurs. Upon the occurrence of a Change in Control at any time during the Term, without further action, this Agreement will become immediately operative.

3. Termination Following a Change in Control. (a) In the event of the occurrence of a Change in Control, the Executive’s employment may be terminated by the Company during the Severance Period and the Executive will be entitled to the benefits provided by Section 4 unless such termination is the result of the occurrence of one or more of the following events:

(i) The Executive’s death;

(ii) if the Executive becomes permanently disabled within the meaning of, and begins actually to receive disability benefits pursuant to, the long-term disability plan in effect for, or applicable to, the Executive immediately prior to the Change in Control; or

(iii) Cause.

If, during the Severance Period, the Executive’s employment is terminated by the Company other than pursuant to Section 3(a)(i), 3(a)(ii) or 3(a)(iii), the Executive will be entitled to the benefits provided by Section 4, provided that such termination constitutes a “separation from service” as defined in Section 409A.

(b) In the event of the occurrence of a Change in Control, the Executive may terminate employment with the Company during the Severance Period for

Good Reason with the right to severance compensation as provided in Section 4 regardless of whether any other reason, other than Cause, for such termination exists or has occurred, including without limitation other employment.

(c) Nothing in this Agreement will (i) be construed as creating an express or implied contract of employment, changing the status of Executive as an employee at will, giving Executive any right to be retained in the employ of the Company, or giving Executive the right to any particular level of compensation or benefits or (ii) interfere in any way with the right of the Company to terminate the employment of the Executive at any time with or without Cause, subject in either case to the obligations of the Company under this Agreement.

4. Severance Compensation. (a) If, following the occurrence of a Change in Control, the Company terminates the Executive's employment during the Severance Period other than pursuant to Section 3(a)(i), 3(a)(ii) or 3(a)(iii), or if the Executive terminates Executive's employment pursuant to Section 3(b) (any such termination, a "Triggering Termination"), provided that such Triggering Termination constitutes a "separation from service" as defined in Section 409A, the Company will pay to the Executive the amounts described in Annex A within five business days after the Termination Date (subject to the provisions of Section 4(d) of this Agreement) and will continue to provide to the Executive the benefits described in Annex A for the periods described therein.

(b) Without limiting the rights of the Executive at law or in equity, if the Company fails to make any payment or provide any benefit required to be made or provided hereunder on a timely basis, the Company will pay interest on the amount or value thereof at an annualized rate of interest equal to the "prime rate" as set forth from time to time during the relevant period in The Wall Street Journal "Money Rates" column, plus 200 basis points, compounded monthly, or, if less, the maximum rate legally allowed. Such interest will be payable as it accrues on demand. Any change in such prime rate will be effective on and as of the date of such change.

(c) Unless otherwise expressly provided by the applicable plan, program or agreement, after the occurrence of a Change in Control, the Company will pay in cash to the Executive a lump sum amount equal to the sum of (i) any unpaid Incentive Pay that has been earned, accrued, allocated or awarded to the Executive for any performance period that by its terms as in effect prior to a Triggering Termination has been completed (any such period, a "Completed Performance Period") (regardless of whether payment of such compensation would otherwise be contingent on the continuing performance of services by the Executive) and (ii) the Pro Rata Portion of the Incentive Pay Target in effect for any subsequent performance period. For this purpose, "Pro Rata Portion" means (x) the number of days from and including the first day immediately following the last day of the immediately preceding Completed Performance Period to and including the Termination Date, divided by (y) the total number of days in such subsequent performance period. Such payments will be made at the earlier of (x) the date prescribed for payment pursuant to the applicable plan, program or agreement and (y)

within five business days after the Termination Date, and will be payable and calculated disregarding any otherwise applicable vesting requirements.

(d) To the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Agreement during the six-month period immediately following the Executive's termination of employment shall instead be paid on the first business day after the date that is six months following the Executive's termination of employment (or upon the Executive's death, if earlier). In addition, for purposes of this Agreement, each amount to be paid or benefit to be provided shall be construed as a separate identified payment for purposes of Section 409A, and any payments described in Annex A that are due within the "short term deferral period" as defined in Section 409A shall not be treated as deferred compensation unless applicable law requires otherwise.

