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

FORM 10-Q

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

For the quarterly period ended **February 28, 2009**

OR

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

For the transition period from _____ to _____

Commission file number: **1-8504**

UNIFIRST CORPORATION

(Exact name of Registrant as Specified in Its Charter)

Massachusetts	**04-2103460**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
68 Jonspin Road, Wilmington, MA	**01887**
(Address of Principal Executive Offices)	(Zip Code)

(978) 658-8888
(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☒

Non-accelerated filer ☐ Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

The number of outstanding shares of UniFirst Corporation Common Stock and Class B Common Stock at April 3, 2009 were 14,404,129 and 4,935,369, respectively.

UniFirst Corporation
Quarterly Report on Form 10-Q
For the Quarter ended February 28, 2009

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PART I – FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

UniFirst Corporation and Subsidiaries
Consolidated Statements of Income
(Unaudited)

(In thousands, except per share data)	Thirteen weeks ended February 28, 2009	Fourteen weeks ended March 1, 2008	Twenty-six weeks ended February 28, 2009	Twenty-seven weeks ended March 1, 2008
Revenues	$ 257,285	$ 270,288	$ 519,839	$ 517,548
Costs and expenses:				
Operating costs (1)	158,972	172,481	316,035	323,628
Selling and administrative expenses (1)	50,113	56,024	107,600	110,043
Depreciation and amortization	14,339	14,115	28,042	26,902
	223,424	242,620	451,677	460,573
Income from operations	33,861	27,668	68,162	56,975
Other expense (income):				
Interest expense	2,324	3,359	4,915	6,863
Interest income	(547)	(580)	(1,051)	(1,093)
Exchange rate loss (gain)	195	42	1,129	(429)
	1,972	2,821	4,993	5,341
Income before income taxes	31,889	24,847	63,169	51,634
Provision for income taxes	13,609	9,566	26,027	19,879
Net income	$ 18,280	$ 15,281	$ 37,142	$ 31,755
Income per share – Basic:				
Common Stock	$ 1.00	$ 0.83	$ 2.03	$ 1.73
Class B Common Stock	$ 0.80	$ 0.67	$ 1.62	$ 1.39
Income per share – Diluted:				
Common Stock	$ 0.94	$ 0.79	$ 1.92	$ 1.64
Weighted average number of shares outstanding – Basic:				
Common Stock	14,389	14,359	14,387	14,356
Class B Common Stock	4,935	4,937	4,935	4,937
	19,324	19,296	19,322	19,293
Weighted average number of shares outstanding – Diluted:				
Common Stock	19,354	19,366	19,368	19,365
Dividends per share:				
Common Stock	$ 0.0375	$ 0.0375	$ 0.0750	$ 0.0750
Class B Common Stock	$ 0.0300	$ 0.0300	$ 0.0600	$ 0.0600

(1) Exclusive of depreciation on the Company's property and equipment and amortization of its intangible assets.

The accompanying notes are an integral part of these
Consolidated Financial Statements.

UniFirst Corporation and Subsidiaries
Consolidated Balance Sheets
(Unaudited)

(In thousands, except share data)	February 28, 2009	August 30, 2008 (a)
Assets		
Cash and cash equivalents	$ 24,065	$ 25,655
Receivables, less reserves of $7,216 and $4,164, respectively	103,063	102,830
Inventories	51,454	46,154
Rental merchandise in service	80,437	92,315
Prepaid and deferred income taxes	16,349	15,431
Prepaid expenses	3,907	1,720
Total current assets	279,275	284,105
Property and equipment:		
Land, buildings and leasehold improvements	314,784	314,370
Machinery and equipment	338,225	327,705
Motor vehicles	111,158	102,805
	764,167	744,880
Less -- accumulated depreciation	387,103	376,319
	377,064	368,561
Goodwill	259,880	258,836
Customer contracts, net	59,558	62,573
Other intangible assets, net	4,121	4,877
Other assets	2,340	2,715
	$ 982,238	$ 981,667
Liabilities and shareholders' equity		
Current liabilities:		
Current maturities of long-term obligations	$ 5,059	$ 4,222
Accounts payable	40,955	54,822
Accrued liabilities	97,455	91,837
Accrued income taxes	5,375	—
Total current liabilities	148,844	150,881
Long-term obligations, net of current maturities	213,675	231,317
Deferred income taxes	41,954	42,699
Commitments and contingencies (Note 7)		
Shareholders' equity:		
Preferred stock, $1.00 par value; 2,000,000 shares authorized; no shares issued and outstanding	—	—
Common Stock, $0.10 par value; 30,000,000 shares authorized; 14,403,629 and 14,388,679 issued and outstanding, respectively	1,440	1,438
Class B Common Stock, $0.10 par value; 20,000,000 shares authorized; 4,935,369 issued and outstanding	494	494
Capital surplus	18,772	18,240
Retained earnings	567,930	532,164
Accumulated other comprehensive (loss) income	(10,871)	4,434
Total shareholders' equity	577,765	556,770
	$ 982,238	$ 981,667

(a) Balances as of fiscal 2008 year-end, derived from fiscal 2008 audited financial statements

The accompanying notes are an integral part of these
Consolidated Financial Statements.

UniFirst Corporation and Subsidiaries
Consolidated Statements of Cash Flows
(Unaudited)

(In thousands)	Twenty-six weeks ended February 28, 2009	Twenty-seven weeks ended March 1, 2008
Cash flows from operating activities:		
Net income	$ 37,142	$ 31,755
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation	23,546	23,062
Amortization of intangible assets	4,496	3,840
Amortization of deferred financing costs	133	133
Deferred income taxes	(163)	(154)
Stock-based compensation	496	756
Accretion on asset retirement obligations	253	247
Changes in assets and liabilities, net of acquisitions:		
Receivables	(2,882)	(10,540)
Inventories	(5,923)	(1,909)
Rental merchandise in service	10,843	(1,505)
Prepaid expenses	(2,231)	(2,110)
Accounts payable	(13,000)	5,655
Accrued liabilities	1,876	3,274
Accrued income taxes	5,746	7,218
Net cash provided by operating activities	60,332	59,722
Cash flows from investing activities:		
Acquisition of businesses, net of cash acquired	(3,248)	(37,019)
Capital expenditures	(39,235)	(35,307)
Other	318	78
Net cash used in investing activities	(42,165)	(72,248)
Cash flows from financing activities:		
Proceeds from long-term obligations	102,659	80,493
Payments on long-term obligations	(118,374)	(56,656)
Proceeds from exercise of Common Stock options	31	118
Payment of cash dividends	(1,376)	(1,373)
Net cash (used in) provided by financing activities	(17,060)	22,582
Effect of exchange rate changes	(2,697)	355
Net (decrease) increase in cash and cash equivalents	(1,590)	10,411
Cash and cash equivalents at beginning of period	25,655	12,698
Cash and cash equivalents at end of period	$ 24,065	$ 23,109

The accompanying notes are an integral part of these Consolidated Financial Statements.

UniFirst Corporation and Subsidiaries
Notes to Consolidated Financial Statements

1. Summary of Significant Accounting Policies

Business Description

UniFirst Corporation (the "Company") is one of the largest providers of workplace uniforms and protective clothing in the United States. The Company designs, manufactures, personalizes, rents, cleans, delivers, and sells a wide range of uniforms and protective clothing, including shirts, pants, jackets, coveralls, lab coats, smocks, aprons and specialized protective wear, such as flame resistant and high visibility garments. The Company also rents industrial wiping products, floor mats, facility service products and other non-garment items, and provides first aid cabinet services and other safety supplies, to a variety of manufacturers, retailers and service companies.

The Company serves businesses of all sizes in numerous industry categories. Typical customers include automobile service centers and dealers, delivery services, food and general merchandise retailers, food processors and service operations, light manufacturers, maintenance facilities, restaurants, service companies, soft and durable goods wholesalers, transportation companies, and others who require employee clothing for image, identification, protection or utility purposes. The Company also provides its customers with restroom supplies, including air fresheners, paper products and hand soaps.

At certain specialized facilities, the Company also decontaminates and cleans work clothes that may have been exposed to radioactive materials and services special clean room protective wear. Typical customers for these specialized services include government agencies, research and development laboratories, high technology companies and utilities operating nuclear reactors.

As discussed and described in Note 11 to the Consolidated Financial Statements, the Company has five reporting segments: US and Canadian Rental and Cleaning, Manufacturing ("MFG"), Specialty Garments Rental and Cleaning ("Specialty Garments"), First Aid and Corporate. The operations of the US and Canadian Rental and Cleaning reporting segment are referred to by the Company as its "industrial laundry operations" and the locations related to this reporting segment are referred to as "industrial laundries". The Company refers to its US and Canadian Rental and Cleaning, MFG, and Corporate segments combined as its "core laundry operations".

Interim Financial Information

These Consolidated Financial Statements have been prepared by the Company without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States ("US GAAP") have been condensed or omitted pursuant to such rules and regulations; however, the Company believes that the information furnished reflects all adjustments (consisting only of normal recurring adjustments) which are, in the opinion of management, necessary for a fair statement of results for the interim period. It is suggested that these Consolidated Financial Statements be read in conjunction with the financial statements and the notes, thereto, included in the Company's Annual Report on Form 10-K for the fiscal year ended August 30, 2008. Results for an interim period are not indicative of any future interim periods or for an entire fiscal year.

Principles of Consolidation

The Consolidated Financial Statements include the accounts of the Company and its subsidiaries, all of which are wholly-owned. Intercompany balances and transactions are eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. These estimates are based on historical information, current trends, and information available from other sources. Actual results could differ from these estimates.

Fiscal Year

The Company's fiscal year ends on the last Saturday in August. For financial reporting purposes, fiscal 2009 will consist of 52 weeks, whereas fiscal 2008 consisted of 53 weeks. The additional week was included in the second quarter of fiscal 2008. As a result, the quarterly and six-month periods ended February 28, 2009 consisted of 13 weeks and 26 weeks, respectively, as compared to the quarterly and six-month periods ended March 1, 2008 which consisted of 14 weeks and 27 weeks, respectively.

Cash and Cash Equivalents

Cash and cash equivalents include cash in banks and bank short-term investments with maturities of less than ninety days.

Financial Instruments

The Company's financial instruments, which may expose the Company to concentrations of credit risk, include cash and cash equivalents, receivables, accounts payable, notes payable and long-term obligations. Each of these financial instruments is recorded at cost, which approximates its fair value.

Revenue Recognition and Allowance for Doubtful Accounts

The Company recognizes revenue from rental operations in the period in which the services are provided. Direct sales revenue is recognized in the period in which the services are performed or when the product is shipped. Management judgments and estimates are used in determining the collectability of accounts receivable and evaluating the adequacy of the allowance for doubtful accounts. The Company considers specific accounts receivable and historical bad debt experience, customer credit worthiness, current economic trends and the age of outstanding balances as part of its evaluation. Changes in estimates are reflected in the period they become known. If the financial condition of the Company's customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required. Material changes in its estimates may result in significant differences in the amount and timing of bad debt

expense recognition for any given period.

Inventories and Rental Merchandise in Service

Inventories are stated at the lower of cost or market value, net of any reserve for excess and obsolete inventory. Judgments and estimates are used in determining the likelihood that new goods on hand can be sold to customers or used in rental operations. Historical inventory usage and current revenue trends are considered in estimating both excess and obsolete inventories. If actual product demand and market conditions are less favorable than those projected by management, additional inventory write-downs may be required. The Company uses the first-in, first-out ("FIFO") method to value its inventories, which primarily consist of finished goods.

Rental merchandise in service is amortized, primarily on a straight-line basis, over the estimated service lives of the merchandise, which range from 6 to 36 months. In establishing estimated lives for merchandise in service, management considers historical experience and the intended use of the merchandise. Material differences may result in the amount and timing of operating profit for any period if management makes significant changes to these estimates.

Property and Equipment

Property and equipment are recorded at cost. Expenditures for maintenance and repairs are expensed as incurred, while expenditures for renewals and betterments are capitalized. The Company provides for depreciation on the straight-line method based on the following estimated useful lives:

Buildings	30-40 years
Leasehold improvements	Shorter of useful life or term of lease
Machinery and equipment	3-10 years
Motor vehicles	3-5 years

In accordance with Statements of Financial Accounting Standards ("SFAS") No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets,* long-lived assets, including property and equipment, are evaluated for impairment whenever events or circumstances indicate an asset may be impaired. There were no material impairments of long-lived assets in the twenty-six weeks ended February 28, 2009 or the year ended August 30, 2008.

Goodwill and Other Intangible Assets

In accordance with SFAS No. 142*, Goodwill and Other Intangible Assets*, goodwill is not amortized. SFAS No. 142 requires that companies test goodwill for impairment on an annual basis. Management completes its annual impairment test in the fourth quarter of each fiscal year. In addition, SFAS No. 142 also requires that companies test goodwill if events occur or circumstances change that would more likely than not reduce the fair value of a reporting unit to which goodwill is assigned below its carrying amount. The Company's evaluation considers changes in the operating environment, competitive information, market trends, operating performance and cash flow modeling.

During the thirteen weeks ended February 28, 2009, there was a decline in the market value of the Company's stock as well as significant deterioration in general economic conditions. The decline in the Company's market capitalization prompted the Company's management to conduct a goodwill analysis, in accordance with the provisions of SFAS No. 142, to determine if an impairment of goodwill existed. Based on the outcome of the Company's analysis, it concluded that no impairment existed as of February 28, 2009.

The Company cannot predict future economic conditions or the future market value of the Company's stock or their impact on the Company. A continued decline in the Company's market capitalization and/or deterioration in general economic conditions could negatively and materially impact the Company's assumptions and assessment of the fair value of the Company's business. If general economic conditions or the Company's financial performance deteriorate, the Company may be required to record a goodwill impairment charge in the future which could have a material impact on the Company's financial condition and results of operations.

Definite-lived intangible assets are amortized over their useful lives, which are based on management's estimates of the period that the assets will generate revenue. Definite-lived intangible assets are evaluated for impairment in accordance with SFAS No. 144. There were no material impairments of definite-lived intangible assets in the twenty-six weeks ended February 28, 2009 or the year ended August 30, 2008.

Definite-lived intangible assets have a weighted average useful life of approximately 14.3 years. Customer contracts are amortized over their estimated useful lives and have a weighted average useful life of approximately 14.7 years. Other intangible assets, net, primarily include restrictive covenants, deferred financing costs and trademarks have weighted average useful lives of approximately 6.4 years.

Environmental and Other Contingencies

The Company is subject to legal proceedings and claims arising from the conduct of its business operations, including environmental matters, personal injury, customer contract matters and employment claims. Accounting principles generally accepted in the United States require that a liability for contingencies be recorded when it is probable that a liability has occurred and the amount of the liability can be reasonably estimated. Significant judgment is required to determine the existence of a liability, as well as the amount to be recorded. The Company regularly consults with attorneys and outside consultants to ensure that all of the relevant facts and circumstances are considered before a contingent liability is recorded. The Company records accruals for environmental and other contingencies based on enacted laws, regulatory orders or decrees, the Company's estimates of costs, insurance proceeds, participation by other parties, the timing of payments, and the input of outside consultants and attorneys.

The estimated liability for environmental contingencies has been discounted using risk-free interest rates ranging from 3% to 4% over periods ranging from ten to thirty years. The estimated current costs, net of legal settlements with insurance carriers, have been adjusted for the estimated impact of inflation at 3% per year. Changes in enacted laws, regulatory orders or decrees, management's estimates of costs, risk-free interest rates, insurance proceeds, participation by other parties, the timing of payments and the input of outside consultants and attorneys based on changing legal or factual circumstances could have a material impact on the amounts recorded for environmental and other contingent liabilities. Refer to Note 7 of the Consolidated Financial Statements for

additional discussion and analysis.

Asset Retirement Obligations

The Company follows the provisions of SFAS No. 143*, Accounting for Asset Retirement Obligations,* which generally applies to legal obligations associated with the retirement of long-lived assets that result from the acquisition, construction, development and/or the normal operation of a long-lived asset. Under this accounting method, the Company recognizes asset retirement obligations in the period in which they are incurred if a reasonable estimate of fair value can be made. The associated asset retirement costs are capitalized as part of the carrying amount of the long-lived asset.

The Company has recognized as a liability the present value of the estimated future costs to decommission its nuclear laundry facilities in accordance with the provisions of SFAS No. 143. The Company depreciates, on a straight-line basis, the amount added to property and equipment and recognizes accretion expense in connection with the discounted liability over the various remaining lives which range from approximately one to twenty-two years.

The estimated liability has been based on historical experience in decommissioning nuclear laundry facilities, estimated useful lives of the underlying assets, external vendor estimates as to the cost to decommission these assets in the future, and federal and state regulatory requirements. The estimated current costs have been adjusted for the estimated impact of inflation at 3% per year. The liability has been discounted using credit-adjusted risk-free rates that range from approximately 5.7% to 7.0%. Revisions to the liability could occur due to changes in the Company's estimated useful lives of the underlying assets, estimated dates of decommissioning, changes in decommissioning costs, changes in federal or state regulatory guidance on the decommissioning of such facilities, or other changes in estimates. Changes due to revised estimates will be recognized by adjusting the carrying amount of the liability and the related long-lived asset if the assets are still in service, or charged to expense in the period if the assets are no longer in service.

Derivative Financial Instruments

The Company accounts for its derivative instruments in accordance with SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities,* and related authoritative guidance. All derivative instruments are recorded as other assets or other liabilities at fair value, in accordance with SFAS No. 157, *Fair Value Measurements.* All subsequent changes in a derivative's fair value are recognized in income, unless specific hedge accounting criteria are met. Cash flows associated with derivatives are classified in the same category as the cash flows hedged in the Consolidated Statements of Cash Flows.

Derivative instruments that qualify for hedge accounting are classified as a hedge of the variability of cash flows to be paid related to a recognized liability or a forecasted transaction. Changes in the fair value of a derivative that is highly effective and designated as a cash flow hedge are recognized in accumulated other comprehensive (loss) income until expense from the cash flows of the hedged items are recognized. The Company performs an assessment at the inception of the hedge and on a quarterly basis thereafter, to determine whether its derivatives are highly effective in offsetting changes in the value of the hedged items. Any change in the fair value resulting from hedge ineffectiveness is immediately recognized as income or expense.

The Company's hedging activities are transacted only with highly rated institutions, which reduces the exposure to credit risk in the event of nonperformance. Refer to Note 4 of the Consolidated Financial Statements for additional discussion and analysis.

Insurance

The Company is self-insured for certain obligations related to health, workers' compensation, vehicles and general liability programs. The Company also purchases stop-loss insurance policies to protect itself from catastrophic losses. Judgments and estimates are used in determining the potential value associated with reported claims and for events that have occurred, but have not been reported. The Company's estimates consider historical claims experience and other factors. The Company's liabilities are based on estimates, and, while the Company believes that its accruals are adequate, the ultimate liability may be significantly different from the amounts recorded. Changes in claims experience, the Company's ability to settle claims or other estimates and judgments used by management could have a material impact on the amount and timing of expense for any period.

Supplemental Executive Retirement Plan and other Pension Plans

The Company accounts for its Supplemental Executive Retirement Plan and other pension plans in accordance with SFAS No. 87 *, Employers' Accounting for Pensions,* as amended by SFAS No. 158*, Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans* . Under SFAS No. 87, pension expense is recognized on an accrual basis over employees' estimated service periods. Pension expense calculated under SFAS No. 87 is generally independent of funding decisions or requirements.

The calculation of pension expense and the corresponding liability requires the use of a number of critical assumptions, including the expected long-term rate of return on plan assets and the assumed discount rate. Changes in these assumptions can result in different expense and liability amounts, and future actual experience can differ from these assumptions. Pension expense increases as the expected rate of return on pension plan assets decreases. Future changes in plan asset returns, assumed discount rates and various other factors related to the participants in the Company's pension plans will impact the Company's future pension expense and liabilities. The Company cannot predict with certainty what these factors will be in the future.

Income Taxes

The Company accounts for income taxes in accordance with SFAS No. 109*, Accounting for Income Taxes*. Deferred income taxes are provided for temporary differences between the amounts recognized for income tax and financial reporting purposes at currently enacted tax rates. The Company computes income tax expense by jurisdiction based on its operations in each jurisdiction.

