

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)  
April 21, 2016

UNIFIRST CORPORATION  
(Exact Name of Registrant as Specified in Charter)

Massachusetts  
(State or Other Jurisdiction of Incorporation)

001-08504  
(Commission File Number)

04-2103460  
(IRS Employer Identification No.)

68 Jonspin Road, Wilmington, Massachusetts 01887  
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (978) 658-8888

Not Applicable  
(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))
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**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 Ronald D. Croatti*

On April 21, 2016, UniFirst Corporation (the “Company”) entered into an Amended and Restated Employment Agreement (the “Amended Employment Agreement”) with Ronald D. Croatti, the Company’s Chairman, Chief Executive Officer and President, which extends the term of Mr. Croatti’s existing Employment Agreement, dated as of April 5, 2010, that expired on April 5, 2016. The Amended Employment Agreement provides for the employment of Mr. Croatti for a term of four years, subject to earlier termination as set forth in the Employment Agreement.

Pursuant to the Amended Employment Agreement, Mr. Croatti’s base salary is his base salary currently in effect and will be reviewed on an annual basis consistent with the Company’s usual practices for senior executives. In addition, Mr. Croatti is entitled to participate in the Company’s executive cash bonus plan in the same manner as other senior executives of the Company and the Company’s CEO Cash Incentive Bonus Plan. Mr. Croatti is also entitled to receive a grant of 140,000 shares of restricted common stock pursuant to a Restricted Stock Award Agreement, which is described below. In the event that the Company terminates Mr. Croatti’s employment without cause during the term of the Amended Employment Agreement, Mr. Croatti will be entitled to receive one-half of his annual base salary then in effect. Mr. Croatti has agreed under the Amended Employment Agreement not to compete with the Company or to solicit the Company’s employees or customers for a period of 24 months following his termination.

The foregoing summary is qualified in its entirety by reference to the Amended Employment Agreement, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated by reference herein.

*Restricted Stock Award Agreement with Ronald D. Croatti*

On April 21, 2016, the Company entered into a Restricted Stock Award Agreement (the “Award Agreement”) with Mr. Croatti pursuant to which the Company granted 140,000 shares (the “Performance Restricted Shares”) of restricted common stock to Mr. Croatti. The number of Performance Restricted Shares to be earned will depend on whether and the extent to which the Company achieves certain consolidated revenues and adjusted operating margins as set forth in the Performance Criteria Restricted Stock Award Agreement during certain performance periods set forth in such agreement, including performance periods relating to the second half of fiscal year 2016 and fiscal years 2017 and 2018 (collectively, the “Performance Criteria”). The threshold, target and maximum numbers of Performance Restricted Shares eligible to be earned under the Award Agreement are 100,000, 120,000 and 140,000, respectively. The Performance Restricted Shares earned upon achievement of the Performance Criteria will vest in two equal amounts on the third and fourth anniversaries of the grant date provided that Mr. Croatti continues to be employed by the Company on each such date. Mr. Croatti may transfer all or a portion of the Performance Restricted Shares to any holder of Class B Common Stock of the Company in exchange for an identical number of shares of Class B Common Stock (the “Transferred Class B Shares”). Upon any such transfer, the restrictions and conditions to which the Performance Restricted Shares are subject under the Performance Criteria Restricted Stock Award Agreement will lapse and such restrictions and conditions will attach to the Transferred Class B Shares. In the event that Mr. Croatti’s employment is terminated without cause or by reason of death or disability prior to the vesting of the Performance Restricted Shares, all of the Performance Restricted Shares that have been or will be earned upon achievement of the Performance Criteria through the end of the fiscal year during which such termination occurred will become fully vested.

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The foregoing summary of the Award Agreement is qualified in its entirety by reference to the Award Agreement, a copy of which is filed as Exhibit 10.2 to this Current Report on Form 8-K and incorporated by reference herein.

During the performance periods that the Performance Restricted Shares could be earned, the Company will assess on an ongoing basis the probability that such shares will be earned. To the extent the Company determines that it is probable that the shares will be earned, the Company will record non-cash stock-based compensation expense related to such shares.