5. Limitations on Payments and Benefits. Notwithstanding any provision of this Agreement or any Other Agreement to the contrary, if any amount or benefit to be paid or provided under this Agreement or any Other Agreement would be an Excess Parachute Payment (including after taking into account the value, to the maximum extent permitted by Section 280G of the Code, of the covenants in Section 8 hereof), but for the application of this sentence, then the payments and benefits to be paid or provided under this Agreement and any Other Agreement will be reduced to the minimum extent necessary (but in no event to less than zero) so that no portion of any such payment or benefit, as so reduced, constitutes an Excess Parachute Payment; provided, however, that the foregoing reduction will not be made if such reduction would result in Executive receiving an After-Tax Amount less than 90% of the After-Tax Amount of the severance payments he or she would have received under Section 4 or under any Other Agreement without regard to this clause. Whether requested by the Executive or the Company, the determination of whether any reduction in such payments or benefits to be provided under this Agreement or otherwise is required pursuant to the preceding sentence, and the value to be assigned to the Executive's covenants in Section 8 hereof for purposes of determining the amount, if any, of the Excess Parachute Payment will be made at the expense of the Company by the Company's independent accountants or benefits consultant. The fact that the Executive's right to payments or benefits may be reduced by reason of the limitations contained in this Section 5 will not of itself limit or otherwise affect any other rights of the Executive pursuant to this Agreement or any Other Agreement. In the event that any payment or benefit intended to be provided is required to be reduced pursuant to this Section 5, the Executive will be entitled to designate the payments and/or benefits to be so reduced in order to give effect to this Section 5, provided, however, that payments that do not constitute deferred compensation within the meaning of Section 409A shall be reduced first. The Company will provide the Executive with all information reasonably requested by the Executive to permit the Executive to make such designation. In the event that the Executive fails to make such designation within 10 business days after receiving notice from the Company of a reduction under this Section 5, the Company may effect such reduction in any manner it deems appropriate.

6. No Mitigation Obligation; Other Agreements. (a) The Company hereby acknowledges that it will be difficult and may be impossible for the Executive to find reasonably comparable employment following the Termination Date. Accordingly, the payment of the severance compensation by the Company to the Executive in accordance with the terms of this Agreement is hereby acknowledged by the Company to be reasonable, and the Executive will not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise, nor will any profits, income, earnings or other benefits from any source whatsoever create any mitigation, offset, reduction or any other obligation on the part of the Executive hereunder or otherwise, except as expressly provided in Paragraph 2(E) of Annex A.

(b) A termination of employment pursuant to Section 3(a), 3(b) or 3(c) will not affect any rights that the Executive may have pursuant to any agreement, policy, plan, program or arrangement of the Company or Subsidiary providing Employee Benefits, which rights will be governed by the terms thereof. To the extent that the Executive receives payments by reason of his or her termination of employment pursuant to any other employment or severance agreement or employee plan (collectively, "Other Employment Agreements"), the amounts otherwise receivable under Section 4 will be reduced by the amounts actually paid pursuant to the Other Employment Agreements, but not below zero, to avoid duplication of payments so that the total amount payable or value of benefits receivable hereunder and under the Other Employment Agreements is not less than the amounts so payable or value so receivable had such benefits been paid in full hereunder.

7. Legal Fees and Expenses. It is the intent of the Company that the Executive not be required to incur legal fees and the related expenses associated with the interpretation, enforcement or defense of Executive's rights in connection with any dispute arising under this Agreement because the cost and expense thereof would substantially detract from the benefits intended to be extended to the Executive hereunder. Accordingly, if it should appear to the Executive that the Company has failed to comply with any of its obligations under this Agreement or in the event that the Company or any other person takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any proceeding designed to deny, or to recover from, the Executive the benefits provided or intended to be provided to the Executive hereunder, the Company irrevocably authorizes the Executive from time to time to retain counsel of Executive's choice, at the expense of the Company as hereafter provided, to advise and represent the Executive in connection with any such dispute or proceeding. Without respect to whether the Executive prevails, in whole or in part, in connection with any of the foregoing, the Company will pay and be solely financially responsible for any and all reasonable attorneys' and related fees and expenses incurred by the Executive in connection with any of the foregoing; provided that, in regard to such matters, the Executive has not acted in bad faith or with no colorable claim of success. The Executive shall promptly submit a written request for reimbursement of such expenses, but in no event later than ninety days following the date on which such expenses were incurred, accompanied by such evidence of fees and expenses incurred as the Company may reasonably require, and such reimbursements will be made within ten business days after delivery of the Executive's written requests for payment.