The Company is periodically reviewed by U.S. domestic and foreign tax authorities regarding the amount of taxes due. These reviews typically include inquiries regarding the timing and amount of deductions and the allocation of income among various tax jurisdictions. In evaluating the exposure associated with various filing positions, the Company records estimated reserves for probable exposures, in accordance with FASB Interpretation ("FIN") No. 48, *Accounting for Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109.*

Net Income Per Share

The Company computes net income per share under the provisions of SFAS No. 128, *Earnings per Share*, and Emerging Issues Task Force ("EITF") Issue No. 03-6, *Participating Securities and Two — Class Method under FASB Statement No. 128, 'Earnings per Share'*. EITF Issue No. 03-6 requires that income per share for each class of common stock be calculated assuming 100% of the Company's earnings are distributed as dividends to each class of common stock based on their respective dividend rights, even though the Company does not anticipate distributing 100% of its earnings as dividends. The Common Stock of the Company has a 25% dividend preference to the Class B Common Stock. The effective result is that the basic earnings per share for the Common Stock will be 25% greater than the basic earnings per share of the Class B Common Stock.

The Class B Common Stock may be converted at any time on a one-for-one basis into Common Stock at the option of the holder of the Class B Common Stock. Diluted earnings per share for the Company's Common Stock assumes the conversion of all of the Company's Class B Common Stock into Common Stock, full vesting of outstanding restricted stock, and the exercise of outstanding stock options under the Company's stock based employee compensation plans.

The following table shows how net income is allocated using this method (in thousands):

	Thirteen weeks ended February 28, 2009	Fourteen weeks ended March 1, 2008	Twenty-six weeks ended February 28, 2009	Twenty-seven weeks ended March 1, 2008
Net income available to shareholders	$ 18,280	$ 15,281	$ 37,142	$ 31,755
Allocation of net income for Basic:				
Common Stock	$ 14,344	$ 11,984	$ 29,144	$ 24,903
Class B Common Stock	3,936	3,297	7,998	6,852
	$ 18,280	$ 15,281	$ 37,142	$ 31,755

The diluted earnings per share calculation assumes the conversion of all the Company's Class B Common Stock into Common Stock, so no allocation of earnings to Class B Common Stock is required.

The following table illustrates the weighted average number of shares of Common Stock and Class B Common Stock shares outstanding during the thirteen and twenty-six weeks ended February 28, 2009 and the fourteen and twenty-seven weeks ended March 1, 2008 and is utilized in the calculation of earnings per share (in thousands):

	Thirteen weeks ended February 28, 2009	Fourteen weeks ended March 1, 2008	Twenty-six weeks ended February 28, 2009	Twenty-seven weeks ended March 1, 2008
Weighted average number of Common shares — Basic	14,389	14,359	14,387	14,356
Add: effect of dilutive potential common shares — Common Stock options and restricted stock	30	70	46	72
Add: assumed conversion of Class B Common shares into Common Stock	4,935	4,937	4,935	4,937
Weighted average number of Common shares — Diluted	19,354	19,366	19,368	19,365
Weighted average number of Class B Common shares — Basic	4,935	4,937	4,935	4,937

Stock options to purchase 278,100 shares of Common Stock were excluded from the calculation of diluted earnings per share for both the thirteen and twenty-six weeks ended February 28, 2009, respectively, because they were anti-dilutive. Stock options to purchase 16,500 shares of Common Stock were excluded from the calculation of diluted earnings per share for both the fourteen and twenty-seven weeks ended March 1, 2008 because they were anti-dilutive.

Share-Based Compensation

The Company adopted a stock incentive plan (the "Plan") in November 1996 and has reserved 800,000 shares of Common Stock for issuance under the Plan. All options issued to management under the Plan are recommended to the Board of Directors by the Compensation Committee and approved by the Board of Directors. All awards issued to the Company's non-employee members of the Board of Directors under the Plan are recommended to the Board of Directors by the Compensation Committee and approved by the Board of Directors. Stock options granted to non-employee directors are granted on the third business day following the annual shareholders' meeting. All options are exercisable at a price equal to the fair market value of the Company's Common Stock on the date of grant.

Options granted prior to fiscal 2003 were subject to a proportional four-year vesting schedule and expire eight years from the grant date. Beginning in fiscal 2003, option grants are subject to a five-year cliff-vesting schedule under which options become vested or exercisable after five years from the date of grant and expire ten years after the grant date. Options granted to the Company's non-employee directors are fully vested as of the date of grant. Prior to fiscal 2008, non-employee director grants expired ten years from the grant date. Beginning in fiscal 2008, non-employee director grants expire eight years after the grant date.

The Company accounts for its share-based compensation under the provisions of SFAS No. 123(R), *Share-Based Payment*. The fair value recognition provisions of this statement require that the share-based compensation cost be measured at the grant date based on the value of the award and be recognized as expense over the requisite service period, which is generally the vesting period. Determining the fair value of share-based awards at the grant date requires judgment, including estimating expected dividends, share price volatility and the amount of share-based awards that are expected to be forfeited. The fair value of each option grant is estimated on the date of grant using the Black-Scholes option pricing model.

Compensation expense for all option grants is recognized ratably over the related vesting period. Certain options were granted during the thirteen weeks ended February 28, 2009 and the fourteen weeks ended March 1, 2008, respectively, to non-employee members of the Board of Directors of the Company, which were fully vested upon grant and expire eight years after the grant date. Accordingly, compensation expense related to these option grants in fiscal 2009 and 2008 were recognized on the date of grant. In January 2009, 12,000 shares of restricted stock were granted to the Company's non-employee directors subject to vesting in full one year from the date of grant. In January 2008, 6,000 shares of restricted stock were granted to the Company's non-employee directors which became fully vested in January 2009. Share-based compensation, which includes stock option grants and restricted stock grants, has been recorded in the Consolidated Statements of Income in selling and administrative expenses.

For the twenty-six weeks ended February 28, 2009, there were 2,950 shares of Common Stock issued as a result of the exercise of Common Stock options. For the thirteen weeks ended February 28, 2009, there were no shares of Common Stock issued as a result of the exercise of Common Stock options. For the fourteen and twenty-seven weeks ended March 1, 2008, there were 6,000 and 6,500 shares of Common Stock issued as a result of the exercise of Common Stock options, respectively.

Foreign Currency Translation

The functional currency of our foreign operations is the local country's currency. Transaction gains and losses, including gains and losses on our intercompany transactions, are included in other expense (income), in the accompanying Consolidated Statements of Income. Assets and liabilities of operations outside the United States are translated into U.S. dollars using period-end exchange rates. Revenues and expenses are translated at the average exchange rates in effect during each month of the fiscal year. The effects of foreign currency translation adjustments are included in shareholders' equity as a component of accumulated other comprehensive (loss) income in the accompanying Consolidated Balance Sheets.

Reclassifications

Certain prior year amounts have been reclassified to conform to current year presentation. These reclassifications did not impact current or historical net income or shareholders' equity.

Recent Accounting Pronouncements

In September 2006, the Financial Accounting Standards Board (FASB) issued SFAS No. 157, *Fair Value Measurements*, which defines fair value, establishes a framework for measuring fair value under US GAAP and expands disclosure requirements about fair value measurements. In February 2008, the FASB issued FASB Staff Position ("FSP") No. 157-2 which delayed the effective date of SFAS No. 157 for all nonfinancial assets and nonfinancial liabilities, except those that are recognized or disclosed at fair value in the financial statements on a recurring basis. The Company partially adopted SFAS No. 157 on August 31, 2008, as required. The adoption of SFAS No. 157 for the Company's financial assets and liabilities did not have a material impact on its results of operations or financial condition. See Note 3, "Fair Value Measurements", for further discussion on the Company's adoption of SFAS No. 157.

In March 2008, the FASB issued SFAS No. 161, *Disclosures about Derivative Instruments and Hedging Activities*. SFAS No. 161 amends SFAS No. 133 requiring enhanced disclosures about an entity's derivative and hedging activities thereby improving the transparency of financial reporting. SFAS No. 161's disclosures provide additional information on how and why derivative instruments are being used. SFAS No. 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, with early application encouraged. The Company does not anticipate that the adoption of this pronouncement will have a material effect on its Consolidated Financial Statements. Adoption of SFAS No. 161 will result in enhanced disclosure regarding the Company's derivatives should it then have any outstanding.

In December 2007, the FASB issued SFAS No. 141 (revised 2007), *Business Combinations*, ("SFAS No. 141R"). SFAS No. 141R will change how business acquisitions are accounted for and will impact financial statements both on the acquisition date and in subsequent periods. SFAS No. 141R is effective for fiscal years beginning after December 15, 2008. Early adoption is not permitted. The Company is currently evaluating the impact, if any, SFAS No. 141R will have on its Consolidated Financial Statements.

In June 2008, the FASB issued a Staff Position on Emerging Issues Task Force (EITF) Issue No. 03-6-1, *Determining Whether Instruments Granted in Share-Based Payment Transactions are Participating Securities*. EITF Issue No. 03-6-1 addresses whether instruments granted in share-based payment transactions are participating securities prior to vesting and therefore, need to be included in the earnings allocation in computing earnings per share. This consensus is effective for the Company's fiscal year beginning August 30, 2009. The Company is currently evaluating the impact, if any, EITF Issue No. 03-6-1 will have on its Consolidated Financial Statements.

In April 2008, the FASB issued FSP No. 142-3, "Determination of the Useful Life of Intangible Assets." FSP No. 142-3 amends the factors that should be considered in developing renewal or extension assumptions used to determine the useful life of a recognized intangible asset under SFAS No. 142. The intent of this FSP is to improve the consistency between the useful life of a recognized intangible asset under SFAS No. 142 and the period of expected cash flows used to measure the fair value of the asset under SFAS No. 141, and other U.S. GAAP. FSP No. 142-3 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and may not be adopted early. The Company is currently evaluating the impact, if any, that FSP No. 142-3 may have on its Consolidated Financial Statements.

2. Acquisitions

During the twenty-six weeks ended February 28, 2009, the Company completed seven acquisitions with an aggregate purchase price of approximately $3.2 million. The results of operations of these acquisitions have been included in the Company's consolidated financial results since their respective acquisition dates. None of these acquisitions was significant in relation to the Company's consolidated financial results and, therefore, pro forma financial information has not been presented.

3. Fair Value Measurements

The Company adopted SFAS No. 157, *Fair Value Measurements*, on August 31, 2008. SFAS No. 157 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. SFAS No. 157 establishes a three-level fair value hierarchy that prioritizes the inputs used

to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

All financial assets or liabilities that are measured at fair value on a recurring basis (at least annually) have been segregated into the most appropriate level within the fair value hierarchy based on the inputs used to determine the fair value at the measurement date. These assets or liabilities measured at fair value on a recurring basis are summarized in the table below (in thousands):

	As of February 28, 2009			
	Level 1	Level 2	Level 3	Fair Value
Assets:				
Cash Equivalents	$ 13,395	—	—	$ 13,395
Total	$ 13,395	—	—	$ 13,395
Liabilities:				
Derivative Instruments	$ —	3,422	—	$ 3,422
Total	$ —	3,422	—	$ 3,422

4. Derivative Instruments and Hedging Activities

The Company accounts for its derivative instruments in accordance with SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities* . In January 2008, the Company entered into an interest rate swap agreement to manage its exposure to interest rate movements and the related effect on its variable rate debt. The Company concluded that the interest rate swap met the criteria to qualify as a cash flow hedge under SFAS No. 133. Accordingly, the Company has reflected all changes in the fair value of the swap agreement in accumulated other comprehensive (loss) income, a component of shareholders' equity. The swap agreement, with a notional amount of $100.0 million, matures on March 14, 2011. The Company pays a fixed rate of 3.51% and receives a variable rate tied to the three month LIBOR rate. As of February 28, 2009 and August 30, 2008, the Company had recorded in accumulated other comprehensive (loss) income a loss of $2.1 million and $0.2 million, respectively, related to the fair value of the interest rate swap, net of the recorded income tax benefit.

5. Employee Benefit Plans

Defined Contribution Retirement Savings Plan

The Company has a defined contribution retirement savings plan with a 401(k) feature for all eligible employees not under collective bargaining agreements. The Company matches a portion of the employee's contribution and can make an additional contribution at its discretion. Contributions charged to expense under the plan for the thirteen weeks ended February 28, 2009 and fourteen weeks ended March 1, 2008, were $2.9 million and $2.8 million, respectively. Contributions charged to expense under the plan for the twenty-six weeks ended November 28, 2009 and the twenty-seven weeks ended March 1, 2008 were $5.6 million and $5.4 million, respectively.

Supplemental Executive Retirement Plan and Other Pension Plans

The Company maintains an unfunded Supplemental Executive Retirement Plan for certain eligible employees of the Company, a non-contributory defined benefit pension plan covering union employees at one of its locations, and a frozen pension plan the Company assumed in connection with its acquisition of Textilease Corporation in fiscal 2004. For both the thirteen weeks ended February 28, 2009 and the fourteen weeks ended March 1, 2008, the amounts charged to expense related to these plans was $0.4 million. For the twenty-six weeks ended February 28, 2009 and the twenty-seven weeks ended March 1, 2008, the amounts charged to expense related to these plans was $0.9 million and $0.7 million, respectively.

6. Asset Retirement Obligations

The Company accounts for its asset retirement obligations under the provisions of SFAS No. 143, which generally applies to legal obligations associated with the retirement of long-lived assets that result from the acquisition, construction, development and/or the normal operation of a long-lived asset. Accordingly, the Company recognizes asset retirement obligations in the period in which they are incurred if a reasonable estimate of fair value can be made. The associated asset retirement costs are capitalized as part of the carrying amount of the long-lived asset. The Company continues to depreciate, on a straight-line basis, the amount added to property and equipment and recognizes accretion expense in connection with the discounted liability over the various remaining lives which range from approximately one to twenty-two years.

A reconciliation of the Company's asset retirement liability is as follows (in thousands):

Beginning balance as of August 30, 2008	$ 7,844
Accretion expense	253
Asset retirement costs incurred	(93)
Ending balance as of February 28, 2009	$ 8,004

As of February 28, 2009, the $8.0 million asset retirement obligation is included in accrued liabilities in the accompanying Consolidated Balance Sheet.

7. Commitments and Contingencies

The Company and its operations are subject to various federal, state and local laws and regulations governing, among other things, the generation, handling, storage, transportation, treatment and disposal of hazardous waste and other substances. In particular, industrial laundries use and must dispose of detergent waste water and other residues, and, in the past used perchloroethylene and other dry cleaning solvents. The Company is attentive to the environmental concerns surrounding the disposal of these materials and has, through the years, taken measures to avoid their improper disposal. In the past, the Company has settled, or contributed to the settlement of, actions or claims brought against the Company relating to the disposal of hazardous materials and there can be no assurance that the Company will not have to expend material amounts to remediate the consequences of any such disposal in the future.

Accounting principles generally accepted in the United States require that a liability for contingencies be recorded when it is probable that a liability has occurred and the amount of the liability can be reasonably estimated. Significant judgment is required to determine the existence of a liability, as well as the amount to be recorded. The Company regularly consults with attorneys and outside consultants to ensure that all of the relevant facts and circumstances are considered, before a contingent liability is recorded. Changes in enacted laws, regulatory orders or decrees, management's estimates of costs, insurance proceeds, participation by other parties, the timing of payments and the input of outside consultants and attorneys based on changing legal or factual circumstances could have a material impact on the amounts recorded for environmental and other contingent liabilities.

Under environmental laws, an owner or lessee of real estate may be liable for the costs of removal or remediation of certain hazardous or toxic substances located on, or in, or emanating from, such property, as well as related costs of investigation and property damage. Such laws often impose liability without regard to whether the owner or lessee knew of, or was responsible for the presence of such hazardous or toxic substances. There can be no assurances that acquired or leased locations have been operated in compliance with environmental laws and regulations or that future uses or conditions will not result in the imposition of liability upon the Company under such laws or expose the Company to third-party actions such as tort suits. The Company continues to address environmental conditions under terms of consent orders negotiated with the applicable environmental authorities or otherwise with respect to sites located in or related to Woburn, Massachusetts, Somerville, Massachusetts, Springfield, Massachusetts, Uvalde, Texas, Stockton, California, three sites related to former operations in Williamstown, Vermont, as well as a number of additional locations that it acquired as part of its acquisition of Textilease Corporation in September 2003.

The Company has accrued certain costs related to the sites described above as it has been determined that the costs are probable and can be reasonably estimated. The Company continues to investigate environmental conditions at the Somerville, Massachusetts site. The full nature and extent of those conditions, and of the remedial solutions that may be employed to address them, have not yet been finally determined. In the interim, as the investigation proceeds, the Company is implementing measures to mitigate potential impacts in the vicinity of the site. The Company also has potential exposure related to an additional parcel of land (the "Central Area") related to the Woburn, Massachusetts site discussed above. Currently, the consent order for the Woburn, Massachusetts site discussed above does not define or require any remediation work in the Central Area. The Company has not accrued for this contingency as the Company believes, at this time, the liability is not probable and the amount of such contingent liability cannot be reasonably estimated.

The Company routinely reviews and evaluates sites that may require remediation and monitoring and determines its estimated costs based on various estimates and assumptions. These estimates are developed using its internal sources or by third party environmental engineers or other service providers. Internally developed estimates are based on:

- Management's judgment and experience in remediating and monitoring the Company's sites;
- Information available from regulatory agencies as to costs of remediation and monitoring;
- The number, financial resources and relative degree of responsibility of other potentially responsible parties (PRPs) who may be liable for remediation and monitoring of a specific site; and
- The typical allocation of costs among PRPs.

There is usually a range of reasonable estimates of the costs associated with each site. The Company's accruals reflect the amount within the range that constitutes its best estimate. Where it believes that both the amount of a particular liability and the timing of the payments are reliably determinable, the Company adjusts the cost in current dollars using a rate of 3% for inflation until the time of expected payment and discounts the cost to present value using risk-free rates of interest ranging from 3% to 4%.

For environmental liabilities that have been discounted, the Company includes interest accretion, based on the effective interest method, in selling and administrative expenses on the Consolidated Statements of Income. The changes to the Company's environmental liabilities for the twenty-six weeks ended February 28, 2009 were as follows (in thousands):

Beginning balance as of August 30, 2008	$ 15,097
Costs incurred for which reserves have been provided	(1,429)
Insurance proceeds received	74
Interest accretion	334
Revisions in cost estimates	2,041
Balance as of February 28, 2009	$ 16,117

For the twenty-six weeks ended February 28, 2009 the Company increased its environmental accrual by approximately $2.0 million primarily due to decreases during the period in risk-free interest rates and the related effect on the Company's estimate of response and remediation expenses as well as other adjustments to increase the Company's environmental reserves related to an ongoing investigation at one of its environmental exposure sites. Anticipated payments and insurance proceeds of currently identified environmental remediation liabilities as of February 28, 2009, for the next five fiscal years and thereafter, as measured in current dollars, are reflected below (in thousands).

Fiscal year ended August	2009	2010	2011	2012	2013	Thereafter	Total
Estimated costs – current dollars	$ 3,351	1,622	1,144	1,003	829	12,829	20,778

Estimated insurance proceeds	(106)	(180)	(188)	(180)	(180)	(2,433)	(3,267)
Net anticipated costs	$ 3,245	1,442	956	823	649	10,396	$ 17,511
Effect of Inflation							7,061
Effect of Discounting							(8,455)
Balance as of February 28, 2009							$ 16,117

Estimated insurance proceeds are primarily received from an annuity received as part of a legal settlement with an insurance company. Annual proceeds of approximately $0.3 million are deposited into an escrow account which funds remediation and monitoring costs for three sites related to former operations in Williamstown, Vermont. Annual proceeds received but not expended in the current year accumulate in this account and may be used in future years for costs related to this site through the year 2027. As of February 28, 2009, the balance in this escrow account, which is held in a trust and is not recorded on the Company's consolidated balance sheet, was approximately $2.5 million. Also included in estimated insurance proceeds are amounts the Company is entitled to receive pursuant to legal settlements as reimbursements from three insurance companies for estimated costs at the site in Uvalde, Texas.

The Company's nuclear garment decontamination facilities are licensed by the Nuclear Regulatory Commission ("NRC"), or, in certain cases, by the applicable state agency, and are subject to regulation by federal, state and local authorities. There can be no assurance that such regulation will not lead to material disruptions in the Company's garment decontamination business.