Assuming that Mr. Croatti will earn the target number of Performance Restricted Shares, or 120,000 shares, during the performance periods, then over the four-year term of the employment agreement, the stock compensation expense related to the Performance Restricted Shares would total approximately \$13.3 million. The after-tax effect, assuming the Company's current tax rates, would be approximately \$8.1 million. The non-cash stock-based compensation expense would be recognized by fiscal year as follows, assuming the target level of achievement is deemed probable over the course of the performance periods (in thousands):

2016	\$	1,346
2017		3,890
2018		3,890
2019		3,120
2020		1,090
	\$	<u>13,336</u>

The impact of any charge taken in the remainder of fiscal 2016 was not reflected in the Company's fiscal 2016 earnings per share guidance previously issued on March 30, 2016.

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## Forward Looking Statements

This Current Report on Form 8-K contains forward looking statements that reflect the Company's current views with respect to future events and financial performance, including projected revenues and earnings per share. Forward looking statements contained in this Current Report on Form 8-K are subject to the safe harbor created by the Private Securities Litigation Reform Act of 1995 and may be identified by words such as "estimates," "anticipates," "projects," "plans," "expects," "intends," "believes," "seeks," "could," "should," "may," "will," or the negative versions thereof, and similar expressions and by the context in which they are used. Such forward looking statements are based upon the Company's current expectations and speak only as of the date made. Such statements are highly dependent upon a variety of risks, uncertainties and other important factors that could cause actual results to differ materially from those reflected in such forward looking statements. Such factors include, but are not limited to, the Company's ability to compete successfully without any significant degradation in its margin rates, uncertainties caused by the continuing adverse worldwide economic conditions and their impact on the businesses and workforce levels of the Company's customers, uncertainties regarding any existing or newly-discovered expenses and liabilities related to environmental compliance and remediation, any adverse outcome of pending or future contingencies or claims, uncertainties regarding the Company's ability to consummate and successfully integrate acquired businesses, the Company's ability to preserve positive labor relationships and avoid becoming the target of corporate labor unionization campaigns that could disrupt the Company's business, the continuing increase in domestic healthcare costs, including the ultimate impact of the Affordable Care Act, the Company's retention of customers and renewal of customer contracts, uncertainties regarding the price levels of natural gas, electricity, fuel and labor, the negative effect on the Company's business from sharply depressed oil prices, fluctuation in the Company's revenue and net income from the Company's specialty garments segment, the effect of currency fluctuations on the Company's results of operations and financial condition, rampant criminal activity and instability in Mexico where the Company's principal garment manufacturing plants are located, the impact on the Company's goodwill and intangibles that might result from adverse financial and economic changes, the Company's ability to properly and efficiently design, construct, implement and operate its new customer relationship management ("CRM") computer system, interruptions or failures of the Company's information technology systems, including as a result of cyber-attacks, failure to comply with other state and federal regulations that might result in penalties or costs, seasonal and quarterly fluctuations in business levels, any loss of key management or other personnel, the Company's dependence on third parties to supply the Company with raw materials, increased costs as a result of any future changes in federal or state laws, rules and regulations or governmental interpretation of such laws, rules and regulations, demand and prices for the Company's products and services, economic and other developments associated with the war on terrorism and its impact on the economy, general economic conditions and other factors described under "Item 1A. Risk Factors" in the Company's Annual Report on Form 10-K for the year ended August 29, 2015 and in the Company's other filings with the Securities and Exchange Commission. The Company undertakes no obligation to update any forward looking statements to reflect events or circumstances arising after the date on which such statements are made.

## Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
10.1*	Amended and Restated Employment Agreement, dated as of April 21, 2016, between the Company and Ronald D. Croatti
10.2*	Restricted Stock Award Agreement, dated April 21, 2016, between the Company and Ronald D. Croatti

\* Filed herewith

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**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 thereunto duly authorized.

**UNIFIRST CORPORATION**

Date: April 22, 2016

By: /s/ Ronald D. Croatti  
Ronald D. Croatti  
Chief Executive Officer and President

By: /s/ Steven S. Sintros  
Steven S. Sintros  
Senior Vice President and Chief Financial Officer

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**EXHIBIT INDEX**

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\* Filed herewith

**AMENDED AND RESTATED EMPLOYMENT AGREEMENT**

This Amended and Restated Employment Agreement (this "Agreement") is made as of the 21st day of April, 2016, between UniFirst Corporation, a Massachusetts corporation (the "Company"), and Ronald D. Croatti (the "Executive").