8. Competitive Activity; Confidentiality; Nonsolicitation. (a) For the period following the Termination Date specified in Paragraph (3) of Annex A (the “Non-Competition Period”), subject to the Executive’s receipt of benefits under Section 4, the Executive will not, without the prior written consent of the Company, which consent will not be unreasonably withheld, engage in any Competitive Activity.

(b) During the Term, the Company agrees that it will disclose to Executive its confidential or proprietary information (as defined in this Section 8(b)) to the extent necessary for Executive to carry out Executive’s obligations to the Company. The Executive hereby covenants and agrees that Executive will not, without the prior written consent of the Company, during the Term and two years thereafter disclose to any person not employed by the Company, or use in connection with engaging in competition with the Company, any confidential or proprietary information of the Company. For purposes of this Agreement, the term “confidential or proprietary information” will include all information of any nature and in any form that is owned by the Company and that is not publicly available (other than by Executive’s breach of this Section 8(b)) or generally known to persons engaged in businesses similar or related to those of the Company. Confidential or proprietary information will include, without limitation, the Company’s financial matters, customers, employees, industry contracts, strategic business plans, product development (or other proprietary product data), marketing plans, and all other secrets and all other information of a confidential or proprietary nature. For purposes of the preceding two sentences, the term “Company” will also include any Subsidiary (collectively, the “Restricted Group”). The obligations imposed by this Section 8(b) will not apply (i) during the Term, in the course of the business of and for the benefit of the Company, (ii) if such confidential or proprietary information has become, through no fault of the Executive, generally known to the public or (iii) if the Executive is required by law to make disclosure (after giving the Company notice and an opportunity to contest such requirement).

(c) The Executive hereby covenants and agrees that for a period ending one year after the Termination Date Executive will not, without the prior written consent of the Company, which consent will not unreasonably be withheld as to Executive’s personal assistant, on behalf of Executive or on behalf of any person, firm or company, directly or indirectly, attempt to influence, persuade or induce, or assist any other person in so persuading or inducing, any employee of the Restricted Group to give up, or to not commence, employment or a business relationship with the Restricted Group.

(d) Executive and the Company agree that the covenants contained in this Section 8 are reasonable under the circumstances and subject to the provisions of Section 14 of this Agreement. Executive acknowledges and agrees that the remedy at law available to the Company for breach of any of Executive’s obligations under this Section 8 would be inadequate and that damages flowing from such a breach may not readily be susceptible to being measured in monetary terms. Accordingly, Executive acknowledges, consents and agrees that, in addition to any other rights or remedies that the Company may have at law, in equity or under this Agreement, upon adequate proof of Executive’s violation of any such provision of this Agreement, the Company will be

entitled to immediate injunctive relief and may obtain a temporary order restraining any threatened or further breach, without the necessity of proof of actual damage.

9. Employment Rights. Nothing expressed or implied in this Agreement will create any right or duty on the part of the Company or the Executive to have the Executive remain in the employment of the Company or any Subsidiary prior to or following any Change in Control.

10. Withholding of Taxes. The Company may withhold from any amounts payable under this Agreement all federal, state, city or other taxes as the Company is required to withhold pursuant to any applicable law, regulation or ruling.

11. Successors and Binding Agreement. (a) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation, reorganization or otherwise) to all or substantially all of the business or assets of the Company, by agreement in form and substance reasonably satisfactory to the Executive, expressly to assume and agree to perform this Agreement in the same manner and to the same extent the Company would be required to perform if no such succession had taken place. This Agreement will be binding upon and inure to the benefit of the Company and any successor to the Company, including without limitation any persons acquiring directly or indirectly all or substantially all of the business or assets of the Company whether by purchase, merger, consolidation, reorganization or otherwise (and such successor will thereafter be deemed the "Company" for the purposes of this Agreement), but will not otherwise be assignable, transferable or delegable by the Company.

(b) This Agreement will inure to the benefit of and be enforceable by the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees and legatees.

(c) This Agreement is personal in nature and neither of the parties hereto will, without the consent of the other, assign, transfer or delegate this Agreement or any rights or obligations hereunder except as expressly provided in Sections 11(a) and 11(b). Without limiting the generality or effect of the foregoing, the Executive's right to receive payments hereunder will not be assignable, transferable or delegable, whether by pledge, creation of a security interest, or otherwise, other than by a transfer by Executive's will or by the laws of descent and distribution and, in the event of any attempted assignment or transfer contrary to this Section 11(c), the Company will have no liability to pay any amount so attempted to be assigned, transferred or delegated.