From time to time, the Company is also subject to legal proceedings and claims arising from the conduct of its business operations, including litigation related to charges for certain ancillary services on invoices, personal injury claims, customer contract matters, employment claims and environmental matters as described above.

While it is impossible to ascertain the ultimate legal and financial liability with respect to contingent liabilities, including lawsuits and environmental contingencies, the Company believes that the aggregate amount of such liabilities, if any, in excess of amounts accrued or covered by insurance, will not have a material adverse effect on the consolidated financial position and/or results of operations of the Company. It is possible, however, that future financial position or results of operations for any particular period could be materially affected by changes in the Company's assumptions or strategies related to these contingencies or changes out of the Company's control.

8. Income Taxes

The Company's effective income tax rate was 42.7% and 41.2% for the thirteen and twenty-six weeks ended February 28, 2009, respectively, as compared to 38.5% for the fourteen and twenty-seven weeks ended March 1, 2008. The increase was primarily due to changes in the Company's reserves for income tax exposures.

The Company has a significant portion of its operations in the United States and Canada. It is required to file federal income tax returns as well as state income tax returns in a majority of the U.S. states and also in the Canadian provinces of Alberta, British Columbia, Ontario, Saskatchewan and Quebec. At times, the Company is subject to audits in these jurisdictions, which typically are inherently complex and can require several years to resolve. The final resolution of any such tax audit could result in either a reduction in the Company's accruals or an increase in its income tax provision, both of which could have a material impact on the consolidated results of operations in any given period.

All U.S. and Canadian federal income tax examinations have substantially concluded through fiscal years 2004 and 2001, respectively. With a few exceptions, the Company is no longer subject to state and local income tax examinations for periods prior to fiscal 2003. The Company is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change significantly in the next 12 months.

As of February 28, 2009, there was $2.8 million in unrecognized tax benefits, which if recognized, would reduce the Company's effective tax rate. The Company recognizes interest and penalties related to uncertain tax positions as a component of income tax expense which is consistent with the recognition of these items in prior reporting periods. As of February 28, 2009, the Company had accrued a total of $1.4 million in interest and penalties in its current accrued liabilities.

9. Long-Term Obligations

The Company has a $225.0 million unsecured revolving credit agreement ("Credit Agreement") with a syndicate of banks, which matures on September 13, 2011. Under the Credit Agreement, the Company is able to borrow funds at variable interest rates based on the Eurodollar rate or the bank's prime rate, as selected by the Company. Availability of credit requires compliance with certain financial and other covenants, including a maximum funded debt ratio and minimum interest coverage as defined in the Credit Agreement. The Company generally tests its compliance with these financial covenants on a fiscal quarterly basis. At February 28, 2009, the interest rates applicable to the Company's borrowings under the Credit Agreement were calculated as LIBOR plus 50 basis points at the time of the respective borrowings and ranged from 0.94% to 3.25%. As of February 28, 2009 the Company had outstanding borrowings of approximately $38.0 million, outstanding letters of credit amounting to $36.1 million and $150.9 million available for borrowing.

On June 14, 2004, the Company issued $75.0 million of fixed rate notes pursuant to a Note Purchase Agreement ("2004 Note Agreement") with a seven year term (June 2011) and bearing interest at 5.27%. The Company also issued $90.0 million of floating rate notes which were repaid in September 2005 and September 2006.

On September 14, 2006, the Company issued $100.0 million of floating rates notes ("Floating Rate Notes") pursuant to a Note Purchase Agreement ("2006 Note Agreement"). The Floating Rate Notes mature on September 14, 2013, bear interest at LIBOR plus 50 basis points and may be repaid at face value two years from the date of issuance. The proceeds from the issuance of the Floating Rate Notes were used to first repay the outstanding floating rate notes under the 2004 Note Agreement in the amount of $75.0 million and then to pay down outstanding amounts under the Credit Agreement.

As of February 28, 2009, the Company was in compliance with all covenants under the 2004 Note Agreement, 2006 Note Agreement and the Credit Agreement.

9. Shareholders' Equity

The Company has two classes of common stock: Common Stock and Class B Common Stock. Each share of Common Stock is entitled to one vote, is freely transferable, and is entitled to a cash dividend equal to 125% of any cash dividend paid on each share of Class B Common Stock. Each share of Class B Common Stock is entitled to ten votes and can be converted to Common Stock on a share-for-share basis. However, until converted to Common Stock shares of Class B Common Stock are not freely transferable.

For both the twenty-six weeks ended February 28, 2009 and the twenty-seven weeks ended March 1, 2008, there were no shares of Class B Common Stock converted to Common Stock.

10. Comprehensive Income

The components of comprehensive income are as follows (in thousands):

	Thirteen weeks ended February 28, 2009	Fourteen weeks ended March 1, 2008	Twenty-six weeks ended February 28, 2009	Twenty-seven weeks ended March 1, 2008
Net income	$ 18,280	$ 15,281	$ 37,142	$ 31,755
Other comprehensive income (loss):				
Foreign currency translation adjustments	(2,257)	737	(12,932)	4,154
Pension-related	—	—	(473)	—
Change in value of interest rate swap, net	(107)	(1,363)	(1,900)	(1,363)
Comprehensive income	$ 15,916	$ 14,655	$ 21,837	$ 34,546

11. Segment Reporting

SFAS No. 131*, Disclosures about Segments of an Enterprise and Related Information* , establishes standards for reporting information regarding operating segments in annual financial statements and requires selected information of those segments to be presented in interim financial reports issued to shareholders. Operating segments are identified as components of an enterprise for which separate discrete financial information is available for evaluation by the chief operating decision-maker, or decision-making group, in making decisions on how to allocate resources and assess performance. The Company's chief operating decision maker, as defined under SFAS No. 131, is the Company's chief executive officer. The Company has six operating segments based on the information reviewed by its chief executive officer; US Rental and Cleaning, Canadian Rental and Cleaning, Manufacturing (MFG), Corporate, Specialty Garments Rental and Cleaning (Specialty Garments) and First Aid. The US Rental and Cleaning and Canadian Rental and Cleaning operating segments have been combined to form the US and Canadian Rental and Cleaning reporting segment, and as a result, the Company has five reporting segments.

The US and Canadian Rental and Cleaning reporting segment purchases, rents, cleans, delivers and sells, uniforms and protective clothing and non-garment items in the United States and Canada. The laundry locations of the US and Canadian Rental and Cleaning reporting segment are referred to by the Company as "industrial laundries" or "industrial laundry locations."

The MFG operating segment designs and manufactures uniforms and non-garment items solely for the purpose of providing these goods to the US and Canadian Rental and Cleaning reporting segment. MFG revenues are generated when goods are shipped from the Company's manufacturing facilities to other Company locations. These revenues are recorded at a transfer price which is typically in excess of the actual manufacturing cost. The transfer price is determined by management and may not necessarily represent the fair value of the products manufactured. Products are carried in inventory and subsequently placed in service and amortized at this transfer price. On a consolidated basis, intercompany revenues and income are eliminated and the carrying value of inventories and rental merchandise in service is reduced to the manufacturing cost. Income before income taxes from MFG net of the intercompany MFG elimination offsets the merchandise amortization costs incurred by the US and Canadian Rental and Cleaning reporting segment as the merchandise costs of this reporting segment are amortized and recognized based on inventories purchased from MFG at the transfer price which is above the Company's manufacturing cost.

The Corporate operating segment consists of costs associated with the Company's distribution center, sales and marketing, information systems, engineering, materials management, manufacturing planning, finance, budgeting, human resources, other general and administrative costs and interest expense. The revenues generated from the Corporate operating segment represent certain direct sales made by the Company directly from its distribution center. The products sold by this operating segment are the same products rented and sold by the US and Canadian Rental and Cleaning reporting segment. In the table below, no assets or capital expenditures are presented for the Corporate operating segment because no assets are allocated to this operating segment in the information reviewed by the chief executive officer. However, depreciation and amortization expense related to certain assets are reflected in income from operations and income before income taxes for the Corporate operating segment. The assets that give rise to this depreciation and amortization are included in the total assets of the US and Canadian Rental and Cleaning reporting segment as this is how they are tracked and reviewed by the Company. The majority of expenses accounted for within the Corporate segment relate to costs of the US and Canadian Rental and Cleaning segment, with the remainder of the costs relating to the Specialty Garment and First Aid segments.

The Specialty Garments operating segment purchases, rents, cleans, delivers and sells, specialty garments and non-garment items primarily for nuclear and clean room applications. The First Aid operating segment sells first aid cabinet services and other safety supplies.

The Company refers to the US and Canadian Rental and Cleaning, MFG, and Corporate reporting segments combined as its "core laundry operations," which is included as a subtotal in the following table (in thousands):

	US and Canadian Rental and	Net Interco	Subtotal Core Laundry	Specialty

	Cleaning	MFG	MFG Elim	Corporate	Operations	Garments	First Aid	Total
Thirteen weeks ended								
February 28, 2009								
Revenues	$ 231,934	$ 23,690	$ (23,690)	$ 1,779	$ 233,713	$ 16,939	$ 6,633	$ 257,285
Income (loss) from operations	$ 41,952	$ 6,427	$ 255	$ (16,567)	$ 32,067	$ 1,650	$ 144	$ 33,861
Interest (income) expense, net	$ (570)	$ —	$ —	$ 2,347	$ 1,777	$ —	$ —	$ 1,777
Income (loss) before taxes	$ 42,528	$ 6,571	$ 255	$ (18,913)	$ 30,441	$ 1,304	$ 144	$ 31,889
Fourteen weeks ended								
March 1, 2008								
Revenues	$ 242,269	$ 21,106	$ (21,106)	$ 2,276	$ 244,545	$ 17,127	$ 8,616	$ 270,288
Income (loss) from operations	$ 37,086	$ 6,800	$ 374	$ (17,243)	$ 27,017	$ 339	$ 312	$ 27,668
Interest (income) expense, net	$ (633)	$ —	$ —	$ 3,412	$ 2,779	$ —	$ —	$ 2,779
Income (loss) before taxes	$ 37,710	$ 6,680	$ 374	$ (20,593)	$ 24,171	$ 364	$ 312	$ 24,847

	US and Canadian Rental and Cleaning	MFG	Net Interco MFG Elim	Corporate	Subtotal Core Laundry Operations	Specialty Garments	First Aid	Total
Twenty-six weeks ended								
February 28, 2009								
Revenues	$ 467,284	$ 50,150	(50,150)	$ 3,933	$ 471,217	$ 34,680	$ 13,942	$ 519,839
Income (loss) from operations	$ 83,176	$ 15,700	(1,211)	$ (32,994)	$ 64,671	$ 3,398	$ 93	$ 68,162
Interest (income) expense, net	$ (1,070)	$ —	—	$ 4,934	$ 3,864	$ —	$ —	$ 3,864
Income (loss) before taxes	$ 84,258	$ 16,174	(1,211)	$ (38,154)	$ 61,067	$ 2,008	$ 94	$ 63,169
Twenty-seven weeks ended								
March 1, 2008								
Revenues	$ 461,933	$ 44,920	(44,920)	$ 4,724	$466,657	$ 34,382	$ 16,509	$ 517,548
Income (loss) from operations	$ 74,191	$ 15,773	(1,707)	$ (33,591)	$ 54,666	$ 2,000	$ 309	$ 56,975
Interest (income) expense, net	$ (1,143)	$ —	—	$ 6,913	$ 5,770	$ —	$ —	$ 5,770
Income (loss) before taxes	$ 75,310	$ 15,608	(1,707)	$ (40,305)	$ 48,906	$ 2,419	$ 309	$ 51,634

The Company's long-lived assets as of February 28, 2009 and August 30, 2008, revenues for the twenty-six and twenty-seven weeks ended February 28, 2009 and March 1, 2008, and income before income taxes for the twenty-six and twenty-seven weeks ended February 28, 2009 and March 1, 2008 were attributed to the following countries (in thousands):

	February 28, 2009	August 30, 2008
Long-lived assets:		
United States	$ 665,002	$ 653,979
Europe, Canada and Mexico (1)	37,961	43,583
Total	$ 702,963	$ 697,562

	Thirteen weeks ended February 28, 2009	Fourteen weeks ended March 1, 2008	Twenty-six weeks ended February 28, 2009	Twenty-seven weeks ended March 1, 2008
Revenues:				
United States	$ 236,507	$ 244,868	$ 476,250	$ 469,318
Europe and Canada (1)	20,778	25,420	43,589	48,230
Total	$ 257,285	$ 270,288	$ 519,839	$ 517,548
Income before income taxes:				
United States	$ 29,530	$ 20,791	$ 57,686	$ 44,036
Europe, Canada and Mexico (1)	2,359	4,056	5,483	7,598
Total	$ 31,889	$ 24,847	$ 63,169	$ 51,634

(1) No foreign country accounts for greater than 10% of total long-lived assets, revenues, or income before income taxes .

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

SAFE HARBOR FOR FORWARD LOOKING STATEMENTS

This Quarterly Report on Form 10-Q and any documents incorporated by reference contain forward looking statements within the meaning of the federal securities laws. Forward looking statements contained in this Quarterly Report on Form 10-Q and any documents incorporated by reference are subject to the safe harbor created by the Private Securities Litigation Reform Act of 1995. Forward looking statements 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 our 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, uncertainties regarding our ability to consummate and successfully integrate acquired businesses, uncertainties regarding any existing or newly-discovered expenses and liabilities related to environmental compliance and remediation, our ability to compete successfully without any significant degradation in our margin rates, seasonal fluctuations in business levels, uncertainties regarding the price levels of natural gas, electricity, fuel and labor, the impact of negative economic conditions on our customers and such customers' workforce, the continuing increase in domestic healthcare costs, demand and prices for our products and services, additional professional and internal costs necessary for compliance with recent and proposed future changes in Securities and Exchange Commission (including the Sarbanes-Oxley Act of 2002), New York Stock Exchange and accounting rules, strikes and unemployment levels, our efforts to evaluate and potentially reduce internal costs, economic and other developments associated with the war on terrorism and its impact on the economy and general economic conditions. We undertake no obligation to update any forward looking statements to reflect events or circumstances arising after the date on which such statements are made.

Business Overview

UniFirst Corporation, together with its subsidiaries, hereunder referred to as "we", "our", the "Company", or "UniFirst", is one of the largest providers of workplace uniforms and protective clothing in the United States. We design, manufacture, personalize, rent, clean, deliver, and sell a wide range of uniforms and protective clothing, including shirts, pants, jackets, coveralls, lab coats, smocks, aprons and specialized protective wear, such as flame resistant and high visibility garments. We also rent industrial wiping products, floor mats, facility service products and other non-garment items, and provide first aid cabinet services and other safety supplies, to a variety of manufacturers, retailers and service companies.

We serve businesses of all sizes in numerous industry categories. Typical customers include automobile service centers and dealers, delivery services, food and general merchandise retailers, food processors and service operations, light manufacturers, maintenance facilities, restaurants, service companies, soft and durable goods wholesalers, transportation companies, and others who require employee clothing for image, identification, protection or utility purposes. We also provide our customers with restroom supplies, including air fresheners, paper products and hand soaps.

At certain specialized facilities, we also decontaminate and clean work clothes that may have been exposed to radioactive materials and service special clean room protective wear. Typical customers for these specialized services include government agencies, research and development laboratories, high technology companies and utilities operating nuclear reactors.

We continue to expand into additional geographic markets through acquisitions and organic growth. We currently service over 200,000 customer locations in the United States, Canada and Europe from approximately 201 customer service, distribution and manufacturing facilities.

As discussed and described in Note 11 to the Consolidated Financial Statements, we have five reporting segments: US and Canadian Rental and Cleaning, Manufacturing ("MFG"), Corporate, Specialty Garments Rental and Cleaning ("Specialty Garments") and First Aid. We refer to the laundry locations of the US and Canadian Rental and Cleaning reporting segment as "industrial laundries" or "industrial laundry locations", and to the US and Canadian Rental and Cleaning, MFG, and Corporate reporting segments combined as our "core laundry operations."

Results of Operations

The amounts of revenues and certain expense items for the thirteen and twenty-six weeks ended February 28, 2009 and the fourteen and twenty-seven weeks ended March 1, 2008, and the percentage changes in revenues and certain expense items as a percentage of total revenues between these periods, are presented in the following table. Operating costs presented in the table below include merchandise costs related to the amortization of rental merchandise in service and direct sales as well as labor and other production, service and delivery costs associated with operating our industrial laundries, Specialty Garments facilities, First Aid locations and our distribution center. Selling and administrative costs include costs related to our sales and marketing functions, as well as general and administrative costs associated with our corporate offices and operating locations including information systems, engineering, materials management, manufacturing planning, finance, budgeting, and human resources.

(in thousands, except percentages)	Thirteen weeks ended February 28, 2009	% of Rev.	Fourteen weeks ended March 1, 2008	% of Rev.	% Change	Twenty-six weeks ended February 28, 2009	% of Rev.	Twenty-seven weeks ended March 1, 2008	% of Rev.	% Change
Revenues	$ 257,285	100.0%	$270,288	100.0%	-4.8%	$ 519,839	100.0%	$517,548	100.0%	0.4%
Costs and expenses:										
Operating costs (1)	158,972	61.8	172,481	63.8	-7.8	316,035	60.8	323,628	62.5	-2.3
Selling and administrative expenses (1)	50,113	19.5	56,024	20.7	-10.6	107,600	20.7	110,043	21.3	-2.2
Depreciation and amortization	14,339	5.6	14,115	5.2	1.6	28,042	5.4	26,902	5.2	4.2
	223,424	86.8	242,620	89.8	-7.9	451,677	86.9	460,573	89.0	-1.9
Income from operations	33,861	13.2	27,668	10.2	22.4	68,162	13.1	56,975	11.0	19.6
Other expense (income)	1,972	0.8	2,821	1.0	-30.1	4,993	1.0	5,341	1.0	-6.5

Income before income taxes	31,889	12.4	24,847	9.2	28.3	63,169	12.2	51,634	10.0	22.3
Provision for income taxes	13,609	5.3	9,566	3.5	42.3	26,027	5.0	19,879	3.8	30.9
Net income	$ 18,280	7.1%	$ 15,281	5.7%	19.6%	$ 37,142	7.1%	$ 31,755	6.1%	17.0%

(1) Exclusive of depreciation on our property and equipment and amortization of our intangible assets.

The current worldwide economic weakness may negatively impact our revenues for the balance of fiscal 2009 and perhaps into fiscal 2010 due to the impact on spending plans and employment levels of our customers and sales prospects. Since the beginning of the fiscal 2009 year, U.S. unemployment rates have continued to increase, which is impacting our broad customer base. Lost accounts have increased, and may continue to increase, as we are seeing a larger number of accounts going out of business or in financial distress.

General

We derive our revenues through the design, manufacture, personalization, rental, cleaning, delivering, and selling of a wide range of uniforms and protective clothing, including shirts, pants, jackets, coveralls, lab coats, smocks, aprons and specialized protective wear, such as flame resistant and high visibility garments. We also rent industrial wiping products, floor mats, facility service products, other non-garment items, and provide first aid cabinet services and other safety supplies, to a variety of manufacturers, retailers and service companies.

Thirteen weeks ended February 28, 2009 compared with fourteen weeks ended March 1, 2008

Revenues

(In thousands, except percentages)	February 28, 2009	March 1, 2008	Dollar Change	Percent Change
Core Laundry Operations	$ 233,713	$ 244,545	$ (10,832)	-4.4%
Specialty Garments	16,939	17,127	(188)	-1.1
First Aid	6,633	8,616	(1,983)	-23.0
Consolidated total	$ 257,285	$ 270,288	$ (13,003)	-4.8%

For the thirteen weeks ended February 28, 2009, our consolidated revenues decreased by $13.0 million from the fourteen weeks ended March 1, 2008, or 4.8%. The second quarter of fiscal 2009 had one less work week compared to the second quarter of fiscal 2008 which accounted for a decline in revenues of 7.3%. On a comparable work week basis, consolidated revenues increased 2.5% for the quarter.