WHEREAS, the Company and the Executive are parties to an Employment Agreement, dated as of April 5, 2010 (the "Prior Employment Agreement"), which expired on April 5, 2016, and the parties desire to enter into this Agreement to extend the term of the Prior Employment Agreement for a term of at least four years; and

WHEREAS, the Company desires to continue to maintain a long-term performance-based compensation structure for the Executive pursuant to which a high percentage of his annual target compensation will be in the form of restricted stock.

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

1. Term, Position and Duties. The term of this Agreement shall commence on the date hereof and end on the fourth anniversary of the date hereof unless terminated prior to such date in accordance with the terms of this Agreement. The Executive shall serve as the Chief Executive Officer and President of the Company and Chairman of its Board of Directors (the "Board"), and shall have supervision and control over and responsibility for the day-to-day business and affairs of the Company and shall have such other additional powers and duties as may from time to time be prescribed by the Board. The Executive shall devote his full working time and efforts to the business and affairs of the Company.

2. Compensation and Related Matters.

(a) Base Salary. The Executive's initial annual base salary under this Agreement shall be his base salary currently in effect. The Executive's base salary shall be reviewed annually in a manner that is consistent with the Company's usual practices for senior executives.

(b) Incentive Cash Compensation. The Executive shall be entitled to participate in the Company's executive cash bonus plan in the same manner as other senior executives at the Company. In addition, the Executive shall be entitled to participate in the Company's CEO Cash Incentive Bonus Plan.

(c) Restricted Stock Award. The Company, on the date hereof, hereby grants to the Executive a restricted stock award pursuant to a Restricted Stock Award Agreement substantially in the form attached hereto as Exhibit A.

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(d) Other Benefits. The Executive shall be entitled to continue to participate in or receive benefits and perquisites consistent with those participated in or received by other senior executives at the Company.

3. Termination. The Executive's employment hereunder may be terminated without any breach of this Agreement under the following circumstances:

(a) Death. The Executive's employment hereunder shall terminate upon his death.

(b) Disability. The Company may terminate the Executive's employment if he is disabled and unable to perform the essential functions of the Executive's then existing position or positions under this Agreement, with or without reasonable accommodation, for a period of 270 days (which need not be consecutive) in any 12-month period. If any question shall arise as to whether during any period the Executive is disabled so as to be unable to perform the essential functions of the Executive's then existing position or positions with or without reasonable accommodation, the Executive may, and at the request of the Company shall, submit to the Company a certification in reasonable detail by a physician selected by the Executive to whom the Company has no reasonable objection as to whether the Executive is so disabled or how long such disability is expected to continue, and such certification shall for the purposes of this Agreement be conclusive of the issue. Nothing in this Section 3(b) shall be construed to waive the Executive's rights, if any, under existing law including, without limitation, the Family and Medical Leave Act of 1993, 29 U.S.C. §2601 *et seq.* and the Americans with Disabilities Act, 42 U.S.C. §12101 *et seq.*

(c) Termination by Company for Cause. The Company may terminate the Executive's employment hereunder for Cause by a vote of the Board at a meeting of the Board called and held for such purpose at which the Executive is present and given an opportunity to be heard. For purposes of this Agreement, "Cause" shall mean: (i) the commission by the Executive of any felony or a misdemeanor involving moral turpitude, deceit, dishonesty or fraud, or any conduct by the Executive that would reasonably be expected to result in material injury or significant reputational harm to the Company if he were retained in his position; (ii) continued non-performance by the Executive of a material portion of his duties hereunder (other than by reason of the Executive's physical or mental illness, incapacity or disability) which has continued for more than 30 days following written notice of such non-performance from the Board; (iii) a breach by the Executive of any of the provisions contained in Section 6 of this Agreement; or (iv) failure to cooperate with a bona fide internal investigation or an investigation by regulatory or law enforcement authorities, after being instructed by the Company to cooperate, or the willful destruction or failure to preserve documents or other materials known to be relevant to such investigation or the inducement of others to fail to cooperate or to produce documents or other materials in connection with such investigation.

(d) Termination Without Cause. The Company may terminate the Executive's employment hereunder at any time without Cause. Any termination by the Company of the Executive's employment under this Agreement which does not constitute a termination for Cause under Section 3(c) and does not result from the death or disability of the Executive under Section 3(a) or (b) shall be deemed a termination without Cause.