12. Notices. For all purposes of this Agreement, all communications, including without limitation notices, consents, requests or approvals, required or permitted to be given hereunder will be in writing and will be deemed to have been duly given when hand delivered or dispatched by electronic facsimile transmission (with receipt thereof orally confirmed), or five business days after having been mailed by United States registered or certified mail, return receipt requested, postage prepaid, or three business days after having been sent by a nationally recognized overnight courier service such as FedEx or UPS, addressed to the Company (to the attention of the

Secretary of the Company) at its principal executive office and to the Executive at Executive's principal residence, or to such other address as any party may have furnished to the other in writing and in accordance herewith, except that notices of changes of address will be effective only upon receipt.

13. Governing Law. The validity, interpretation, construction and performance of this Agreement will be governed by and construed in accordance with the substantive laws of the State of Delaware and federal law, without giving effect to the principles of conflict of laws of such State, except as expressly provided herein. In the event the Company exercises its discretion under Section 8(d) to bring an action to enforce the covenants contained in Section 8 in a court of competent jurisdiction where the Executive has breached or threatened to breach such covenants, and in no other event, the parties agree that the court may apply the law of the jurisdiction in which such action is pending in order to enforce the covenants to the fullest extent permissible.

14. Validity. If any provision of this Agreement or the application of any provision hereof to any person or circumstance is held invalid, unenforceable or otherwise illegal, including without limitation Section 8 hereof, the remainder of this Agreement and the application of such provision to any other person or circumstance will not be affected, and the provision so held to be invalid, unenforceable or otherwise illegal will be reformed to the extent (and only to the extent) necessary to make it enforceable, valid or legal. If any covenant in Section 8 should be deemed invalid, illegal or unenforceable because its time, geographical area, or restricted activity, is considered excessive, such covenant will be modified to the minimum extent necessary to render the modified covenant valid, legal and enforceable.

15. Miscellaneous. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing signed by the Executive and the Company. No waiver by either party hereto at any time of any breach by the other party hereto or compliance with any condition or provision of this Agreement to be performed by such other party will be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, expressed or implied with respect to the subject matter hereof have been made by either party that are not set forth expressly in this Agreement. The headings used in this Agreement are intended for convenience or reference only and will not in any manner amplify, limit, modify or otherwise be used in the construction or interpretation of any provision of this Agreement. References to Sections are to Sections of this Agreement. References to Paragraphs are to Paragraphs of an Annex to this Agreement. Any reference in this Agreement to a provision of a statute, rule or regulation will also include any successor provision thereto.

16. Survival. Notwithstanding any provision of this Agreement to the contrary, the parties' respective rights and obligations under Sections 3(c), 4, 5, 7, 8, 9, 10, 11(b), 16 and 18 will survive any termination or expiration of this Agreement or the termination of the Executive's employment following a Change in Control for any reason whatsoever.

17. Beneficiaries. The Executive will be entitled to select (and change, to the extent permitted under any applicable law) a beneficiary or beneficiaries to receive any compensation or benefit payable hereunder following the Executive's death, and may change such election, in either case by giving the Company written notice thereof in accordance with Section 12. In the event of the Executive's death or a judicial determination of the Executive's incompetence, reference in this Agreement to the "Executive" will be deemed, where appropriate, to the Executive's beneficiary, estate or other legal representative.

18. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same agreement.

19. Section 409A. To the extent applicable, it is intended that this Agreement comply with the provisions of Section 409A. This Agreement will be administered in a manner consistent with this intent, and any provision that would cause the Agreement to fail to satisfy Section 409A will have no force and effect until amended to comply with Section 409A (which amendment may be retroactive to the extent permitted by Section 409A and may be made by the Company without the consent of the Executive). Prior to any Change in Control, the Company and the Executive will agree to any amendment of this Agreement approved by the Board based on the advice of Skadden, Arps, Slate, Meagher & Flom, LLP or any other nationally recognized law firm designated by the Board that such amendment, if implemented, is or is reasonably likely to reduce any adverse effect on the Company or the Executive of any rule, regulation or IRS interpretation of Section 409A and that such firm is recommending similar changes or provisions to its other clients that have change-in-control, severance or employment agreements or plans.