Core laundry operations' revenues decreased from $244.5 million for the fourteen weeks ended March 1, 2008 to $233.7 million for the thirteen weeks ended February 28, 2009, or 4.4%. Excluding the effect of the additional work week in the second quarter of fiscal 2008, revenues increased by 2.9%, which was attributable to organic growth of 3.1% and acquisition-related growth of 1.4%, which were partially offset by a decrease of 1.6% from the effect of foreign exchange rate fluctuations on our Canadian revenues. Organic growth is comprised of new sales, additions to our existing customer base and price increases offset by lost accounts and reductions to our existing customer base. The decrease in our organic growth rate from 6.6% in the first quarter of fiscal 2009 to 3.1% in the second quarter of fiscal 2009 is primarily due to the high rate of wearer reductions in our existing customer base. Since the beginning of the 2009 fiscal year, U.S. unemployment rates have continued to increase, which is impacting our broad customer base. Lost accounts have also increased over the thirteen and twenty-six weeks ended February 28, 2009 as compared to the fourteen weeks and twenty-seven weeks ended March 1, 2008 as we are seeing a larger number of accounts either going out of business or in financial distress.

Specialty Garments revenues decreased by 1.1% primarily due to the effect of the extra work week, which was offset by growth in its Canadian and cleanroom operations. Revenues for the First Aid segment decreased 23.0% from $8.6 million in the second quarter of 2008 to $6.6 million in the second quarter of 2009. The extra work week in the second quarter of 2008 accounted for a 7.2% decline in revenues; however, the demand for this segment's products has been negatively impacted by current economic conditions.

Operating Costs

Operating costs decreased as a percentage of revenues from 63.8%, or $172.5 million, for the fourteen weeks ended March 1, 2008, to 61.8%, or $159.0 million, for the thirteen weeks ended February 28, 2009. This decrease was primarily driven by lower merchandise costs in our core laundry business and lower energy costs associated with operating our fleet of delivery trucks as a percentage of revenues compared to the second quarter of fiscal 2008. In addition, the organic growth in revenues within our core laundry operations resulted in a decrease in production payroll costs as a percentage of revenues. These benefits were partially offset by increases to bad debt expense.

Selling and Administrative Expense

Our selling and administrative expenses decreased as a percentage of revenues from 20.7%, or $56.0 million for the fourteen weeks ended March 1, 2008, to 19.5%, or $50.1 million, for the thirteen weeks ended February 28, 2009. This decrease was primarily due to a decrease in payroll costs which was offset by higher healthcare costs as a percentage of revenues in the quarter. We also benefited from reduced travel and other administrative costs as we continued to focus on controlling spending.

Depreciation and Amortization

Our depreciation and amortization expense increased to $14.3 million for the thirteen weeks ended February 28, 2009 from $14.1 million for the fourteen weeks ended March 1, 2008. The increase in depreciation and amortization expense was due to capital expenditure and acquisition activity. As a percentage of revenues, depreciation and amortization increased to 5.6% for the thirteen weeks ended February 28, 2009 from 5.2% for the fourteen weeks ended March 1, 2008.

Income from Operations

For the thirteen weeks ended February 28, 2009 and the fourteen weeks ended March 1, 2008, changes in our revenues and costs as discussed above resulted in the following changes in our income from operations:

(In thousands, except percentages)	February 28, 2009	March 1, 2008	Dollar Change	Percent Change
Core Laundry Operations	$ 32,067	$ 27,017	$ 5,050	18.7%
Specialty Garments	1,650	339	1,311	387.3
First Aid	144	312	(168)	-54.0
Consolidated total	$ 33,861	$ 27,668	$ 6,193	22.4%

Other Expense (income)

Other expense (income), which includes interest expense, interest income and foreign currency exchange (gain) loss, was $2.0 million for the thirteen weeks ended February 28, 2009 as compared with $2.8 million for the fourteen weeks ended March 1, 2008. This decrease was attributable to lower average interest rates affecting our variable rate debt as well as a decrease in our average debt outstanding during the period as the Company has continued to pay down debt with its excess operating cash flows.

Provision for Income Taxes

Our effective income tax rate was 42.7% for the thirteen weeks ended February 28, 2009, as compared to 38.5% for the fourteen weeks ended March 1, 2008. The increase was primarily due to changes in the Company's reserves for income tax exposures as well as an increase in U.S. state income taxes compared to the prior year.

Twenty-six weeks ended February 28, 2009 compared with twenty-seven weeks ended March 1, 2008

Revenues

(In thousands, except percentages)	February 28, 2009	March 1, 2008	Dollar Change	Percent Change
Core Laundry Operations	$ 471,217	$ 466,657	$ 4,560	1.0%
Specialty Garments	34,680	34,382	298	0.9
First Aid	13,942	16,509	(2,567)	-15.5
Consolidated total	$ 519,839	$ 517,548	$ 2,291	0.4%

For the twenty-six weeks ended February 28, 2009, our consolidated revenues increased by $2.3 million from the twenty-seven weeks ended March 1, 2008, or 0.4%. The first half of fiscal 2009 had one less work week compared to the first half of fiscal 2008 which accounted for a decline in revenues of 3.8%. On a comparable work week basis, consolidated revenues increased 4.2% year to date.

Core laundry operations' revenues increased from $466.7 million for the twenty-seven weeks ended March 1, 2008 to $471.2 million for the twenty-six weeks ended February 28, 2009, or 1.0%. Excluding the effect of the additional work week in the first half of fiscal 2008, revenues increased by 4.8%, which was attributable to organic growth of 4.8% and acquisition-related growth of 1.4%, which were offset by a decrease of 1.4% from the effect of foreign exchange rate fluctuations on our Canadian revenues. Organic growth is comprised of new sales, additions to our existing customer base and price increases offset by lost accounts and reductions to our existing customer base. Our organic growth rates for the first half of fiscal 2009 slowed compared to fiscal 2008 primarily due to the high rate of wearer reductions in our existing customer base. Since the beginning of the 2009 fiscal year, U.S. unemployment rates have continued to increase, which is impacting our broad customer base. Lost accounts have also increased over the prior year as we are seeing a larger number of accounts either going out of business or in financial distress.

Specialty Garments revenues increased by 0.9% primarily due to the growth in its Canadian and cleanroom operations, which was partially offset by the effect of the extra week in fiscal 2008. Revenues for the First Aid segment decreased 15.5%, from $16.5 million in the first half of 2008 to $13.9 million in the first half of 2009. The extra work week in the first half of fiscal 2008 accounted for a 3.8% decline in revenues; however, the demand for this segment's products was negatively impacted by current adverse economic conditions.

Operating Costs

Operating costs decreased as a percentage of revenues from 62.5%, or $323.6 million, for the twenty-seven weeks ended March 1, 2008, to 60.8%, or $316.0 million, for the twenty-six weeks ended February 28, 2009. This decrease was driven by lower merchandise costs in our core laundry business as a percentage of revenues compared to the first half of fiscal 2008. In addition, we benefited from lower energy costs associated with operating our fleet of delivery trucks as a percentage of revenues compared to the first half of fiscal 2008 as well as a decrease in production payroll costs as a percentage of revenues. These benefits were partially offset by increases to bad debt expense.

Selling and Administrative Expense

Our selling and administrative expenses decreased as a percentage of revenues to 20.7%, or $107.6 million, for the twenty-six weeks ended February 28, 2009 from 21.3%, or $110.0 million, for the twenty-seven weeks ended March 1, 2008. This decrease was primarily due to the revenue growth within our core laundry operations, which resulted in a decrease in certain payroll-related costs as a percentage of revenues. These benefits were partially offset by an increase to our environmental reserves of approximately $2.0 million primarily due to an accounting charge we recorded in this year related to decreases in the discount rates affecting our environmental accruals as well as other adjustments to increase our environmental reserves related to an ongoing investigation at one of our

environmental exposure sites, as well as higher healthcare costs as a percentage of revenues in the first half of fiscal 2009 compared to the first half of fiscal 2008.

Depreciation and Amortization

Our depreciation and amortization expense increased to $28.0 million for the twenty-six weeks ended February 28, 2009 from $26.9 million for the twenty-seven weeks ended March 1, 2008. The increase in depreciation and amortization expense was due to normal capital expenditure and acquisition activity. As a percentage of revenues, depreciation and amortization increased to 5.4% for the twenty-six weeks ended February 28, 2009 compared to 5.2% for the twenty-seven weeks ended March 1, 2008.

Income from Operations

For the twenty-six weeks ended February 28, 2009 and the twenty-seven weeks ended March 1, 2008, the revenue growth in our operations, as well as the change in our costs, discussed above, resulted in the following changes in our income from operations:

(In thousands, except percentages)	February 28, 2009	March 1, 2008	Dollar Change	Percent Change
Core Laundry Operations	$ 64,671	$ 54,666	$ 10,005	18.3%
Specialty Garments	3,397	2,000	1,397	69.9
First Aid	94	309	(215)	-69.7
Consolidated total	$ 68,162	$ 56,975	$ 11,187	19.6%

Other Expense (income)

Other expense (income), which includes interest expense, interest income and foreign currency exchange (gain) loss, was $5.0 million for the twenty-six weeks ended February 28, 2009 as compared with $5.3 million for the twenty-seven weeks ended March 1, 2008. This decrease was attributable to lower average interest rates affecting our variable rate debt as well as a decrease in our average debt outstanding during the period as the Company has continued to pay down debt with its excess operating cash flows.

Provision for Income Taxes

Our effective income tax rate was 41.2% for the twenty-six weeks ended February 28, 2009, as compared to 38.5% for the twenty-seven weeks ended March 1, 2008. The increase was primarily due to changes in the Company's reserves for income tax exposures as well as an increase in U.S. state income taxes compared to the prior year.

Liquidity and Capital Resources

General

As of February 28, 2009, we had cash and cash equivalents of $24.1 million and working capital of $130.4 million. We believe that current cash and cash equivalent balances, cash generated from operations and amounts available under our Credit Agreement (defined below) will be sufficient to meet our currently anticipated working capital and capital expenditure requirements for at least the next 12 months.

Sources and Uses of Cash

During the twenty-six weeks ended February 28, 2009, we generated cash from operating activities of $60.3 million, resulting primarily from net income of $37.1 million, amounts charged for depreciation and amortization of $28.0 million, decreases in rental merchandise in service of $10.8 million and increases in accrued income taxes of $5.7 million, which were partially offset by increases in accounts receivable of $2.9 million, inventories of $5.9 million, prepaid expenses of $2.2 million, as well as decreases in accounts payable and accruals of $11.1 million. We used our cash to, among other things, fund $39.2 million in capital expenditures and fund the acquisition of businesses totaling approximately $3.2 million. Our long-term debt decreased by approximately $15.7 million as a result of $102.7 million of borrowings offset by $118.4 million of repayments during the twenty-six weeks ended February 28, 2009.

Long-Term Debt and Borrowing Capacity

We have a $225.0 million unsecured revolving credit agreement ("Credit Agreement") with a syndicate of banks, which matures on September 13, 2011. Under the Credit Agreement, we can borrow funds at variable interest rates based on the Eurodollar rate or the bank's prime rate, as selected by us. Availability of credit requires our compliance with certain financial and other covenants, including a maximum funded debt ratio and minimum interest coverage as defined in the Credit Agreement. We generally test our compliance with these financial covenants on a fiscal quarterly basis. At February 28, 2009, the interest rates applicable to our borrowings under the Credit Agreement were calculated as LIBOR plus 50 basis points at the time of the respective borrowings and ranged from 0.94% to 3.25%. As of February 28, 2009, we had outstanding borrowings of approximately $38.0 million, letters of credit of $36.1 million and $150.9 million available for borrowing.

On June 14, 2004, we issued $75.0 million of fixed rate notes pursuant to a Note Purchase Agreement ("2004 Note Agreement") with a seven year term (June 2011) and bearing interest at 5.27%. We also issued $90.0 million of floating rate notes which were repaid in September 2005 and September 2006.

On September 14, 2006, we issued $100.0 million of floating rates notes ("Floating Rate Notes") pursuant to a Note Purchase Agreement ("2006 Note Agreement"). The Floating Rate Notes mature on September 14, 2013, bear interest at LIBOR plus 50 basis points and may be repaid at face value two years from the date of issuance. The proceeds from the issuance of the Floating Rate Notes were used to first repay $75.0 million of outstanding floating rate notes and then to pay down outstanding amounts under the Credit Agreement.

As of February 28, 2009, we were in compliance with all covenants under the 2004 Note Agreement, 2006 Note Agreement and the Credit Agreement.

In January 2008, we entered into an interest rate swap agreement to manage our exposure to interest rate movements and the related effect on our variable rate debt. The swap agreement, with a notional amount of $100.0 million, matures on March 14, 2011. We pay a fixed rate of 3.51% and receive a variable rate tied to the three month LIBOR rate. We have accounted for this instrument as a cash flow hedge under SFAS No. 133 and, as a result, have recorded all changes in the fair value of the swap agreement in accumulated other comprehensive (loss) income, a component of shareholders' equity. For additional information regarding the interest rate swap, see Note 4 to the Consolidated Financial Statements.

Commitments and Contingencies

We are subject to various federal, state and local laws and regulations governing, among other things, the generation, handling, storage, transportation, treatment and disposal of hazardous wastes and other substances. In particular, industrial laundries currently use and must dispose of detergent waste water and other residues, and, in the past, used perchloroethylene and other dry cleaning solvents. We are attentive to the environmental concerns surrounding the disposal of these materials and have, through the years, taken measures to avoid their improper disposal. Over the years, we have settled, or contributed to the settlement of, actions or claims brought against us relating to the disposal of hazardous materials and there can be no assurance that we will not have to expend material amounts to remediate the consequences of any such disposal in the future.

Accounting principles generally accepted in the United States require that a liability for contingencies be recorded when it is probable that a liability has occurred and the amount of the liability can be reasonably estimated. Significant judgment is required to determine the existence of a liability, as well as the amount to be recorded. We regularly consult with attorneys and outside consultants to ensure that all of the relevant facts and circumstances are considered, before a contingent liability is recorded. Changes in enacted laws, regulatory orders or decrees, management's estimates of costs, insurance proceeds, participation by other parties, the timing of payments and the input of outside consultants and attorneys based on changing legal or factual circumstances could have a material impact on the amounts recorded for environmental and other contingent liabilities.

Under environmental laws, an owner or lessee of real estate may be liable for the costs of removal or remediation of certain hazardous or toxic substances located on, or in, or emanating from such property, as well as related costs of investigation and property damage. Such laws often impose liability without regard to whether the owner or lessee knew of, or was responsible for, the presence of such hazardous or toxic substances. There can be no assurances that acquired or leased locations have been operated in compliance with environmental laws and regulations or that future uses or conditions will not result in the imposition of liability upon our Company under such laws or expose our Company to third party actions such as tort suits. We continue to address environmental conditions under terms of consent orders negotiated with the applicable environmental authorities or otherwise with respect to sites located in or related to Woburn, Massachusetts, Somerville, Massachusetts, Springfield, Massachusetts, Uvalde, Texas, Stockton, California, three sites in Williamstown, Vermont, as well as a number of additional locations that we acquired as part of our acquisition of Textilease Corporation in September 2003.

We have accrued certain costs related to the sites described above as it has been determined that the costs are probable and can be reasonably estimated. We continue to investigate environmental conditions at the Somerville, Massachusetts site. The full nature and extent of those conditions, and of the remedial solutions that may be employed to address them, have not yet been finally determined. In the interim, as the investigation proceeds, we are implementing measures to mitigate potential impacts in the vicinity of the site. We also have potential exposure related to an additional parcel of land (the ''Central Area'') related to the Woburn, Massachusetts site discussed above. Currently, the consent order for the Woburn, Massachusetts site discussed above does not define or require any remediation work in the Central Area. We have not accrued for this contingency as we believe, at this time, the liability is not probable and the amount of such contingent liability cannot be reasonably estimated.

We routinely review and evaluate sites that may require remediation and monitoring and determine our estimated costs based on various estimates and assumptions. These estimates are developed using our internal sources or by third-party environmental engineers or other service providers. Internally developed estimates are based on:

- Management's judgment and experience in remediating and monitoring our sites;
- Information available from regulatory agencies as to costs of remediation and monitoring;
- The number, financial resources and relative degree of responsibility of other potentially responsible parties (PRPs) who may be liable for remediation and monitoring of a specific site; and
- The typical allocation of costs among PRPs.

There is usually a range of reasonable estimates of the costs associated with each site. We generally use the amount within the range that constitutes our best estimate. When we believe that both the amount of a particular liability and the timing of the payments are reliably determinable, we adjust the cost in current dollars using a rate of 3% for inflation until the time of expected payment and discount the cost to present value using risk-free interest rates ranging from 3% to 4%.

For environmental liabilities that have been discounted, we include interest accretion, based on the effective interest method, in operating costs on the Consolidated Statements of Income. The changes to the amounts of our environmental liabilities for the twenty-six weeks ended February 28, 2009 are as follows (in thousands):

Beginning balance as of August 30, 2008	$ 15,097
Costs incurred for which reserves have been provided	(1,429)
Insurance proceeds received	74
Interest accretion	334
Revisions in estimates	2,041
Balance as of February 28, 2009	$ 16,117

For the twenty-six weeks ended February 28, 2009, we increased our environmental accrual by approximately $2.0 million primarily due to decreases during the period in risk-free interest rates and the related effect on our estimate of response and remediation expenses as well as other adjustments to increase our environmental reserves related to an ongoing investigation at one of our environmental exposure sites. Anticipated payments and insurance proceeds relating to currently identified environmental remediation liabilities as of November 28, 2009, for the next five fiscal years and thereafter, as measured in current dollars, are reflected below (in thousands).

Fiscal year ended August	2009	2010	2011	2012	2013	Thereafter	Total
Estimated costs – current dollars	$ 3,351	1,622	1,144	1,003	829	12,829	$ 20,778
Estimated insurance proceeds	(106)	(180)	(188)	(180)	(180)	(2,433)	(3,267)
Net anticipated costs	$ 3,245	1,442	956	823	649	10,396	$ 17,511
Effect of Inflation							7,061
Effect of Discounting							(8,455)
Balance as of February 28, 2009							$ 16,117

Estimated insurance proceeds are primarily received from an annuity received as part of our legal settlement with an insurance company. Annual proceeds of approximately $0.3 million are deposited into an escrow account which funds remediation and monitoring costs for three sites related to our former operations in Williamstown, Vermont. Annual proceeds received but not expended in the current year accumulate in this account and may be used in future years for costs related to this site through the year 2027. As of February 28, 2009, the balance in this escrow account, which is held in a trust and is not recorded on our Consolidated Balance Sheet, was approximately $2.5 million. Also included in estimated insurance proceeds are amounts we are entitled to receive pursuant to legal settlements as reimbursements from three insurance companies for estimated costs at the site in Uvalde, Texas.

Our nuclear garment decontamination facilities are licensed by the Nuclear Regulatory Commission ("NRC"), or, in certain cases, by the applicable state agency, and are subject to regulation by federal, state and local authorities. There can be no assurance that such regulation will not lead to material disruptions in our garment decontamination business.

From time to time, we are also subject to legal proceedings and claims arising from the conduct of our business operations, including litigation related to charges for certain ancillary services on invoices, personal injury claims, customer contract matters, employment claims and environmental matters as described above.

While it is impossible for us to ascertain the ultimate legal and financial liability with respect to contingent liabilities, including lawsuits and environmental contingencies, we believe that the aggregate amount of such liabilities, if any, in excess of amounts we have accrued or covered by insurance, will not have a material adverse effect on our consolidated financial position or results of operations. It is possible, however, that future financial position and/or results of operations for any particular future period could be materially affected by changes in our assumptions or strategies related to these contingencies or changes out of our control.

Seasonality

Historically, our revenues and operating results have varied from quarter to quarter and are expected to continue to fluctuate in the future. These fluctuations have been due to a number of factors, including: general economic conditions in our markets; the timing of acquisitions and of commencing start-up operations and related costs; our effectiveness in integrating acquired businesses and start-up operations; the timing of nuclear plant outages; capital expenditures; seasonal rental and purchasing patterns of our customers; and price changes in response to competitive factors. In addition, our operating results historically have been lower during the second and fourth fiscal quarters than during the other quarters of the fiscal year. The operating results for any historical quarter are not necessarily indicative of the results to be expected for an entire fiscal year or any other interim periods.