4. Compensation Upon Termination.

(a) Termination Generally. If the Executive's employment with the Company is terminated for any reason, the Company shall pay or provide to the Executive (or to his authorized representative or estate) any earned but unpaid base salary, incentive compensation earned but not yet paid, unpaid expense reimbursements, accrued but unused vacation and any vested benefits the Executive may have under any employee benefit plan of the Company (the "Accrued Benefit") on or before the Executive's date of termination, or in the case of termination pursuant to Section 4(b), the date that is 30 days after the date on which a written notice of termination is communicated by the Company to the Executive (the "Date of Termination").

(b) Termination by the Company Without Cause. If the Executive's employment is terminated by the Company without Cause as provided in Section 3(d), then the Company shall, through the Date of Termination, pay the Executive his Accrued Benefit. In addition, subject to the Executive signing a general release of claims in favor of the Company and related persons and entities in a form and manner satisfactory to the Company (the "Release") within the 21-day period following the Date of Termination and the expiration of the seven-day revocation period for the Release, the Company shall pay the Executive an amount equal to one-half (1/2) times the Executive's Base Salary then in effect (the "Severance Amount"). The Severance Amount shall be paid out in substantially equal installments in accordance with the Company's payroll practice over 6 months, beginning on the first payroll date that occurs 30 days after the Date of Termination. Solely for purposes of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), each installment payment is considered a separate payment. Notwithstanding the foregoing, if the Executive breaches any of the provisions contained in Section 6 of this Agreement, all payments of the Severance Amount shall immediately cease.

5. Section 409A.

(a) Anything in this Agreement to the contrary notwithstanding, if at the time of the Executive's separation from service within the meaning of Section 409A of the Code, the Company determines that the Executive is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that the Executive becomes entitled to under this Agreement on account of the Executive's separation from service would be considered deferred compensation subject to the 20 percent additional tax imposed pursuant to Section 409A(a) of the Code as a result of the application of Section 409A(a)(2)(B)(i) of the Code, such payment shall not be payable and such benefit shall not be provided until the date that is the earlier of (A) six months and one day after the Executive's separation from service, or (B) the Executive's death. If any such delayed cash payment is otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of this provision, and the balance of the installments shall be payable in accordance with their original schedule.

(b) All in-kind benefits provided and expenses eligible for reimbursement under this Agreement shall be provided by the Company or incurred by the Executive during the time periods set forth in this Agreement. All reimbursements shall be paid as soon as administratively practicable, but in no event shall any reimbursement be paid after the last day of the taxable year following the taxable year in which the expense was incurred. The amount of in-kind benefits provided or reimbursable expenses incurred in one taxable year shall not affect the in-kind benefits to be provided or the expenses eligible for reimbursement in any other taxable year. Such right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

(c) To the extent that any payment or benefit described in this Agreement constitutes “non-qualified deferred compensation” under Section 409A of the Code, and to the extent that such payment or benefit is payable upon the Executive’s termination of employment, then such payments or benefits shall be payable only upon the Executive’s “separation from service.” The determination of whether and when a separation from service has occurred shall be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h).

(d) The parties intend that this Agreement will be administered in accordance with Section 409A of the Code. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. The parties agree that this Agreement may be amended, as reasonably requested by either party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party.

(e) The Company makes no representation or warranty and shall have no liability to the Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, such Section.

6. Confidential Information, Noncompetition and Cooperation.

(a) Confidential Information. As used in this Agreement, “Confidential Information” means trade secrets and other confidential information belonging to the Company which is of value to the Company in the course of conducting its business and the disclosure of which could result in a competitive or other disadvantage to the Company. Notwithstanding the foregoing, Confidential Information does not include information in the public domain, unless due to breach of the Executive’s duties under Section 6(b).

(b) Confidentiality. The Executive understands and agrees that the Executive’s employment creates a relationship of confidence and trust between the Executive and the Company with respect to all Confidential Information. At all times, both during the Executive’s employment with the Company and after its termination, the Executive will keep in confidence and trust all such Confidential Information, and will not use or disclose any such Confidential Information without the written consent of the Company, except as may be necessary or convenient in the ordinary course of performing the Executive’s duties to the Company.

(c) Documents, Records, etc. All documents, records, data, apparatus, equipment and other physical property, whether or not pertaining to Confidential Information, which are furnished to the Executive by the Company or are produced by the Executive in connection with the Executive's employment will be and remain the sole property of the Company. The Executive will return to the Company all such materials and property as and when requested by the Company. In any event, the Executive will return all such materials and property immediately upon termination of the Executive's employment for any reason. The Executive will not retain with the Executive any such material or property or any copies thereof after such termination.