[Remainder of this page is intentionally left blank]

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

ABM INDUSTRIES INCORPORATED

By: /s/ Linda Chavez

Title: Chair of the Compensation Committee of the Board of
Directors

EXECUTIVE

/s/ Henrik C. Slipsager

SEVERANCE COMPENSATION, ETC.

(1) A lump sum payment in an amount equal to two times the sum of (A) Base Pay (at the rate in effect for the year in which the Termination Date occurs), plus (B) Incentive Pay Target (or, if the Incentive Pay Target shall not have been established or shall be reduced after a Change in Control, the highest aggregate Incentive Pay Target as in effect for any of the three fiscal years immediately preceding the year in which the Change in Control occurred).

(2) (A) For any Welfare Benefits that the Executive was receiving or entitled to receive immediately prior to the Termination Date (or, if greater, immediately prior to the reduction, termination or denial described in Section 1(1)(ii)) that are considered to be “reimbursement arrangements” covered under Section 1.409A-1(b)(9)(iv)(A) of the Code:

- (i) for a period of 18 months following the Termination Date (the “Continuation Period”), the Company will arrange to provide the Executive with Welfare Benefits substantially similar to those that the Executive was receiving or entitled to receive immediately prior to the Termination Date (or, if greater, immediately prior to the reduction, termination, or denial described in Section 1(1)(ii)) except that the level of any such Welfare Benefits to be provided to the Executive may be reduced in the event of a corresponding reduction generally applicable to all similarly situated recipients of or participants in such Welfare Benefits. If and to the extent that any benefit described in this Paragraph 2 is not or cannot be paid or provided under any policy, plan, program or arrangement of the Company or any Subsidiary, as the case may be, then the Company will itself pay or provide for the payment to the Executive, Executive’s dependents and beneficiaries, of such Welfare Benefits along with, in the case of any benefit described in this Paragraph 2 that is subject to tax because it is not or cannot be paid or provided under any such policy, plan, program or arrangement of the Company or any Subsidiary, an additional amount such that after payment by the Executive, or Executive’s dependents or beneficiaries, as the case may be, of all taxes so imposed, the recipient retains an amount equal to such taxes. Such tax payment will be made to the Executive by the Company no later than December 31st of the year in which the Executive remits such tax payments to the appropriate taxing authorities.

(ii) the Company will pay to the Executive, in a lump sum within the time period described in Section 4(a), an amount equal to the difference between (1) the present value of the continuation of such benefits for 18 months and (2) the present value of the benefits the Executive will receive under Paragraph 2(A)(i).

(B) Notwithstanding the foregoing, or any other provision of the Agreement, for purposes of determining the period of continuation coverage to which the Executive or any of Executive's dependents is entitled pursuant to Section 4980B of the Code under the Company's medical, dental and other group health plans, or successor plans, the Executive's "qualifying event" will be the termination of the Continuation Period and the Executive will be considered to have remained actively employed on a full-time basis through that date, provided, however, that (1) with respect to health benefits the continuation period will in all events terminate on the 18-month anniversary of the termination date as so determined and (2) the Company will pay, or reimburse the Executive for, all COBRA continuation costs during such period.

(C) For purposes of the immediately preceding sentence and for purposes of calculating service or age to determine the Executive's eligibility for welfare benefits, including benefits under any retiree medical benefits or life insurance plan or policy, the Executive will be considered to have remained actively employed on a full-time basis through the termination of the Continuation Period.

(D) For any Welfare Benefits that the Executive was receiving or entitled to receive immediately prior to the Termination Date (or, if greater, immediately prior to the reduction, termination, or denial described in Section 1(1)(5)) that are not considered to be "reimbursement arrangements" covered under Section 1.409A-1(b)(9)(iv)(A) of the Code, the Company shall pay to the Executive, within the time period described in Section 4(a), in a lump sum, an amount equal to the present value of the continuation of such benefits for 18 months following the Termination Date.

(E) Welfare Benefits otherwise receivable by the Executive pursuant to this Paragraph 2 will be reduced to the extent comparable Welfare Benefits are actually received by the Executive from another employer during the Continuation Period following the Executive's Termination Date, and any such Welfare Benefits actually received by the Executive will be reported by the Executive to the Company.

(3) The Non-Competition Period contemplated by Section 8(a) will be 12 months from the Termination Date.