Effects of Inflation

In general, we believe that our results of operations are not dependent on moderate changes in the inflation rate. Historically, we have been able to manage the impacts of more significant changes in inflation rates through our customer relationships, customer agreements that generally provide for price increases consistent with the rate of inflation, and continued focus on improvements of operational productivity.

Energy Costs

Significant increases in energy costs, specifically with respect to natural gas and gasoline, can materially affect our results of operations and financial condition.

Contractual Obligations and Other Commercial Commitments

As of February 28, 2009, there were no material changes in our contractual obligations that were disclosed in our Annual Report on Form 10-K for the year ended August 30, 2008.

Recent Accounting Pronouncements

In September 2006, the Financial Accounting Standards Board (FASB) issued SFAS No. 157, *Fair Value Measurements*, which defines fair value, establishes a framework for measuring fair value under GAAP and expands disclosure requirements about fair value measurements. In February 2008, the FASB issued Staff Position 157-2 which delayed the effective date of SFAS No. 157 for all nonfinancial assets and nonfinancial liabilities, except those that are recognized or disclosed at fair value in the financial statements on a recurring basis. We partially adopted SFAS No. 157 on August 31, 2008, as required. The adoption of SFAS No. 157 for our financial assets and liabilities did not have a material impact on our results of operations or our financial condition. See Note 3 to our Consolidated Financial Statements for further discussion on our adoption of SFAS No. 157.

In March 2008, the FASB issued SFAS No. 161, *Disclosures about Derivative Instruments and Hedging Activities* . SFAS No. 161 amends SFAS No. 133 requiring enhanced disclosures about an entity's derivative and hedging activities thereby improving the transparency of financial reporting. SFAS No. 161's disclosures provide additional information on how and why derivative instruments are being used. SFAS No. 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, with early application encouraged. We do not anticipate that the adoption of this pronouncement will have a material effect on our Consolidated Financial Statements. Adoption of SFAS No. 161 will result in enhanced disclosure regarding our derivatives should we then have any outstanding.

In December 2007, the FASB issued SFAS No. 141 (revised 2007), *Business Combinations*, ("SFAS No. 141R"). SFAS No. 141R will change how business acquisitions are accounted for and will impact financial statements both on the acquisition date and in subsequent periods. SFAS No. 141R is effective for fiscal years beginning after December 15, 2008. Early adoption is not permitted. We are currently evaluating the impact, if any, SFAS No. 141R will have on our Consolidated Financial Statements.

In June 2008, the FASB issued a Staff Position on Emerging Issues Task Force (EITF) Issue No. 03-6-1, *Determining Whether Instruments Granted in Share-Based Payment Transactions are Participating Securities*. EITF Issue No. 03-6-1 addresses whether instruments granted in share-based payment transactions are participating securities prior to vesting and therefore, need to be included in the earnings allocation in computing earnings per share (EPS). This consensus is effective for our fiscal year beginning August 30, 2009. We are currently evaluating the impact, if any, EITF Issue No. 03-6-1 will have on our Consolidated Financial Statements.

In April 2008, the FASB issued FSP No. 142-3, "Determination of the Useful Life of Intangible Assets." FSP No. 142-3 amends the factors that should be considered in developing renewal or extension assumptions used to determine the useful life of a recognized intangible asset under SFAS No. 142. The intent of this FSP is to improve the consistency between the useful life of a recognized intangible asset under SFAS No. 142 and the period of expected cash flows used to measure the fair value of the asset under SFAS No. 141, and other U.S. GAAP. FSP No. 142-3 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and may not be adopted early. We are currently evaluating the impact, if any, that FSP No. 142-3 will have on our Consolidated Financial Statements.

Critical Accounting Policies and Estimates

We believe the following critical accounting policies reflect our more significant judgments and estimates used in the preparation of our Consolidated Financial Statements.

Use of Estimates

The preparation of our financial statements is in conformity with US GAAP, which requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. These estimates are based on historical information, current trends, and information available from other sources. The actual results could differ from our estimates.

Foreign Currency Translation

The functional currency of our foreign operations is the local country's currency. Transaction gains and losses, including gains and losses on our intercompany transactions, are included in other expense (income), in the accompanying Consolidated Statements of Income. Assets and liabilities of operations outside the United States are translated into U.S. dollars using period-end exchange rates. Revenues and expenses are translated at the average exchange rates in effect during each month of the fiscal year. The effects of foreign currency translation adjustments are included in shareholders' equity as a component of accumulated other comprehensive (loss) income in the accompanying Consolidated Balance Sheets.

Revenue Recognition and Allowance for Doubtful Accounts

We recognize revenue from rental operations in the period in which the services are provided. Direct sale revenue is recognized in the period in which the services are performed or when the product is shipped. Our judgment and estimates are used in determining the collectability of accounts receivable and evaluating the adequacy of the allowance for doubtful accounts. We consider specific accounts receivable and historical bad debt experience, customer credit worthiness, current economic trends and the age of outstanding balances as part of our evaluation. Changes in our estimates are reflected in the period they become known. If the financial condition of our customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required. Material changes in our estimates may result in significant differences in the amount and timing of bad debt expense recognition for any given period.

Inventories and Rental Merchandise in Service

Our inventories are stated at the lower of cost or market value, net of any reserve for excess and obsolete inventory. Judgments and estimates are used in determining the likelihood that new goods on hand can be sold to our customers or used in our rental operations. Historical inventory usage and current revenue trends are considered in estimating both excess and obsolete inventories. If actual product demand and market conditions are less favorable than the amount we projected, additional inventory write-downs may be required. We use the first-in, first-out ("FIFO") method to value our inventories, which primarily consist of finished goods.

Rental merchandise in service is being amortized on a straight-line basis over the estimated service lives of the merchandise, which range from 6 to 36 months. In establishing estimated lives for merchandise in service, our management considers historical experience and the intended use of the merchandise. Material differences may result in the amount and timing of operating profit for any period if we make significant changes to our estimates.

Goodwill, Intangibles and Other Long-Lived Assets

In accordance with SFAS No. 142*, Goodwill and Other Intangible Assets*, goodwill is not amortized. SFAS No. 142 requires that companies test goodwill for impairment on an annual basis. In addition, SFAS No. 142 also requires that companies test goodwill if events occur or circumstances change that would

more likely than not reduce the fair value of a reporting unit to which goodwill is assigned below its carrying amount. Our evaluation considers changes in the operating environment, competitive information, market trends, operating performance and cash flow modeling. We complete our annual impairment test in the fourth quarter of each fiscal year and there were no impairments of goodwill in the year ended August 30, 2008.

During the thirteen weeks ended February 28, 2009, there was a decline in the market value of our stock as well as significant deterioration in general economic conditions. The decline in our market capitalization prompted our management to conduct a goodwill analysis, in accordance with the provisions of SFAS No. 142, to determine if an impairment of goodwill existed. Based on the outcome of our analysis, we concluded that no impairment existed as of February 28, 2009.

We cannot predict future economic conditions or the future market value of our stock or their impact on the Company. A continued decline in our market capitalization and/or deterioration in general economic conditions could negatively and materially impact our assumptions and assessment of the fair value of our business. If general economic conditions or our financial performance deteriorate, we may be required to record a goodwill impairment charge in the future which could have a material impact on our financial condition and results of operations.

Property and equipment and definite-lived intangible assets are depreciated or amortized over their useful lives. Useful lives are based on our estimates of the period that the assets will generate revenue. Long-lived assets are evaluated for impairment whenever events and circumstances indicate an asset may be impaired. There were no material impairments of property and equipment or definite-lived intangible assets in the twenty-six weeks ended February 28, 2009 or the year ended August 30, 2008.

Insurance

We self-insure for certain obligations related to health, workers' compensation, vehicles and general liability programs. We also purchase stop-loss insurance policies to protect ourselves from catastrophic losses. Judgments and estimates are used in determining the potential value associated with reported claims and for events that have occurred, but have not been reported. Our estimates consider historical claim experience and other factors. Our liabilities are based on our estimates, and, while we believe that our accruals are adequate, the ultimate liability may be significantly different from the amounts recorded. Changes in our claim experience, our ability to settle claims or other estimates and judgments we use could have a material impact on the amount and timing of expense for any given period.

Environmental and Other Contingencies

We are subject to legal proceedings and claims arising from the conduct of our business operations, including environmental matters, personal injury, customer contract matters and employment claims. Accounting principles generally accepted in the United States require that a liability for contingencies be recorded when it is probable that a liability has occurred and the amount of the liability can be reasonably estimated. Significant judgment is required to determine the existence of a liability, as well as the amount to be recorded. We regularly consult with our attorneys and outside consultants to ensure that all of the relevant facts and circumstances are being considered, before a contingent liability is recorded. We record accruals for environmental and other contingencies based on enacted laws, regulatory orders or decrees, our estimates of costs, insurance proceeds, participation by other parties, the timing of payments, and the input of our attorneys and outside consultants.

The estimated liability for environmental contingencies has been discounted using risk-free interest rates ranging from 3% to 4% over periods ranging from ten to thirty years. The estimated current costs, net of legal settlements with insurance carriers, have been adjusted for the estimated impact of inflation at 3% per year. Changes in enacted laws, regulatory orders or decrees, our estimates of costs, risk-free interest rates, insurance proceeds, participation by other parties, the timing of payments and the input of our attorneys and outside consultants based on changing legal or factual circumstances could have a material impact on the amounts recorded for our environmental and other contingent liabilities. Refer to Note 7 of the Consolidated Financial Statements for additional discussion and analysis.

Asset Retirement Obligations

We follow the provisions of SFAS No. 143, *Accounting for Asset Retirement Obligations*, which generally applies to legal obligations associated with the retirement of long-lived assets that result from the acquisition, construction, development and/or the normal operation of a long-lived asset. Under this accounting method, we recognize asset retirement obligations in the period in which they are incurred if a reasonable estimate of fair value can be made. The associated asset retirement costs are capitalized as part of the carrying amount of the long-lived asset.

We have recognized as a liability the present value of the estimated future costs to decommission our nuclear laundry facilities in accordance with the provisions of SFAS No. 143. We depreciate, on a straight-line basis, the amount added to property and equipment and recognize accretion expense in connection with the discounted liability over the various remaining lives which range from approximately one to twenty-two years.

Our estimated liability has been based on historical experience in decommissioning nuclear laundry facilities, estimated useful lives of the underlying assets, external vendor estimates as to the cost to decommission these assets in the future, and federal and state regulatory requirements. The estimated current costs have been adjusted for the estimated impact of inflation at 3% per year. The liability has been discounted using credit-adjusted risk-free rates that range from approximately 5.7% to 7.0%. Revisions to the liability could occur due to changes in the estimated useful lives of the underlying assets, estimated dates of decommissioning, changes in decommissioning costs, changes in federal or state regulatory guidance on the decommissioning of such facilities, or other changes in estimates. Changes due to revisions in our estimates will be recognized by adjusting the carrying amount of the liability and the related long-lived asset if the assets are still in service, or charged to expense in the period if the assets are no longer in service.

Derivative Financial Instruments

We account for our derivative instruments in accordance with SFAS No. 133, *Accounting for Derivative Instruments and Hedging Activities,* and related authoritative guidance. All derivative instruments are recorded as other assets or other liabilities at fair value, in accordance with SFAS No. 157, *Fair Value Measurements.* All subsequent changes in a derivative's fair value are recognized in income, unless specific hedge accounting criteria are met. Cash flows associated with derivatives are classified in the same category as the cash flows hedged in our Consolidated Statements of Cash Flows.

Derivative instruments that qualify for hedge accounting are classified as a hedge of the variability of cash flows to be paid related to a recognized liability or a forecasted transaction. Changes in the fair value of a derivative that is highly effective and designated as a cash flow hedge are recognized in accumulated other comprehensive (loss) income until expense from the cash flows of the hedged items are recognized. We perform an assessment at the inception of the hedge and on a quarterly basis thereafter, to determine whether our derivatives are highly effective in offsetting changes in the value of the hedged items. Any changes in the fair value resulting from hedge ineffectiveness, is immediately recognized as income or expense.

Our hedging activities are transacted only with highly rated institutions, which reduce our exposure to credit risk in the event of nonperformance. Refer to the discussion of our interest rate swap under "Long-Term Debt and Borrowing Capacity" above and in Note 4, "Derivative Instruments and Hedging Activities" to our Consolidated Financial Statements for additional information.

Pension Plans and Supplemental Executive Retirement Plans

We account for our Supplemental Executive Retirement Plan and other pension plans in accordance with SFAS No. 87 *, Employer's Accounting for Pension,* as amended by SFAS No. 158*, Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans* . Under SFAS No. 87, pension expense is recognized on an accrual basis over employees' estimated service periods. Pension expense calculated under SFAS No. 87 is generally independent of funding decisions or requirements.

The calculation of pension expense and the corresponding liability requires us to use of a number of critical assumptions, including the expected long-term rate of return on plan assets and the assumed discount rate. Changes in our assumptions can result in different expense and liability amounts, and future actual experience can differ from these assumptions. Pension expense increases as the expected rate of return on pension plan assets decreases. Future changes in plan asset returns, assumed discount rates and various other factors related to the participants in our pension plans will impact our future pension expense and liabilities. We cannot predict with certainty what these factors will be in the future.

Income Taxes

We account for income taxes in accordance with SFAS No. 109*, Accounting for Income Taxes*. Deferred income taxes are provided for temporary differences between the amounts recognized for income tax and financial reporting purposes at currently enacted tax rates. We compute income tax expense by jurisdiction based on our operations in each jurisdiction.

We are periodically reviewed by U.S. domestic and foreign tax authorities regarding the amount of taxes due. These reviews typically include inquiries regarding the timing and amount of deductions and the allocation of income among various tax jurisdictions. In evaluating our exposure associated with various filing positions, we record estimated reserves for probable exposures, in accordance with FASB Interpretation ("FIN") No. 48, *Accounting for Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109*.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Foreign Currency Exchange Risk

We have determined that all of our foreign subsidiaries operate primarily in local currencies that represent the functional currencies of such subsidiaries. All assets and liabilities of our foreign subsidiaries are translated into U.S. dollars using the exchange rate prevailing at the balance sheet date. The effect of exchange rate fluctuations on the translation of assets and liabilities are recorded as a component of shareholders' equity. Income and expense accounts are translated at average exchange rates during the year. As such, our financial condition and operating results are affected by fluctuations in the value of the U.S. dollar as compared to currencies in foreign countries. Revenues denominated in currencies other than the U.S. dollar represented approximately 8% of total consolidated revenues for both the thirteen and twenty-six weeks ended February 28, 2009, and total assets denominated in currencies other than the U.S. dollar represented approximately 8% and 10% of total consolidated assets at February 28, 2009 and August 30, 2008, respectively. If exchange rates had changed by 10% from the actual rates in effect during the thirteen and twenty-six weeks ended as of February 28, 2009, our revenues for the thirteen and twenty-six weeks ended February 28, 2009 would have increased or decreased by approximately $2.1 million and $4.4 million, respectively, and assets as of February 28, 2009 would have increased or decreased by approximately $8.1 million.

We do not operate a hedging program to mitigate the effect of a significant change in the value of our foreign subsidiaries functional currencies, which include the Canadian Dollar, Euro, British Pound, and Mexican Peso, as compared to the U.S. dollar. Any gains or losses resulting from foreign currency transactions, including exchange rate fluctuations on intercompany accounts, are reported as transaction (gains) losses in our other expense (income). The intercompany payables and receivables are denominated in Canadian Dollars, Euros, British Pounds and Mexican Pesos. During the thirteen and twenty-six weeks ended February 28, 2009 transaction losses included in other expense (income) were approximately $0.2 million and $1.1 million, respectively. If the exchange rates had changed by 10% during the thirteen and twenty-six weeks ended February 28, 2009, we would have recognized exchange gains or losses of approximately $0.4 million for both periods.

Interest Rate Sensitivity

We are exposed to market risk from changes in interest rates which may adversely affect our financial position, results of operations and cash flows. In seeking to minimize the risks from interest rate fluctuations, we manage these exposures through our regular operating and financing activities. We are exposed to interest rate risk primarily through our borrowings under our $225.0 million Credit Agreement with a syndicate of banks and our 2006 Floating Rate Notes which were purchased by a group of insurance companies pursuant to our 2006 Note Agreement. Under both agreements, we borrow funds at variable interest rates based on the Eurodollar rate or LIBOR rates. If the LIBOR and Eurodollar rates fluctuated by 10% from the actual rates in effect during the thirteen and twenty-six weeks ended February 28, 2009, interest expense would have fluctuated by approximately $0.1 million and $0.2 million from the interest expense recognized for the thirteen and twenty-six weeks ended February 28, 2009, respectively.

In January 2008, we entered into an interest rate swap agreement to manage our exposure to interest rate movements and the related effect on our variable rate debt. The swap agreement, with a notional amount of $100.0 million, matures on March 14, 2011. We pay a fixed rate of 3.51% and receive a variable rate tied to the three month LIBOR rate. We have accounted for this instrument as a cash flow hedge under SFAS No. 133 and, as a result, have recorded all

changes in the fair value of the swap agreement in accumulated other comprehensive (loss) income, a component of shareholders' equity. Refer to Note 4, "Derivative Instruments and Hedging Activities" of our Consolidated Financial Statements for additional information regarding our interest rate swap.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

As required by Rule 13a-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), we carried out an evaluation under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report. Based upon their evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective to ensure that material information relating to the Company required to be disclosed by the Company in reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms. In designing and evaluating the disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurances of achieving the desired control objectives, and management necessarily was required to apply its judgment in designing and evaluating the controls and procedures. We continue to review our disclosure controls and procedures, and our internal control over financial reporting, and may from time to time make changes aimed at enhancing their effectiveness and to ensure that our systems evolve with our business.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the second quarter of fiscal 2009 that have materially affected, or that are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we are subject to legal proceedings and claims arising from the current conduct of our business operations, including personal injury, customer contract, employment claims and environmental matters as described in our Consolidated Financial Statements above. We maintain insurance coverage providing indemnification against the majority of such claims, and we do not expect that we will sustain any material loss as a result thereof. Refer to Note 7, "Commitments and Contingencies," to our Consolidated Financial Statements for further discussion.

ITEM 1A. RISK FACTORS

To our knowledge, there have been no material changes in the risk factors described in Part I, "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended August 30, 2008 other than the revised risk factor set forth below. In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the factors discussed in Part I, "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended August 30, 2008, which could materially affect our business, financial condition or future results. The risks described in our Annual Report on Form 10-K are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially and adversely affect our business, financial condition and/or operating results.

Continuation of current adverse global financial and economic conditions may result in impairment of our goodwill and intangibles.

Our market capitalization has been significantly impacted by extreme volatility in the U.S. equity and credit markets and has recently been below our net book value. Under accounting principles generally accepted in the United States, we may be required to record an impairment charge if changes in circumstances or events indicate that the carrying values of our goodwill and intangible assets exceed their fair value and are not recoverable. Any significant and other than temporary decrease in our market capitalization could be an indicator, when considered together with other factors, that the carrying values of our goodwill and intangible assets exceed their fair value, which may result in our recording an impairment charge. In this time of economic uncertainty, we are unable to predict economic trends, but we continue to monitor the impact of changes in economic and financial conditions on our operations and on the carrying value of our goodwill and intangible assets. Should the value of one or more of our acquired intangibles become impaired, our consolidated earnings and net worth may be materially adversely affected.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

On January 13, 2009, we held our annual meeting of shareholders. A detailed description of the matters voted upon at the annual meeting is contained in our proxy statement which was filed with the Securities and Exchange Commission on December 9, 2008. At the annual meeting, the following actions were voted upon and approved by our shareholders:

1. The following Class I Directors were elected to serve until the 2012 annual meeting and until their successors are duly elected and qualified:

	Common Stock		Class B Common Stock	
Class I Director	For	Withheld	For	Withheld
Anthony F. DiFillippo	12,428,314	965,810	4,690,124	60,000

Robert F. Collings	13,096,414	297,710	—	—

Cynthia Croatti, Michael Iandoli and Phillip L. Cohen will continue to serve as Class III Directors until their terms expire in 2010 and until their successors are duly elected and qualified. Ronald D. Croatti, Donald J. Evans and Thomas S. Postek will continue to serve as Class II Directors until their terms expire in 2011 and until their successors are duly elected and qualified.