(d) Noncompetition and Nonsolicitation. During the Executive's employment with the Company and for 24 months thereafter, regardless of the reason for the termination, the Executive (i) will not, directly or indirectly, whether as owner, partner, shareholder, consultant, agent, employee, co-venturer or otherwise, engage, participate, assist or invest in any Competing Business (as hereinafter defined); (ii) will refrain from directly or indirectly employing, attempting to employ, recruiting or otherwise soliciting, inducing or influencing any person to leave employment with the Company (other than terminations of employment of subordinate employees undertaken in the course of the Executive's employment with the Company); and (iii) will refrain from soliciting or encouraging any customer or supplier to terminate or otherwise modify adversely its business relationship with the Company. The Executive understands that the restrictions set forth in this Section 6(d) are intended to protect the Company's interest in its Confidential Information and established employee, customer and supplier relationships and goodwill, and agrees that such restrictions are reasonable and appropriate for this purpose. For purposes of this Agreement, the term "Competing Business" shall mean a business which is competitive with any business which the Company or any of its subsidiaries is conducting on the Date of Termination. Notwithstanding the foregoing, the Executive may own up to one percent (1%) of the outstanding stock of a publicly held corporation which constitutes or is affiliated with a Competing Business; provided, however, that in no event will the Executive directly acquire following the Date of Termination any shares of the outstanding common stock of Aramark, Cintas Corporation or G&K Services, Inc.

7. Integration. This Agreement, together with that certain Restricted Stock Award Agreement between the parties, dated of the date hereof, constitute the entire agreement between the parties with respect to the subject matter hereof and thereof and supersede all prior agreements between the parties concerning such subject matter.

8. Withholding. All payments made by the Company to the Executive under this Agreement shall be net of any tax or other amounts required to be withheld by the Company under applicable law.

9. Survival. The provisions of this Agreement shall survive the termination of this Agreement and/or the termination of the Executive's employment to the extent necessary to effectuate the terms contained herein.

10. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party.

11. Notices. Any notices, requests, demands and other communications provided for by this Agreement shall be sufficient if in writing and delivered in person or sent by a nationally recognized overnight courier service or by registered or certified mail, postage prepaid, return receipt requested, to the Executive at the last address the Executive has filed in writing with the Company or, in the case of the Company, at its main offices, attention of the Board.

12. Amendment. This Agreement may be amended or modified only by a written instrument signed by the Executive and by a duly authorized representative of the Company.

13. Governing Law. This is a Massachusetts contract and shall be construed under and be governed in all respects by the laws of the Commonwealth of Massachusetts, without giving effect to the conflict of laws principles of such Commonwealth.

14. Successor to Company. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company expressly to assume and agree to perform this Agreement to the same extent that the Company would be required to perform it if no succession had taken place. Failure of the Company to obtain an assumption of this Agreement at or prior to the effectiveness of any succession shall be a material breach of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the date and year first above written.

UNIFIRST CORPORATION

By: /s/ Michael Iandoli  
Michael Iandoli  
Chairman of the Compensation Committee

/s/ Ronald D. Croatti  
Ronald D. Croatti

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**Exhibit A**

**[Restricted Stock Award Agreement] \***

\* Filed as Exhibit 10.2 to the Company's Current Report on Form 8-K on April 22, 2016.

**RESTRICTED STOCK AWARD AGREEMENT  
UNDER THE UNIFIRST CORPORATION AMENDED 2010 STOCK OPTION AND INCENTIVE PLAN**

Name of Grantee: Ronald D. Croatti  
No. of Shares: 140,000  
Grant Date: April 21, 2016

Pursuant to the UniFirst Corporation Amended and Restated 2010 Stock Option and Incentive Plan (the "Plan"), UniFirst Corporation (the "Company") hereby grants a Restricted Stock Award (an "Award") to the Grantee named above with respect to the number of shares of Common Stock, par value \$0.10 per share, of the Company (the "Stock") set forth above (the "Shares"). Upon acceptance of this Award, the Grantee shall receive the number of Shares of Stock specified above, subject to the restrictions and conditions set forth herein. The Company acknowledges the receipt from the Grantee of consideration with respect to the par value of the Stock in the form of past or future services rendered to the Company by the Grantee or such other form of consideration as is acceptable to the Compensation Committee of the Board of Directors of the Company (the "Administrator").

1. Acceptance of Award. The Grantee shall have no rights with respect to this Award unless he shall have accepted this Award by (i) signing and delivering to the Company a copy of this Award Agreement, and (ii) delivering to the Company a stock power endorsed in blank. Upon acceptance of this Award by the Grantee, the Shares of Restricted Stock so accepted shall be issued and represented by a stock certificate, and the Grantee's name shall be entered as the stockholder of record on the books of the Company. Thereupon, the Grantee shall have all the rights of a stockholder with respect to such Shares, including voting and dividend rights, subject, however, to the restrictions and conditions specified in Sections 2 and 3 below.

2. Earning of Restricted Stock.

(a) The number of Shares of Restricted Stock to be earned by the Grantee will vary depending upon the Company's achievement of the Performance Criteria, as set forth below in this Section 2. The number of Shares of Restricted Stock determined pursuant to this Section 2 shall be deemed earned by the Grantee.

(b) The Performance Criteria for the determination of the number of Shares earned hereunder will be based on the Company's consolidated revenue adjusted as set forth in Section 2(c) ("Revenue") and operating margin adjusted as set forth in Section 2(c) ("Operating Margin") for the following periods: the last 6 months of the Company's 2016 fiscal year ("Fiscal 2016"); the Company's 2017 fiscal year ("Fiscal 2017"); the Company's 2018 fiscal year ("Fiscal 2018"); on a partial cumulative basis for the period including Fiscal 2016 and Fiscal 2017; and on an a total cumulative basis for the period including Fiscal 2016, Fiscal 2017 and Fiscal 2018. The maximum number of Shares that may be earned on account of the achievement of one or more Performance Criteria based on the Company's Revenues is 70,000 Shares. The maximum number of Shares that may be earned on account of the achievement of one or more Performance Criteria based on the Company's Operating Margin is 70,000 Shares. Such Performance Criteria and the number of Shares that will be earned upon achievement of such Performance Criteria are as follows:

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(i) Fiscal 2016:

	<u>Performance Achieved</u>	<u>Number of Shares Earned</u>
Threshold:	Revenue (in thousands) – \$715,519	16,667
	Operating Margin – 16.5%	16,667
Target:	Revenue (in thousands) – \$723,519	20,000
	Operating Margin – 17.5%	20,000
Maximum:	Revenue (in thousands) – \$730,519	23,333
	Operating Margin – 18.5%	23,333

(ii) Fiscal 2017:

	<u>Performance Achieved</u>	<u>Number of Shares Earned</u>
Threshold:	Revenue (in thousands) – \$1,474,600	16,667
	Operating Margin – 16.5%	16,667
Target:	Revenue (in thousands) – \$1,489,200	20,000
	Operating Margin – 17.5%	20,000
Maximum:	Revenue (in thousands) – \$1,503,800	23,333
	Operating Margin – 18.5%	23,333

(iii) Fiscal 2018:

	<u>Performance Achieved</u>	<u>Number of Shares Earned</u>
Threshold:	Revenue (in thousands) – \$1,518,984	16,667
	Operating Margin – 16.5%	16,667
Target:	Revenue (in thousands) – \$1,533,876	20,000
	Operating Margin – 17.5%	20,000
Maximum:	Revenue (in thousands) – \$1,548,768	23,333
	Operating Margin – 18.5%	23,333

(iv) Fiscal 2016 and Fiscal 2017 on a partial cumulative basis (the “Partial Cumulative Criteria”):

	<u>Performance Achieved</u>	<u>Number of Shares Earned</u>
Threshold:	Revenue (in thousands) – \$2,190,119	33,333
	Operating Margin – 24.8%	33,333
Target:	Revenue (in thousands) – \$2,212,719	40,000
	Operating Margin – 26.3%	40,000
Maximum:	Revenue (in thousands) – \$2,234,319	46,667
	Operating Margin – 27.8%	46,667

(v) Fiscal 2016, Fiscal 2017 and Fiscal 2018, on a total cumulative basis (the “Total Cumulative Criteria”):

	<u>Performance Achieved</u>	<u>Number of Shares Earned</u>
Threshold:	Revenue (in thousands) – \$3,709,103	50,000
	Operating Margin – 41.3%	50,000
Target:	Revenue (in thousands) – \$3,746,595	60,000
	Operating Margin – 43.8%	60,000
Maximum:	Revenue (in thousands) – \$3,783,087	70,000
	Operating Margin – 46.3%	70,000

(c) The Administrator shall certify at its first meeting after the first public release by the Company of its audited financial statements for each of Fiscal 2016, Fiscal 2017 and Fiscal 2018, respectively, whether the Performance Criteria have been met with respect to such fiscal year, or in the case of Fiscal 2017, whether the Performance Criteria based on the Partial Cumulative Criteria have been met, or in the case of Fiscal 2018, whether the Performance Criteria based on the Total Cumulative Criteria have been met.