2. Our shareholders voted to ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending August 29, 2009. The results of the vote were as follows:

Common Stock			Class B Common Stock		
For	Against	Abstained	For	Against	Abstained
13,322,519	62,835	8,770	4,750,124	—	—

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

* 10.1 Amended and Restated Revolving Credit Agreement, dated as of June 14, 2004

* 10.2 Modification No. 1, dated as of October 31, 2005, to the Amended and Restated Revolving Credit Agreement, dated as of June 14, 2004

* 10.3 Modification No. 2, dated as of March 22, 2006, to the Amended and Restated Revolving Credit Agreement, dated as of June 14, 2004

* 10.4 Modification No. 3, dated as of September 13, 2006, to the Amended and Restated Revolving Credit Agreement, dated as of June 14, 2004

* 10.5 Note Purchase Agreement, dated as of June 1, 2004

* 10.6 Note Purchase Agreement, dated as of September 14, 2006

* 10.7 Form of Restricted Stock Award Agreement under the UniFirst Corporation Amended 1996 Stock Incentive Plan

* 31.1 Rule 13a-14(a)/15d-14(a) Certification of Ronald D. Croatti

* 31.2 Rule 13a-14(a)/15d-14(a) Certification of Steven S. Sintros

** 32.1 Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

** 32.2 Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

* Filed herewith

** Furnished herewith

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

April 9, 2009 By: /s/ Ronald D. Croatti
Ronald D. Croatti
President and Chief Executive Officer

April 9, 2009 By: /s/ Steven S. Sintros
Steven S. Sintros
Vice President and Chief Financial Officer

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* Filed herewith

** Furnished herewith

Exhibit 10.1

AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT
Dated as of June 14, 2004

Among

UNIFIRST CORPORATION
UNITECH SERVICES GROUP, INC.
UNIFIRST CANADA LTD.
UNIFIRST HOLDINGS L.P.
UONE CORPORATION
UTWO CORPORATION
UR CORPORATION
RC AIR, LLC
UNIFIRST-FIRST AID CORPORATION

as Borrowers

and

BANK OF AMERICA, N.A.
WACHOVIA BANK, NATIONAL ASSOCIATION
JP MORGAN CHASE BANK
SOVEREIGN BANK
BANKNORTH, N.A.
CITIZENS BANK OF MASSACHUSETTS

as Banks

and

OTHER LENDING INSTITUTIONS WHICH MAY BECOME
PARTIES TO THIS AGREEMENT

and

BANK OF AMERICA, N.A.

as Administrative Agent

and

WACHOVIA BANK, NATIONAL ASSOCIATION

as Syndication Agent

and

JP MORGAN CHASE BANK
SOVEREIGN BANK

as Co-Documentation Agents

And

BANC OF AMERICA SECURITIES LLC

as Arranger

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AMENDED AND RESTATED
REVOLVING CREDIT AGREEMENT

THIS AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT is made as of June 14, 2004, by and among UNIFIRST CORPORATION, a Massachusetts corporation ("UniFirst"), UNITECH SERVICES GROUP, INC., a California corporation ("UniTech"), UNIFIRST CANADA LTD., a Canadian Federal corporation ("UniFirst Canada"), UNIFIRST HOLDINGS, L.P., a Texas limited partnership ("UniFirst Holdings"), UONE CORPORATION, a Massachusetts corporation ("UOne"), UTWO CORPORATION, a Delaware corporation ("UTwo"), UR CORPORATION, a Delaware corporation ("UR"), RC AIR, LLC, a New Hampshire limited liability company ("RC Air"), UNIFIRST-FIRST AID CORPORATION, a Maryland corporation ("Unifirst-First Aid") (UniFirst, UniTech, UniFirst Canada, UniFirst Holdings, UOne, UTwo, UR, RC Air, and Unifirst-First Aid being sometimes hereinafter referred to individually as a "Borrower" and collectively as the "Borrowers"); BANK OF AMERICA, N.A., a national banking association organized under the laws of the United States ("BOA"), executing this Agreement in its capacity as one of the Banks and each of the other lending institutions listed on Schedule 1 hereto on the date hereof (BOA and each such other lending institution, and the other lending institutions which may become parties hereto pursuant to Section 10.9 individually, a "Bank" and collectively, the "Banks"), BANK OF AMERICA, N.A., executing this Agreement in the capacity of Administrative Agent for the Banks (in such capacity, the "Administrative Agent"), WACHOVIA BANK, NATIONAL ASSOCIATION executing this Agreement in the capacity of Syndication Agent, JP MORGAN CHASE BANK and SOVEREIGN BANK, executing this Agreement in the capacity of Co-Documentation Agents, and BANC OF AMERICA SECURITIES LLC, executing this Agreement in the capacity of Arranger.

WHEREAS, the Borrowers, certain other subsidiaries of the Borrowers (such subsidiaries and the Borrowers, the "Existing Borrowers"), the Banks, certain other lenders (collectively, the "Existing Lenders"), and Fleet National Bank ("Fleet") as administrative agent are party to that certain Revolving Credit Agreement dated as of September 2, 2003 (as amended prior to the date hereof, the "September 2003 Credit Agreement");

WHEREAS, FleetBoston Financial Corporation and Bank of America Corporation have merged and BOA desires to be administrative agent, issuing bank and a bank under this Agreement by the assignment from Fleet, and otherwise on the terms and conditions set forth herein, and the Banks hereby consent to such assignment;

WHEREAS, the Borrowers are issuing the Senior Notes (as defined below) on the Closing Date (as defined below) the proceeds of which shall be used to repay a portion of the outstanding Revolving Credit Loans (as defined in the September 2003 Credit Agreement) and reducing the Revolving Credit Commitments of the Existing Lenders thereunder by the amount so repaid, and, effective as of such repayment and such

reduction, certain of the Existing Lenders (the "Exiting Lenders") shall assign, on the terms set forth in the Assignment and Assumption Agreement dated as of the date hereof (the "First Assignment") among the Exiting Lenders, Fleet National Bank, and the Existing Borrowers, the Revolving Credit Loans and Revolving Credit Commitments (each as defined under the September 2003 Credit Agreement) of each Exiting Lender to Fleet National Bank, as an Existing Lender;

WHEREAS, immediately after the First Assignment becomes effective but prior to the effectiveness of this Agreement, and pursuant to the Global Assignment and Acceptance Agreement dated as of the date hereof (the "Global Assignment") among Fleet National Bank, Bank of America, N.A., the Banks remaining under the September 2003 Credit Agreement after the First Assignment becomes effective, and the Existing Borrowers, (i) Fleet National Bank, as an Existing Lender, shall assign to Bank of America, N.A., its Revolving Credit Loans and Revolving Credit Commitments, (ii) Fleet National Bank, as Administrative Agent, Issuing Bank and Swingline Lender (each as defined under the September 2003 Credit Agreement), shall assign to Bank of America, N.A., its rights and duties as Administrative Agent, Issuing Bank and Swingline Lender under the September 2003 Credit Agreement, and (iii) Bank of America, N.A., as Bank (as defined under the September 2003 Credit Agreement), shall assign to certain of the Existing Lenders certain of its Revolving Credit Loans and Revolving Credit Commitments;

WHEREAS, the Borrowers, the Banks and the Administrative Agent desire to amend and restate the September 2003 Credit Agreement as set forth herein (including, without limitation, to release Uniformes de San Luis S.A. de C.V., a Mexican corporation ("Uniformes"), Unifirst S.A. de C.V., a Mexican corporation ("UniFirst S.A.), Euro Nuclear Services (Netherlands) B.V., a Dutch company ("Euro Nuclear"), ENS Nuklear Services, Gmbh, a German limited liability company ("ENS Nuklear"), and Euro Nuclear Services Limited, a company incorporated in the United Kingdom ("ENS Ltd."), as Borrowers);

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties hereto hereby agree that the September 2003 Credit Agreement shall be amended and restated effective as of the date first written above, to read in its entirety as follows:

SECTION 1. DEFINITIONS AND RULES OF INTERPRETATION.

1.1 Definitions. As used herein –

1.1.1 " Administrative Agent" means BOA acting in the capacity as Administrative Agent for the Banks under this Agreement and the other Loan Documents, and includes (where the context so admits) any other person or persons succeeding to the functions of the Administrative Agent under those documents.

1.1.2 “Affiliate” means, with reference to any person, (including an individual, a corporation, a partnership, a trust and a governmental agency or instrumentality), (i) any director, officer or employee of that person, (ii) any other person controlling, controlled by or under direct or indirect common control of that person, (iii) any other person directly or indirectly holding 5% or more of any class of the capital stock or other equity interests (including options, warrants, convertible securities and similar rights) of that person and (iv) any other person 5% or more of any class of whose capital stock or other equity interests (including options, warrants, convertible securities and similar rights) is held directly or indirectly by that person; provided, that the term “Affiliate” shall not include any Borrower.

1.1.3 “Agreement” means this Amended and Restated Revolving Credit Agreement, including the Exhibits hereto, as originally executed, or if this Agreement is amended, varied or supplemented from time to time, as so amended, varied or supplemented.

1.1.4 “Ancillary Documents” means, collectively, (i) the Royal Bank Documents and, (ii) all other agreements, instruments and contracts which shall from time to time be identified by the Agent, the Banks and any Borrower as “Ancillary Documents” for purposes of this Agreement.

1.1.5 “Annual Report” means UniFirst’s Annual Report on Form 10-K for the fiscal year ended August 30, 2003 as filed with the Securities and Exchange Commission.

1.1.5(a) “Anti-Terrorism Order” means Executive Order No. 13,224 66 Fed Reg. 49,079 (2001) issued by the President of the United States of America (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism).

1.1.6 “Applicable Base Rate Margin” shall have the meaning set forth in Section 2.5.1 hereof.

1.1.7 “Applicable Eurodollar Rate Margin” shall have the meaning set forth in Section 2.5.9 hereof.

1.1.7(a) “Arranger” means Banc of America Securities LLC.

1.1.8 “Assignee” shall have the meaning set forth in Section 10.9 hereof.

1.1.9 “Assumed Indebtedness” shall have the meaning set forth in Section 5.5 hereof.

1.1.10 “Bank” or “Banks” shall have the meaning set forth in the preamble hereto.

1.1.11 “Base Rate” means for any day a fluctuating rate per annum equal to the higher of (a) the Federal Funds Rate plus 1/2 of 1% and (b) the rate of interest in effect for such day as publicly announced from time to time by BOA as its “prime rate.” The “prime rate” is a rate set by BOA based upon various factors including BOA’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such rate announced by BOA shall take effect at the opening of business on the day specified in the public announcement of such change.

1.1.11(a) “Base Rate Loan” means Revolving Credit Loans bearing interest at the Base Rate plus the Applicable Base Rate Margin.

1.1.12 “Borrowers” shall have the meaning set forth in the preamble hereto.

1.1.13 “Borrowers’ Accountants” means independent certified public accountants reasonably acceptable to the Administrative Agent and the Banks. The Administrative Agent and the Banks hereby acknowledge that the Borrowers’ Accountants may include Ernst & Young LLP.

1.1.14 “Business” means the business of the Borrowers and their Subsidiaries as described in the Annual Report.

1.1.15 “Business Day” means, for purposes of loans bearing interest pursuant to Section 2.5.1 hereof, a day on which national banks are generally open and conducting normal business in Boston, Massachusetts, and for purposes of loans bearing interest pursuant to Section 2.5.9 hereof, any day on which commercial banks are open for international business (including dealings in Dollar deposits) in London or such other eurodollar interbank market as may be selected by the Administrative Agent in its sole discretion and acting in good faith.

1.1.16 “Capital Expenditures” means any expenditure for fixed assets, leasehold improvements, capital leases under GAAP, installment purchases of machinery and equipment, acquisitions of real estate and other similar expenditures.

1.1.17 “Closing Date” means June 14, 2004.

1.1.18 “Code” means the Internal Revenue Code of 1986, as amended.

1.1.19 “Commitment Fee” means the Commitment Fee payable by the Borrowers pursuant to Section 2.5.2 hereof.

1.1.19(a) “Commitment Letter” means that certain Engagement Letter dated as of May 11, 2004, entered into by and among the Administrative Agent, BOA as Bank, the Arranger, and UniFirst.

1.1.20 “Commitment Percentage” means, with respect to each Bank, the percentage set forth on Schedule 1 hereto as such Bank’s percentage of the aggregate Revolving Credit Commitments. Schedule 1 will be updated by the Administrative Agent from time to time to reflect any changes to the Commitment Percentages as reflected in any applicable assignment agreement.

1.1.21 “Consolidated” means the relevant figures for the Borrowers and their Subsidiaries on a consolidated basis determined in accordance with GAAP.

1.1.22 “Consolidated Tangible Net Worth” means the amount which is equal to the Consolidated net worth of the Borrowers and their Subsidiaries computed in accordance with GAAP, minus (i) to the extent not otherwise approved in advance by the Administrative Agent and the Banks, any write-up in the book value of any asset of any Borrower or any Subsidiary resulting from revaluation thereof after the date of the Initial Financial Statement, (ii) the book value, net of applicable reserves, of all intangible assets of the Borrowers and their Subsidiaries, including, without limitation, goodwill, trademarks, trade names, copyrights, patents and any similar rights, agreements under or in respect of which a person covenants not to compete with any Borrower or any Subsidiary, and unamortized debt discount and expense, and (iii) the value, if any, attributable to any notes or subscriptions receivable due from stockholders in respect of capital stock.

1.1.23 [Intentionally Omitted.]

1.1.24 “Controlled Group” means all members of a controlled group of corporations, all trades or businesses (whether or not incorporated) under common control and all other organizations or entities which, together with the Borrowers, are treated as a single employer under Section 414(b), (c), (m) or (o) of the Code or Section 4001 of ERISA.

1.1.25 “Customer Lists” means any list, computer program, document or writing which sets forth the name and/or address of any person or entity which at the time in question is obtaining service or merchandise offered by any of the Borrowers for sale or lease.

1.1.26 “Debt Coverage Ratio” shall have the meaning set forth in Section 5.27 hereof.

1.1.26(a) “Delinquent Bank” shall have the meaning set forth in Section 8.3A hereof.

1.1.26(b) “Dollars” or “$”. Dollars in lawful currency of the United States of America.

1.1.27 “Drawdown Date” means the Business Day on which any Revolving Credit Loan is made or to be made to any Borrower hereunder.

1.1.28 “EBIT” means, for any period, the Net Income of the Borrowers and their Subsidiaries, before Interest Charges and provision for taxes and without giving effect to any extraordinary or nonrecurring gains (or losses), for such period (including, without limitation, gains or losses on asset sales).

1.1.28(a) “EBITDA” means, for any period, the EBIT of the Borrowers and their Subsidiaries for such period, plus depreciation and amortization expense of the Borrowers and their Subsidiaries for such period and any non-cash accretion expense relating to SFAS 143 for such period. For purposes of this definition, it is agreed that for purposes of the Reference Period ending May 29, 2004, EBITDA shall equal EBITDA for such period plus $1,700,000.00.

1.1.29 “Encumbrances” shall have the meaning set forth in Section 5.7 hereof.

1.1.29(a) “Equity Securities” means, as to any Person, any shares of any class of capital stock or other equity interests of such Person, voting or non-voting, or any options, warrants or similar rights with respect to any such shares or other equity interests.

1.1.30 “ERISA” means the Employee Retirement Income Security Act of 1974 and the rules and regulations thereunder, collectively, as the same may from time to time be supplemented or amended and remain in effect.

1.1.30(a) “Eurocurrency Reserve Rate” means for any day with respect to a Eurodollar Rate Loan, the actual rate (expressed as a decimal) at which any lender subject thereto would be required to maintain reserves under Regulation D of the Board of Governors of the Federal Reserve System (or any successor or similar regulations relating to such reserve requirements) against “Eurocurrency Liabilities” (as that term is defined in Regulation D), if such liabilities were outstanding. The Eurocurrency Reserve Rate shall be adjusted automatically.

1.130(b) “Eurodollar Business Day” means any day on which commercial banks are open for international business (including dealings in Dollar deposits) in London or such other eurodollar interbank market as may be selected by the Administrative Agent in its sole discretion and acting in good faith.

1.130(c) “Eurodollar Lending Office” means, initially, the office of each Bank designated as such in Schedule 1 hereto; thereafter, such other office of such Bank, if any, that shall be making or maintaining Eurodollar Rate Loans.

1.1.31 “Eurodollar Rate” means, with respect to any Interest Period, in the case of any Eurodollar Rate Loan, the rate of interest equal to (i) the arithmetic mean of the rates per annum for each Reference Bank (rounded upwards to the nearest 1/100 of one

percent) of the rate at which such Reference Bank's Eurodollar Lending Office is offered Dollar deposits two Eurodollar Business Days prior to the beginning of such Interest Period in the London interbank eurodollar market at approximately 11 a.m. London time where the eurodollar and foreign currency and exchange operations of such Eurodollar Lending Office are customarily conducted, for the delivery on the first day of such Interest Period for the number of days comprised therein and in an amount comparable to the amount of the Eurodollar Rate Loan of such Reference Bank to which such Interest Period applies, divided by (ii) a number equal to 1.00 minus the Eurocurrency Reserve Rate.

1.1.31(a) "Eurodollar Rate Loan" means Revolving Credit Loans bearing interest calculated by reference to the Euroloan Rate.

1.1.31(b) "Euroloan Rate" shall have the meaning set forth in Section 2.5.9 hereof.

1.1.32 "Euroloan Rate Amount" means, in relation to any Interest Period, any portions of the principal amount of any Revolving Credit Loans on which the Borrowers elect pursuant to Section 2.5.9 hereof to pay interest at a rate determined by reference to the Euroloan Rate.

1.1.33 "Event of Default" shall have the meaning set forth in Section 6.1 hereof.

1.1.34 "Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to BOA on such day on such transactions as determined by the Administrative Agent.

1.1.35 "Fee Letter" means the Letter Agreement dated as of May 11, 2004, among BOA, the Arranger and the Borrower.

1.1.36 "Funded Debt Ratio" means, in relation to any Reference Period, the ratio of (a) all Indebtedness for borrowed money of the Borrowers and their Subsidiaries as at the end of such Reference Period (including, without limitation, the Obligations, the Stated Amount of Letters of Credit, the Senior Notes, obligations in respect of capital leases, and Subordinated Debt), to (b) EBITDA for such Reference Period.

1.1.37 "GAAP" means generally accepted accounting principles (as in effect from time to time), consistently applied.

1.1.37(a) “Hedging Obligations” of any Person shall mean any and all obligations of such Person, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired under (i) any and all Hedging Transactions, and (ii) any and all renewals, extensions and modifications of any Hedging Transactions and any and all substitutions for any Hedging Transactions.

1.1.37(b) “Hedging Transaction” of any Person shall mean any transaction (including an agreement with respect thereto) now existing or hereafter entered into between such Person and any counterparty, including, without limitation any Bank or Affiliate of any Bank, that is a rate swap, basis swap, forward rate transaction, commodity swap, interest rate option, foreign exchange transaction, cap transaction, floor transaction, forward transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions) or any combination thereof, whether linked to one or more interest rates, foreign currencies, commodity prices, equity prices or other financial measures.

1.1.38 “Indebtedness” with respect to any person means and includes, without duplication, (i) all items which, in accordance with GAAP, would be included as a liability on the balance sheet of such person, but excluding anything in the nature of capital stock, surplus capital and retained earnings, (ii) the face amount of all banker’s acceptances and of all letters of credit issued by any bank for the account of such person and all drafts drawn thereunder, (iii) the total amount of all indebtedness secured by any Encumbrance to which any property or asset of such person is subject, whether or not the indebtedness secured thereby shall have been assumed, and (iv) the total amount of all indebtedness and obligations of others which such person has directly or indirectly guaranteed, endorsed (otherwise than for collection or deposit in the ordinary course of business), discounted with recourse or agreed (contingently or otherwise) to purchase or repurchase or otherwise acquire, including, without limitation, any agreement (a) to advance or supply funds to such other person to maintain working capital, equity capital, net worth or solvency, or (b) otherwise to assure or hold harmless such other person against loss in respect of its obligations.

1.1.39 “Initial Financial Statement” shall have the meaning set forth in Section 3.7 hereof.