All determinations regarding satisfaction of the Performance Criteria will be based on the Company's audited financial statements and its books and records for the applicable fiscal years; provided that (1) the Company's revenues shall be adjusted to reflect the impact of any decrease in the exchange rate of the Canadian dollar to the U.S. dollar from 0.75 to 1.0 during Fiscal 2016, Fiscal 2017 or Fiscal 2018, and (2) the Company's operating margins shall be adjusted to add back non-cash items, including depreciation, intangibles amortization and stock-based compensation and to reflect the following exclusions: changes in Generally Accepted Accounting Principles, any losses, costs and expenses associated with or arising from any claims, litigation, regulatory investigations, or environmental investigations and remediation which in the aggregate in any fiscal year are in excess of \$1,000,000; any losses, costs and expenses associated with or arising from any impairment of tangible or intangible assets; any losses, costs and expenses associated with or arising from any natural catastrophes, war, terrorism, business interruption or similar events; any losses, costs and expenses in Fiscal 2016, Fiscal 2017 or Fiscal 2018 for gasoline, natural gas and other energy and utility costs which in the aggregate in any of those periods are in excess of 4.0% of the Company's Revenues for such period; any health care costs, losses or expenses in any fiscal year which in the aggregate in Fiscal 2016, Fiscal 2017 or Fiscal 2018 are in excess of 2.6% of the Company's Revenues for such period; any costs in Fiscal 2016, Fiscal 2017 or Fiscal 2018 paid to the Company's principal contractor relating to the Unity 20/20 project which are expensed for financial reporting purposes; any outside contractor or consultant costs in Fiscal 2016, Fiscal 2017 or Fiscal 2018, in each case associated with or related to the testing, training, transition or deployment of the Unity 20/20 system which are expensed for financial reporting purposes; and the operating results in Fiscal 2016, Fiscal 2017 and Fiscal 2018 of any plants or branches that were being operated by a third-party prior to the acquisition thereof by the Company subsequent to the effective date of the Award.

(d) If the Grantee's employment with the Company and its Subsidiaries is terminated without Cause or by reason of death or Disability in Fiscal 2016, Fiscal 2017 or Fiscal 2018, the Grantee shall be eligible to earn the full number of Shares that could be earned on account of that fiscal year containing the date of such termination, based on the achievement of the applicable Performance Criteria during that fiscal year. In addition, if the Grantee's employment with the Company and its Subsidiaries is terminated without Cause or by reason of death or Disability and the date of such termination is during (i) Fiscal 2017, the Grantee shall be eligible to earn the full number of Shares that could be earned upon achievement of the Partial Cumulative Criteria if the Partial Cumulative Criteria is achieved, or (ii) Fiscal 2018, the Grantee shall be eligible to earn the full number of Shares that could be earned upon the achievement of the Total Cumulative Criteria if the Total Cumulative Criteria is achieved.

(e) Any Shares not earned by the Grantee on account of the achievement of the Performance Criteria shall automatically be forfeited to the Company.

3. Restrictions and Conditions.

(a) Any stock certificate for the Shares of Restricted Stock granted hereby shall bear an appropriate legend, as determined by the Administrator in its sole discretion, to the effect that such Shares are subject to restrictions as set forth herein.

(b) Shares of Restricted Stock granted herein may not be sold, assigned, transferred, pledged or otherwise encumbered or disposed of by the Grantee prior to vesting, except as set forth in Sections 3(c), (d) and (e) below.

(c) The Grantee may at any time from and after the Grant Date transfer (each, a "Transfer") all or a portion of such Shares of Restricted Stock (the "Transferred Restricted Shares") to any holder of shares of Class B Common Stock of the Company in exchange for an identical number of shares of Class B Common Stock of the Company (the "Transferred Class B Shares"). From and after the date of any Transfer, (i) all restrictions and conditions on the Transferred Restricted Shares set forth herein and in the Plan shall immediately and automatically lapse such that the Transferred Restricted Shares shall no longer be Restricted Stock and (ii) such restrictions shall immediately and automatically attach to the Transferred Class B Shares to the same extent as such restrictions attached to the Transferred Restricted Shares immediately prior to their Transfer.

(d) In addition, the Grantee may at any time from and after a Transfer, transfer all or any portion of the Transferred Class B Shares to any party in exchange for an identical number of shares of Common Stock ("Common Shares") of the Company (each, a "Subsequent Transfer"). From and after the date of any Subsequent Transfer, (i) all restrictions and conditions that attached to the Transferred Class B Shares shall immediately and automatically lapse such that the Transferred Class B Shares shall no longer be Restricted Stock and (ii) such restrictions shall immediately and automatically attach to the Common Shares to the same extent as such restrictions attached to the Transferred Class B Shares immediately prior to their Subsequent Transfer.

(e) There shall be no limitations or restrictions on (i) the aggregate number of Transfers or Subsequent Transfers or (ii) the number of times that the same shares may be Transferred or Subsequently Transferred, pursuant to Sections 3(c) and (d) above.

4. Vesting of Restricted Stock.

(a) To the extent the Shares of Restricted Stock are earned pursuant to and in accordance with Section 2, the restrictions and conditions in Section 3 of this Agreement shall lapse on the Vesting Date or Dates specified in the following schedule so long as the Grantee remains an employee of the Company or a Subsidiary on such Dates. The restrictions and conditions in Section 3 shall lapse only with respect to the number of Shares of Restricted Stock specified as vested on such date.

<u>Number of Shares Vested</u>	<u>Vesting Date</u>
50% of Shares Earned	April 21, 2019
50% of Shares Earned	April 21, 2020

Subsequent to such Vesting Date or Dates, the Shares on which all restrictions and conditions have lapsed shall no longer be deemed Restricted Stock. The Administrator may at any time accelerate the vesting schedule specified in this Section 4.

(b) If the Grantee's employment with the Company and its Subsidiaries is terminated without Cause or by reason of death or Disability prior to the vesting of Shares of Restricted Stock granted herein, all Shares of Restricted Stock that have been earned (or could be earned pursuant to Section 2(b) with respect to the fiscal year containing the effective date of such termination) pursuant to Section 2 shall immediately and automatically vest in full and no longer be deemed Restricted Stock.

5. Dividends. Dividends on Shares of Restricted Stock shall be paid currently to the Grantee.

6. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Agreement shall be subject to and governed by all the terms and conditions of the Plan; provided that in the event of any inconsistencies between the provisions of this Award and the provisions of the Plan, the provisions of this Award shall control. Capitalized terms in this Agreement shall have the meaning specified in the Plan, unless a different meaning is specified herein; provided, that the capitalized terms set forth in Sections 2(d) and 4(b) hereof which are not otherwise defined herein shall have the respective meanings set forth in the Employment Agreement referred to in Section 9 hereof.

7. Tax Withholding. The Grantee shall, not later than the date as of which the receipt of this Award becomes a taxable event for U.S. federal income tax purposes, pay to the Company or make arrangements satisfactory to the Administrator for payment of any U.S. federal, state, and local taxes required by law to be withheld on account of such taxable event. The Grantee may elect to have the required minimum tax withholding satisfied, in whole or in part, by authorizing the Company to withhold from the Shares a number of shares of Stock with an aggregate Fair Market Value that would satisfy the withholding amount due.

8. Election Under Section 83(b). The Grantee and the Company hereby agree that the Grantee may not file with the Internal Revenue Service an election under Section 83(b) of the Internal Revenue Code.

9. No Obligation to Continue Employment. Neither the Company nor any Subsidiary is obligated by or as a result of the Plan or this Agreement to continue the Grantee in employment and neither the Plan nor this Agreement shall interfere in any way with the right of the Company or any Subsidiary to terminate the employment of the Grantee at any time, subject to the terms of that certain Employment Agreement, dated as of April 21, 2016, as amended from time to time, between the Company and the Grantee.

10. Notices. Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Grantee at the address on file with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

UNIFIRST CORPORATION

By: /s/ Michael Iandoli  
Michael Iandoli  
Chairman of the Compensation Committee

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned.

Dated: April 21, 2016

/s/ Ronald D. Croatti  
Grantee's Signature

Grantee's name and address:

Ronald D. Croatti

c/o UniFirst Corporation

68 Jonspin Road

Wilmington, MA 01887