1.1.40 “Insolvent” or “Insolvency” means that there shall have occurred one or more of the following events with respect to a person: death; dissolution; termination of existence; insolvency within the meaning of the United States Bankruptcy Code or other applicable statute; such person’s inability to pay its debts as they come due; appointment of a receiver of any part of the property of, execution of a trust mortgage or an assignment for the benefit of creditors by, or the filing of a petition in bankruptcy or the commencement of any proceedings under any bankruptcy or insolvency laws, or any laws relating to the relief of debtors, readjustment of indebtedness or reorganization of debtors, or the offering of a plan to creditors for composition or extension, except for an involuntary proceeding commenced against such person which is dismissed within thirty

(30) days after the commencement thereof without the entry of an order for relief or the appointment of a trustee.

1.1.41 “Interest Charges” means, in relation to any person for any particular period, the expenses of such person in respect of interest required to be paid by such person during such period on the outstanding Indebtedness and capital lease obligations (to the extent not otherwise included in Indebtedness) of such person and in respect of commitment fees, facility fees and similar fees and charges required to be paid during such period in connection with the outstanding Indebtedness and capital lease obligations (to the extent not otherwise included in Indebtedness) of such person.

1.1.42 “Interest Period” means, as to any Euroloan Rate Amount, the period, the commencement and duration of which shall be determined in accordance with Section 2.5.9 hereof, provided, that if any such Interest Period would otherwise end on a day which is not a Business Day, such Interest Period shall end on the Business Day next preceding or next succeeding such day as determined by the Administrative Agent in accordance with its usual practices and notified to the Borrowers by the Administrative Agent at the beginning of such Interest Period.

1.1.42(a) “ISP” means, with respect to any Letter of Credit, the “International Standby Practices 1998” published by the Institute of International Banking Law & Practice (or such later version thereof as may be in effect at the time of issuance).

1.1.42(b) “Issuing Bank” means Bank of America, N.A.

1.1.43 Intentionally omitted.

1.1.44 Intentionally omitted.

1.1.45 Intentionally omitted.

1.1.46 “Letters of Credit” means letters of credit issued by the Issuing Bank as standby or documentary letters of credit, issued by the Issuing Bank at the request of any of the Borrowers and for the account of the Borrowers, pursuant to this Agreement and subject to the limitations contained herein. The term Letters of Credit shall also include those Carryover LC’s (as such term is defined in the September 2003 Credit Agreement) which remain outstanding as of the date hereof.

1.1.47 “Loan Documents” means, collectively, this Agreement (including, without limitation, the agreements and other instruments listed or described in Section 4 hereof), the Revolving Credit Notes, the Swingline Notes, the Letters of Credit (and all letter of credit applications and agreements executed and delivered in connection therewith), and Fee Letter, together with any agreements, instruments or documents contemplated thereby and all schedules, exhibits and annexes thereto.

1.1.48 “Majority Banks” means those Banks whose aggregate Revolving Credit Commitments constitute at least fifty-one percent (51%) of the Revolving Credit Maximum Amount in effect at the relevant time of reference, or if such Revolving Credit Commitments shall have terminated, those Banks whose aggregate Revolving Credit Loans (including Swingline Loans)and Letters of Credit outstanding constitute at least fifty-one percent (51%) of the aggregate Revolving Credit Loans (including Swingline Loans) and Letters of Credit outstanding at the relevant time of reference.

1.1.49 “Mandatory Prepayments” shall have the meaning set forth in Section 2.2.2 hereof.

1.1.50 “Multi-Employer Plan” means any multi-employer plan within the meaning of Section 3(37) or 4001(a)(3) of ERISA.

1.1.51 “Net Income” means the Consolidated net income from continuing operations of the Borrowers and their Subsidiaries for the period in question, determined in accordance with GAAP.

1.1.51(a) “Net Proceeds” means with respect to the incurrence of any Indebtedness by any Borrower and the sale, transfer or other disposition by any Borrower of any asset or group of assets (other than inventory wholly in the ordinary course of business, but including, without limitation, any sale of Equity Securities), means the amount of cash (freely convertible into Dollars) received by any Borrower or agent thereof or the Administrative Agent, from such incurrence, sale, transfer or other disposition (including, without limitation, any tax refund or tax benefit resulting from a loss on such incurrence, sale, transfer or other disposition as and when such tax benefit is actually realized), after (i) provision for all income or other taxes of the Borrowers measured by or resulting from such incurrence, sale, transfer or other disposition, (ii) payment of all reasonable third party brokerage commissions and other reasonable out-of-pocket fees and expenses to third parties related to such incurrence, sale, transfer or other disposition, (iii) deduction of appropriate amounts approved by the Administrative Agent to be provided by any Borrower as a reserve, in accordance with GAAP, against any liabilities associated with such incurrence, sale, transfer or other disposition and retained by such Borrower after such incurrence, sale or other disposition, and (iv) payment of the outstanding principal amount of, and premium or penalty, if any, and interest on, any Indebtedness that is secured by a lien or other encumbrance on the assets in question and that is required to be repaid as a result of such incurrence, sale, transfer or other disposition.

1.1.51(b) “Note Purchase Agreement” has the meaning set forth in Section 1.1.56(a) hereof.

1.1.52 “Obligations” means any and all obligations of any of the Borrowers to the Administrative Agent or any Bank of every kind and description (including obligations of the Borrowers in respect of Letters of Credit and fees thereunder), direct or indirect,

absolute or contingent, primary or secondary, due or to become due, now existing or hereafter arising, regardless of how they arise or by what agreement or instrument they may be evidenced or whether evidenced by any agreement or instrument, and includes obligations to perform acts and to refrain from acting as well as obligations to pay money. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, the expiry date of such Letter of Credit and any related Letter of Credit agreement (and any maturity date hereunder) shall be deemed automatically extended through the date when any draw may be made thereunder, and the amount of any such draw shall be deemed to be an "Obligation" hereunder.

1.1.53 "PBGC" means the Pension Benefit Guaranty Corporation or any entity succeeding to any or all of its functions under ERISA.

1.1.54 "Participant" shall have the meaning set forth in Section 10.9 hereof.

1.1.54(a) "Patriot Act" means Public Law 107-56 of the United States of America, United and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT Act) Act of 2001.

1.1.55 "person" or "Person" includes an individual, a company, a corporation, an association, a partnership, a joint venture, an unincorporated trade or business enterprise, a trust, an estate, or a government (national, regional or local) or an agency, instrumentality or official thereof.

1.1.56 "Plan" means, at any time, any "employee pension benefit plan" within the meaning of Section 3(2) of ERISA if either (i) such plan is maintained by any of the Borrowers or any member of the Controlled Group for employees of a Borrower or any member of the Controlled Group, or (ii) such plan is a Multi-Employer Plan or any other plan established or maintained pursuant to any arrangement under which more than one employer makes contributions, and to which (in either case) any of the Borrowers or any member of the Controlled Group is then making or accruing an obligation to make contributions or has within the preceding six (6) plan years made contributions.

1.1.56(a) "Private Placement" means the transactions contemplated by the Note Purchase Agreement dated as of June 1, 2004, among the Borrowers and the Purchasers parties thereto pursuant to which the Borrowers will issue and sell, and the Purchasers will purchase, the Senior Notes.

1.1.56(b) "Private Placement Documents" means that certain Note Purchase Agreement by and between UniFirst, as issuer, and certain other parties thereto (the "Note Purchase Agreement"), that certain Offering Memorandum dated as of May, 2004, the Senior Notes, and all other documentation and deliverables in connection therewith.

1.1.56(c) “Private Placement Term Sheet” means the Summary of Proposed Terms and Conditions for the Senior Notes dated May, 2004.

1.156(d) “Reference Bank” means Bank of America, N.A.

1.1.57 “Reference Period” shall have the meaning set forth in Section 5.27 hereof.

1.1.58 “Related Parties” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents and advisors of such Person and of such Person’s Affiliates.

1.1.58(a) “Responsible Officer” means the chief executive officer, president, chief financial officer, senior vice president, treasurer or assistant treasurer of a Borrower. Any document delivered hereunder that is signed by a Responsible Officer of a Borrower shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Borrower and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Borrower.

1.1.59 “Restricted Payment” means (i) any cash or property dividend, distribution or payment, direct or indirect, by any Borrower or any Subsidiary to any Person who at the time of such payment holds an equity interest in any Borrower or any Subsidiary, whether evidenced by a security or not, on account of such equity interest; other than regular compensation and bonuses paid to employees of the Borrowers and their Subsidiaries in the ordinary course of business and consistent with past practices, and other than dividends payable solely in shares of any class of capital stock to holders of that class, (ii) any payment on account of the purchase, redemption, retirement or other acquisition for value of any capital stock of any Borrower or its Subsidiary, or any other payment or distribution made in respect thereof, either directly or indirectly, and (iii) any management or similar fees paid or payable by any Borrower or any Subsidiary to any Affiliate of a Borrower.

1.1.60 “Revolving Credit Commitment” means, in relation to any Bank, the maximum liability from time to time of such Bank to make Revolving Credit Loans (or in the case of Revolving Credit Loans which are Swingline Loans, to make Swingline Loans) to the Borrowers upon the terms and subject to the conditions contained in this Agreement.

1.1.61 “Revolving Credit Loans” means, collectively, the loans (including Swingline Loans) up to a maximum aggregate principal amount of $125,000,000 made or to be made to the Borrowers by the Banks pursuant to this Agreement and subject to the limitations contained herein. The joint and several obligations of the Borrowers to repay the principal of the Revolving Credit Loans shall be evidenced by the Revolving Credit Notes.

1.1.62 “Revolving Credit Maturity Date” means September 2, 2007, or such earlier date as provided herein.

1.1.63 “Revolving Credit Maximum Amount” means $125,000,000.

1.1.64 “Revolving Credit Notes” shall have the meaning set forth in Section 2.1 hereof.

1.1.65 “Royal Bank” means Royal Bank of Canada, a Canadian chartered bank.

1.1.66 “Royal Bank Agreement” means the letter agreement dated March 27, 2003 between Royal Bank and UniFirst Canada.

1.1.67 “Royal Bank Documents” means, collectively, (i) the Royal Bank Agreement, (ii) the Comfort Letter, dated February 15, 1991, executed and delivered by UniFirst to Royal Bank, (iii) the Guarantee and Subordination Agreement, dated March 4, 2003, executed and delivered by UniFirst to Royal Bank, and (iv) each of any other agreements, instruments or contracts executed and delivered by UniFirst Canada or any other Borrower in connection with the Royal Bank Agreement.

1.1.68 “Seller Indebtedness” shall have the meaning set forth in Section 5.5 hereof.

1.1.68(a) “Senior Notes” means the senior notes to be issued by UniFirst and the other Borrowers pursuant to the Note Purchase Agreement in an amount of $165 million which shall rank pari passu with the Revolving Credit Loans and all other senior unsecured Indebtedness of the Borrowers and any of their Subsidiaries.

1.1.68(b) “September 2003 Credit Agreement” means that certain Revolving Credit Agreement dated as of September 2, 2003, by and among the borrowers party thereto, Fleet National Bank, as agent, and the other banks party thereto.

1.1.68(c) “Stated Amount” means, with respect to each Letter of Credit, the maximum amount available to be drawn thereunder (whether or not such maximum amount is then in effect under such Letter of Credit).

1.1.69 “Subordinated Debt” means any Indebtedness of any of the Borrowers which is expressly subordinated and made junior in right of payment to the Obligations on terms and conditions satisfactory to the Administrative Agent and each Bank.

1.1.70 “Subsidiary” means, with reference to any person, any corporation, association, joint stock company, business trust or other similar organization of whose total capital stock or voting stock such person directly or indirectly owns or controls more than 50% thereof or any partnership or other entity in which such person directly or indirectly has more than a 50% interest or which is controlled directly or indirectly by such person.

1.1.70(a) “Swingline Commitment” means the obligation of the Swingline Lender to make Swingline Loans to the Borrowers in a maximum principal amount not exceeding at any time $10,000,000.

1.1.70(b) “Swingline Lender” means BOA (or any successor Administrative Agent) in its capacity as swingline lender hereunder.

1.1.70(c) “Swingline Loans” means, collectively, the loans up to a maximum aggregate principal amount of $10,000,000 made or to be made by the Swingline Lender to the Borrowers pursuant to Section 2.5.10 of this Agreement and subject to the limitations contained herein.

1.1.70(d) “Swingline Note” shall have the meaning set forth in Section 2.5.10.

1.1.70(e) “Swingline Termination Date” means the Revolving Credit Maturity Date.

1.1.71 “Voting Shares” means, in relation to any particular corporation or other entity, any shares of any class in the capital of such corporation (or any other equity interests in the applicable entity) having by the terms thereof ordinary voting power (or other authority) to elect a majority of the board of directors (or other governing body) of such corporation or other entity.

1.1.72 “Welfare Plan” means any employee welfare benefit plan within the meaning of Section 3(1) of ERISA if such plan is maintained by any of the Borrowers or any member of the Controlled Group for employees of a Borrower or any member of the Controlled Group or if such plan is a Multi-Employer Plan or any other plan established or maintained pursuant to any arrangement under which more than one employer makes contributions, and to which (in either case) any of the Borrowers or any member of the Controlled Group is then making or accruing an obligation to make contributions or has within the preceding six (6) plan years made contributions.

1.2 Rules of Interpretation. For all purposes of this Agreement and the other Loan Documents, except as otherwise expressly provided herein or therein or unless the context otherwise requires:

(i) references to any person defined in this Section 1 refer to such person and its permitted successor in title and assigns or (as the case may be) his permitted successors, assigns, heirs, executors, administrators and other legal representatives;

(ii) references to any agreement, instrument or document defined in this Section 1 refer to such document as originally executed, or if subsequently varied or supplemented from time to time, as so varied or supplemented and in effect at the relevant time of reference thereto;

(iii) words importing the singular only shall include the plural and vice versa, and the words importing the masculine gender shall include the feminine gender and vice versa, and all references to dollars shall be United States dollars;

(iv) references to any law include any amendment or modification to such law;

(v) the words "include," "includes" and "including" are not limiting;

(vi) all terms not specifically defined herein or by GAAP, which terms are defined in the Uniform Commercial Code as in effect in the Commonwealth of Massachusetts, have the meanings assigned to them therein;

(vii) the words "herein," "hereof," "hereunder" and words of like import shall refer to this Agreement as a whole and not to any particular section or subdivision of this Agreement; and

(viii) accounting terms not otherwise defined in this Agreement or any of the other Loan Documents have the meanings assigned to them in accordance with GAAP.

SECTION 2. THE REVOLVING CREDIT LOANS; THE LETTERS OF CREDIT.

2.1 Revolving Credit Loans.

2.1.1 Subject to the terms and conditions set forth in this Agreement, each of the Banks severally agrees to lend to the Borrowers and the Borrowers may borrow, repay and reborrow from time to time between the Closing Date and the Revolving Credit Maturity Date, such amounts as requested by the Borrowers up to a maximum aggregate principal amount outstanding (after giving effect to all amounts requested and including all outstanding Swingline Loans) at any one time equal to such Bank's Revolving Credit Commitment; provided, however, that the maximum aggregate principal amount of all Revolving Credit Loans (after giving effect to all amounts requested and all outstanding Swingline Loans), plus the aggregate Stated Amount of Letters of Credit outstanding at such time, plus the aggregate amount of all unreimbursed draws under outstanding Letters of Credit, shall not at any time exceed the aggregate amount of the Revolving Credit Commitments of the Banks; and provided, further, that at the time the Borrowers request a Revolving Credit Loan and after giving effect to the making thereof, no Event of Default has occurred and is continuing and no event has occurred which, with the giving of notice or the passage of time, or both, would constitute an Event of Default. The Revolving Credit Loans shall be made pro rata in accordance with each Bank's Commitment Percentage. If the aggregate principal amount of the Revolving Credit Loans (including Swingline Loans), plus the aggregate Stated Amount of Letters of Credit outstanding at such time, plus the aggregate amount of any unreimbursed draws under Letters of Credit, shall at any time exceed the then Revolving Credit Maximum Amount, the Borrowers shall immediately pay to the Administrative Agent for the respective

accounts of the Banks the amount of such excess pro rata in accordance with their Commitment Percentages. Failure to make such payment on demand shall be an Event of Default hereunder.

2.1.2 All requests for Revolving Credit Loans shall be made upon the Borrowers' irrevocable notice to the Administrative Agent, which may be given by telephone. Each such notice must be received by the Administrative Agent not later than (i) 11:00 a.m. three Business Days prior to the requested date of any borrowing of any Eurodollar Rate Loans, (ii) 11:00 a.m. on the requested date of any borrowing of Base Rate Loans, and (iii) 1:00 p.m. on the requested date of any borrowing of Swingline Loans. Each telephonic notice by the Borrowers pursuant to this Section 2.1.2 must be confirmed promptly by delivery to the Administrative Agent of a written notice in the form of Exhibit 2.1.2 attached hereto, appropriately completed and signed by a Responsible Officer of the Borrowers. Each notice (whether telephonic or written) shall specify (i) the requested date of the borrowing (which shall be a Business Day), (ii) the principal amount of Revolving Credit Loans to be borrowed, (iii) whether the type of loan is to be a Base Rate Loan or a Eurodollar Rate Loan, and (iv) if applicable, the duration of the Interest Period with respect thereto. If the Borrowers fail to specify a type of Revolving Credit Loan in such Notice, then the applicable Revolving Credit Loans shall be made as Base Rate Loans. If the Borrower requests a borrowing of Eurodollar Rate Loans in any such notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month.

2.1.3 The obligations to repay the Revolving Credit Loans and to pay interest thereon shall be joint and several obligations of the Borrowers and shall be evidenced by separate Amended and Restated Revolving Credit Notes of the Borrowers to each Bank in or substantially in the form of Exhibit A attached hereto (the "Revolving Credit Notes"), with appropriate insertions; a Revolving Credit Note being payable to the order of each Bank in the principal amount equal to such Bank's Revolving Credit Commitment and representing the joint and several obligation of the Borrowers to pay to such Bank the amount of such Bank's Revolving Credit Commitment or, if less, the aggregate outstanding principal amount of all Revolving Credit Loans made by such Bank hereunder plus interest accrued thereon and all outstanding fees and charges, as set forth below.

2.2 Payment.

2.2.1 Subject to the terms of Sections 2.5.9 hereof, the Borrowers may prepay outstanding Revolving Credit Loans in whole or in part at any time without premium or penalty, provided that the Borrowers shall pay accrued interest on the principal so prepaid to the date of such prepayment and all (if any) outstanding fees and charges. Amounts so paid and other amounts may be borrowed and reborrowed from time to time as provided in Section 2.1 hereof. Notwithstanding the foregoing, if a Revolving Credit Loan, or any portion thereof, bears interest at a rate determined by reference to the Euroloan Rate, the Borrowers may prepay any portion of the principal of such Revolving Credit Loan,

subject, however, to the provisions of Section 2.5.9 hereof. The Borrowers jointly and severally promise to pay on the Revolving Credit Maturity Date, and there shall become absolutely due and payable on the Revolving Credit Maturity Date, all outstanding Revolving Credit Loans and the Revolving Credit Notes, together with all unpaid interest accrued thereon and all fees and other amounts due hereunder. All of the other indebtedness evidenced by the Revolving Credit Notes shall, if not sooner paid, also be absolutely due and payable on the Revolving Credit Maturity Date. In the case of any partial payment of the Revolving Credit Notes, the total amount of such partial payment shall be allocable among the Revolving Credit Notes, subject to Section 8.4 hereof, pro rata in accordance with the Commitment Percentage of each Bank.

2.2.2 The Borrowers shall be required to make mandatory prepayments of the Revolving Credit Loans as set forth below (each a "Mandatory Prepayment"), such payments being due and payable on the day on which any Net Proceeds are received:

(i) subject to Section 5.8, an amount equal to 100% of the Net Proceeds received by any Borrower from the sale or other disposition of any of its assets, except for (x) sales of assets in the ordinary course of business, (y) sales of assets not in the ordinary course of business having an aggregate purchase price of not more than $15,000,000 in any fiscal year, provided that all such sales are made at fair market value, and (z) sales of obsolete equipment, provided that the value of net fixed assets (property and equipment net of accumulated depreciation on the balance sheet of the Borrowers) of the Borrowers at the time of such sale (and after giving effect thereto) is not less than $255,000,000 (it being agreed that for purposes of this clause (i), except with respect to sales of inventory in the ordinary course of business, any sale (or series of related sales to the same or an affiliated party) having an aggregate purchase price of $1,000,000 or less shall be deemed to be made in the ordinary course of business and any sale (or series of related sales to the same or an affiliated party) having an aggregate purchase price of more than $1,000,000 shall be deemed to be made out of the ordinary course of business);

(ii) subject to Section 5.5, an amount equal to 100% of the Net Proceeds received from the incurrence of any Indebtedness for borrowed money, except for the Indebtedness permitted by Section 5.5(i) – (x) hereof; and

(iii) an amount equal to 100% of the Net Proceeds received from the sale of any Equity Securities by UniFirst, except for Equity Securities issued to employees in connection with an employee benefit or option plan adopted by the Board of Directors of UniFirst.

(iv) with respect to any loss in excess of $5,000,000, an amount equal to 100% of the net proceeds received from any settlement from any insurance provider with respect to such loss, to the extent that such net proceeds have not been reinvested within one hundred eighty (180) days of receipt thereof in the business of the Borrowers to repair or replace damage giving rise to such loss.

All Mandatory Prepayments shall be applied to the Revolving Credit Loans, until the Revolving Credit Loans have been paid in full (with a concurrent permanent reduction of the Revolving Credit Commitments, pro rata, by such Mandatory Prepayment amounts). Notwithstanding the foregoing, there shall be no concurrent permanent reduction of the Revolving Credit Commitments in the case of any Mandatory Prepayments made in connection with Net Proceeds received from any settlement from any insurance provider referenced in the foregoing clause (iv) of this Subsection 2.2.2. Mandatory Prepayments of Base Rate Revolving Credit Loans shall be made without any premium or penalty. Mandatory Prepayments of Euroloan Rate Amounts shall be made subject to the provisions of Section 2.5.9 hereof.

2.3 Reduction of Revolving Credit Commitment. The Borrowers shall have the right at any time and from time to time upon five (5) Business Days' prior written notice to the Administrative Agent to reduce by $1,000,000 or an integral multiple thereof or terminate entirely the unused portion of the aggregate amount of the Revolving Credit Commitments, whereupon the Revolving Credit Commitments of the Banks shall be reduced pro rata in accordance with their respective Commitment Percentages of the amount specified in such notice, or, as the case may be, terminated. Promptly after receiving any notice of the Borrowers delivered pursuant to this Section 2.3, the Administrative Agent will notify the Banks of the substance thereof. Upon the effective date of any such reduction or termination, the Borrowers shall pay to the Administrative Agent for the account of the Banks the full amount of any Commitment Fee then accrued on the amount of the reduction. If the Borrowers reduce the Revolving Credit Commitment hereunder, any Commitment Fee payable thereafter under Section 2.5.2 hereof shall be payable with respect to the Revolving Credit Commitment as so reduced or terminated. No reduction of the Revolving Credit Commitment may be reinstated. The Borrowers shall have the right at any time and from time to time upon five (5) Business Days' prior written notice to the Administrative Agent to reduce by $500,000 or an integral multiple thereof or terminate entirely the unborrowed portion of the Swingline Commitment. No reduction of the Swingline Commitment may be reinstated without the consent of the Swingline Lender.

2.4 Letters of Credit.

2.4.1 If requested to do so by any Borrower, the Issuing Bank may, in its sole discretion, upon the terms and subject to the conditions of this Agreement, issue Letters of Credit for the account of the Borrowers, in such form and face amount as may be

requested by such Borrower and agreed to by the Issuing Bank; provided, however, that the Stated Amount of Letters of Credit outstanding at any time, plus the aggregate amount of all unreimbursed draws under such outstanding Letters of Credit, shall not at any time (i) exceed $30,000,000 in the aggregate, or (ii) when added to the then outstanding amount of Revolving Credit Loans (including any Swingline Loans) at such time, exceed the aggregate amount of the Revolving Credit Commitments of the Banks; and provided, further, that at the time any Borrower requests the issuance of a Letter of Credit and after giving effect to the issuance thereof, there has not occurred and is not continuing any Event of Default or any event which, with the giving of notice or the passage of time, or both, would constitute an Event of Default. Upon the issuance of each Letter of Credit by the Issuing Bank, each Bank shall be deemed to automatically have purchased a participation in such Letter of Credit in accordance with its Commitment Percentage of the Revolving Credit Commitments and each Bank severally agrees that it shall be absolutely liable (absent the gross negligence or willful misconduct of the Issuing Bank), without regard to the occurrence of any Event of Default or any event which, with the giving of notice or the passage of time, or both, would constitute an Event of Default or any other condition precedent whatsoever, to the extent of such Bank's Revolving Credit Commitment, to reimburse the Issuing Bank on demand an amount equal to its Commitment Percentage of the amount of each draft paid by such Issuing Bank under each Letter of Credit to the extent that such amount is not reimbursed by the Borrowers pursuant hereto.

2.4.2 It is understood and agreed by the parties hereto that amounts drawn under the Letters of Credit shall become immediately due and payable by the Borrowers to the Issuing Bank through the Administrative Agent, and that all Letters of Credit shall in any event expire not later than fourteen (14) days prior to the Revolving Credit Maturity Date. If any Borrower requests the Issuing Bank to issue any Letter of Credit which would by its terms expire later than fourteen (14) days prior to the Revolving Credit Maturity Date, the Borrowers shall pledge cash or cash equivalents with the Administrative Agent for the benefit of the Banks in the face amount of such Letter of Credit plus any applicable fees and charges.

2.4.3 In order to evidence such Letters of Credit, the Borrowers will enter into with the Issuing Bank such agreements and execute such instruments and documents as the Issuing Bank requires, including, but not limited to, a letter of credit application and agreement on the Issuing Bank's customary form.

2.4.4 Intentionally reserved.

2.4.5 The obligation of the Borrowers to reimburse the Issuing Bank for each unreimbursed draw under outstanding Letters of Credit shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, this Agreement, or any other Loan Document;

(ii) the existence of any claim, counterclaim, setoff, defense or other right that the Borrowers or any Subsidiary may have at any time against any beneficiary or any transferee of such Letter of Credit (or any Person for whom any such beneficiary or any such transferee may be acting), the Issuing Bank or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto, or any unrelated transaction;

(iii) any draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(iv) any payment by the Issuing Bank under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by the Issuing Bank under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any debtor relief law; or

(v) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Borrowers or any Subsidiary.

Upon receipt from the Issuing Bank thereof, the applicable Borrowers shall promptly examine a copy of each Letter of Credit and each amendment thereto that is delivered to it and, in the event of any claim of noncompliance with any Borrower's instructions or other irregularity, the applicable Borrower will promptly notify the Issuing Bank. The applicable Borrower shall be conclusively deemed to have waived any such claim against the Issuing Bank and its correspondents unless such notice is given as aforesaid. Notwithstanding the immediately preceding sentence, the applicable Borrower shall have a claim against the Issuing Bank, and the Issuing Bank shall be liable to such Borrower, to the extent, but only to the extent, of any direct, as opposed to consequential or other, damages suffered by such Borrower that were caused by the Issuing Bank's gross negligence or willful misconduct.

2.4.6 Unless otherwise expressly agreed by the Issuing Bank and the Borrowers when a Letter of Credit is issued, (i) the rules of the ISP shall apply to each standby Letter of Credit, and (ii) the rules of the Uniform Customs and Practice for Documentary Credits, as most recently published by the International Chamber of Commerce at the time of issuance shall apply to each documentary Letter of Credit.

2.5 Interest and Fees.

2.5.1 (a) Except to the extent the Borrowers are permitted and have chosen the alternative set forth in Section 2.5.9 hereof, the entire unpaid principal (not at the time overdue) of each Revolving Credit Loan shall bear interest at the annual rate of interest which shall at all times be equal to the Base Rate plus the Applicable Base Rate Margin in effect from time to time. For purposes of this Section 2.5.1, the "Applicable Base Rate Margin" shall be equal to 0.00%.

(b) Upon and after the occurrence of an Event of Default, and during the continuation thereof, the principal amount of the Revolving Credit Loans and Swingline Loans shall bear interest, to the extent permitted by law, at a rate per annum equal to two percent (2%) above the Base Rate plus the Applicable Base Rate Margin, which interest shall be compounded daily and payable on demand. For the purposes of this section, the Applicable Base Rate Margin that would otherwise be in effect shall automatically be increased to the highest margin.

(c) Except as provided in the preceding clause (b) or Section 2.5.9 hereof, interest on Revolving Credit Loans shall be payable quarterly in arrears on the last Business Day of each fiscal quarter of the Borrowers, commencing on the first such day following the date hereof, with the final payment at maturity of the Revolving Credit Loan. Any change in the Base Rate shall result in a change on the same day in the rate of interest to accrue from and after such day on the unpaid balance of principal of the Revolving Credit Loans.

2.5.2 The Borrowers jointly and severally agree to pay to the Administrative Agent for the account of the Banks, to be allocated between the Banks in accordance with their Commitment Percentages, a commitment fee computed at a rate per annum on the daily average unused amount of the Revolving Credit Commitments of all the Banks (it being acknowledged that the Stated Amount of outstanding Letters of Credit and outstanding Swingline Loans constitute usage of the Revolving Credit Commitments for purposes of the Commitment Fee), during each fiscal quarter or portion thereof, (A) from the Closing Date to the first Business Day of the fiscal month following delivery of the compliance certificate required to be delivered pursuant to Section 5.1(vi) for the fiscal quarter of the Borrowers ending May 28, 2004 is delivered to the Administrative Agent, equal to 0.225%, and (B) thereafter, determined in accordance with the following table:

Funded Debt Ratio	Commitment Fee
Greater than or equal to 2.50 to 1.00	0.250%
Less than 2.50 to 1.00 but equal to or greater than 2.00 to 1.00	0.225%
Less than 2.00 to 1.00 but equal to or greater than 1.50 to 1.00	0.200%
Less than 1.50 to 1.00 but equal to or greater than 1.00 to 1.00	0.175%
Less than 1.00 to 1.00	0.150%

and payable quarterly in arrears on the last Business Day of each fiscal quarter of the Borrowers, commencing on the first such date following the date hereof, and also payable on the date on which such Revolving Credit Commitment shall terminate in full hereunder. For purposes of determining the Commitment Fee, the Funded Debt Ratio will be tested quarterly, commencing on the first such date following the date hereof, based on the compliance certificate required to be delivered pursuant to Section 5.1(vi) with respect to such fiscal quarter. For purposes of determining the Commitment Fee, any rate change shall be effective on the first Business Day of the fiscal month following delivery of the compliance certificate required to be delivered pursuant to Section 5.1(vi) to the Administrative Agent, together with a notice to the Administrative Agent (which shall be verified by the Administrative Agent) specifying any change in the Commitment Fee, and if the Borrower has failed to deliver the compliance certificate required to be delivered pursuant to Section 5.1(vi), the Commitment Fee that would otherwise be in effect shall automatically be increased to the highest margin until such compliance certificate is delivered.

2.5.3 A per annum Letter of Credit fee shall be payable quarterly in arrears on the last Business Day of each fiscal quarter of the Borrowers to the Administrative Agent, for the ratable accounts of the Banks, on each Letter of Credit at a rate per annum equal to the Applicable Eurodollar Rate Margin applicable to Revolving Credit Loans then in effect multiplied by the maximum amount available to be drawn under such Letter of Credit (whether or not such maximum amount is then in effect under such Letter of Credit), along with, solely for the account of the Issuing Bank, such documentary issuing, processing and other fees as are customarily charged by the Issuing Bank on Letters of Credit (including, without limitation, a fronting fee equal to 0.125% per annum multiplied by the maximum amount available to be drawn under such Letter of Credit (whether or not such maximum amount is then in effect under such Letter of

Credit) payable quarterly in arrears on the last Business Day of each fiscal quarter of the Borrowers).

2.5.4 The Borrowers jointly and severally agree to pay to the Administrative Agent and the Arranger fees in the amounts and at the times outlined in the Fee Letter.

2.5.5 If any present or future law, governmental rule, regulation, policy, guideline or directive (whether or not having the force of law) or the interpretation thereof by a court or governmental authority with appropriate jurisdiction affects the amount of capital required or expected to be maintained by the Administrative Agent or any Bank or any corporation controlling the Administrative Agent or any Bank and the Administrative Agent or any Bank determines that the amount of capital required to be maintained by it is increased by or based upon the existence of the Administrative Agent's or any Bank's commitment with respect to the Revolving Credit Loans or the Issuing Bank's maintenance of any Letters of Credit, then the Administrative Agent may notify the Borrowers of such fact. To the extent that the costs of such increased capital requirements are not reflected in the Base Rate or the Letter of Credit fee payable hereunder, as the case may be, the Borrowers and the Administrative Agent or the applicable Bank shall thereafter attempt to negotiate in good faith, within thirty (30) days of the day on which the Borrowers receive such notice, an adjustment payable hereunder that will adequately compensate the Administrative Agent or such Bank in light of these circumstances. If the Borrowers and the Administrative Agent or such Bank are unable to agree to such adjustment within thirty (30) days of the date on which the Borrowers receive such notice, then commencing on the date of such notice or, if later, the effective date of any such increased capital requirement, the fees payable hereunder shall increase by an amount that will, in the Administrative Agent's or such Bank's reasonable determination, provide adequate compensation. The Administrative Agent and each Bank shall allocate such cost increases among its customers in good faith and on an equitable basis.

2.5.6 Anything hereinbefore to the contrary notwithstanding, if any present or future law (which expression, as used in this Agreement, includes statutes and rules and regulations thereunder and interpretations thereof by any competent court or by any governmental or other regulatory body or official charged with the administration or the interpretation thereof and requests, directives, instructions and notices at any time or from time to time heretofore or hereafter made upon or otherwise issued to the Administrative Agent or any Bank by any central bank or other fiscal, monetary or other authority, whether or not having the force of law) shall (i) subject the Administrative Agent or any Bank (or any payment made to the Administrative Agent or any Bank) to any tax, levy, impost, duty, charge, fee, deduction or withholding of any nature with respect to any Revolving Credit Loan, this Agreement, any Revolving Credit Note, any of the other Loan Documents, or the payment to the Administrative Agent or any Bank of any amounts due to it hereunder or thereunder, or (ii) materially change the basis of taxation of payments to the Administrative Agent or any Bank of the principal of or the interest on

any Revolving Credit Note or any other amounts payable to the Administrative Agent or any Bank under this Agreement or any of the other Loan Documents, or (iii) impose or increase or render applicable any special or supplemental special deposit or reserve or similar requirements or assessment against assets held by, or deposits in or for the account of, or any liabilities of (which expression includes any Letters of Credit), or loans by an office of the Administrative Agent or any Bank in respect of the transactions contemplated herein, or (iv) impose on the Administrative Agent or any Bank any other conditions or requirements with respect to this Agreement, any Revolving Credit Note, any of the other Loan Documents, any Revolving Credit Commitment or any Revolving Credit Loan, and the result of any of the foregoing is (a) to increase the cost to the Administrative Agent or any Bank of making, funding or maintaining all or any part of the Revolving Credit Commitment or the principal of any Revolving Credit Loan, or (b) to reduce the amount of principal, interest or other amount payable to the Administrative Agent or any Bank under this Agreement, any Revolving Credit Note or any other Loan Document, or (c) to require the Administrative Agent or any Bank to make any payment or to forego any interest or other sum payable under this Agreement, any Revolving Credit Note or any other Loan Document, the amount of which payment or foregone interest or other sum is calculated by reference to the gross amount of any sum receivable or deemed received by the Administrative Agent or any Bank from the Borrowers under this Agreement, any Revolving Credit Note or any other Loan Document, then, and in each such case not otherwise provided for hereunder, the Borrowers shall, upon demand made by the Administrative Agent or the applicable Bank accompanied by calculations thereof in reasonable detail, pay (on an after-tax basis) to the Administrative Agent or such Bank such additional amounts as will be sufficient to compensate the Administrative Agent or such Bank for such additional cost, reduction, payment or foregoing interest or other sum, provided that the foregoing provisions of this sentence shall not apply in the case of any additional cost, reduction, payment or foregone interest or other sum resulting from any taxes charged upon or by reference to the overall net income, profits or gains of the Administrative Agent or any Bank.

2.5.7 [Intentionally Omitted.]

2.5.8 The Borrowers authorize the Administrative Agent and each Bank, in the Administrative Agent's or such Bank's sole discretion, to charge to any deposit account which any Borrower may maintain with the Administrative Agent or such Bank the interest, fees, charges, taxes and expenses provided for in this Agreement or any other document executed or delivered in connection herewith, or to advance to the Borrowers and to charge to them as a Revolving Credit Loan a sum sufficient to pay such interest, fees, charges, taxes and expenses, with advice thereof thereafter sent to UniFirst's chief financial officer in accordance with the Administrative Agent's or such Bank's customary practice.

2.5.9 Eurodollar Interest Rate Option.

(i) At the option of the Borrowers, so long as no Event of Default has occurred and is then continuing and no event which, with the giving of notice or the passage of time, or both, would constitute an Event of Default, has occurred and is then continuing, the Borrowers may elect from time to time prior to the Revolving Credit Maturity Date to have all or a portion of the unpaid principal amount of any Revolving Credit Loan bear interest during any particular Interest Period at the Euroloan Rate; provided, that any such portion of any Revolving Credit Loan shall be in an amount not less than $500,000 or some greater integral multiple of $100,000 with respect to any single Interest Period. There shall not be at any time more than a total of five (5) Eurodollar Rate Loans outstanding. Notwithstanding anything herein to the contrary, the maximum principal amount which the Borrowers may borrow under any possible combination of the Revolving Credit Loans (including Swingline Loans) shall not exceed the amount of the Revolving Credit Maximum Amount from time to time less (x) the Stated Amount of all Letters of Credit then issued and outstanding at such time and (y) any unreimbursed draws under outstanding Letters of Credit at such time. Any election by the Borrowers to have interest calculated at the Euroloan Rate shall be made by notice (which shall be irrevocable) to the Administrative Agent at least 3 Business Days prior to the first day of the proposed Interest Period, specifying the Euroloan Rate Amount and the duration of the proposed Interest Period (which must be for one, two, three or six months). Any such election of a Euroloan Rate shall lapse at the end of the expiring Interest Period unless extended by a further election notice as hereinbefore provided. Except as otherwise provided herein, each Euroloan Rate Amount shall bear interest during each Interest Period relating thereto at an annual rate (the "Euroloan Rate") equal to the Eurodollar Rate plus the Applicable Eurodollar Rate Margin (as hereinafter defined). Interest on each Euroloan Rate Amount shall be payable (a) on the last day of each Interest Period relating thereto, or (b) if any Interest Period is longer than three months, on the last day of each three-month period following the commencement of such Interest Period and on the last day of such Interest Period.

Notwithstanding the foregoing, the Borrowers may not select an Interest Period which extends beyond the Revolving Credit Maturity Date.

For purposes of this Section 2.5.9, the "Applicable Eurodollar Rate Margin" shall be equal to (A) from the Closing Date to the first Business Day of the fiscal month following delivery of the

compliance certificate required to be delivered pursuant to Section 5.1(vi) for the fiscal quarter of the Borrowers ending May 28, 2004 is delivered to the Administrative Agent, a percentage equal to 1.00%, and (B) thereafter, the percentage determined in accordance with the following table:

Funded Debt Ratio	Applicable Eurodollar Rate Mar
Greater than or equal to 2.50 to 1.00	1.250%
Less than to 2.50 to 1.00 but equal to or greater than 2.00 to 1.00	1.000%
Less than 2.00 to 1 but equal to or greater than 1.50 to 1.00	0.875%
Less than 1.50 to 1 but equal to or greater than 1.00 to 1.00	0.750%
Less than 1.00 to 1.00	0.625%

For purposes of determining the Applicable Eurodollar Rate Margin, the Funded Debt Ratio will be tested quarterly, commencing with the fiscal quarter of the Borrowers ending May 28, 2004, based on the compliance certificate required to be delivered pursuant to Section 5.1(vi) with respect to such fiscal quarter. For purposes of determining the interest rate for any Interest Period hereunder, any interest rate change shall be effective on the first Business Day of the fiscal month following delivery of the compliance certificate required to be delivered pursuant to Section 5.1(vi) to the Administrative Agent, together with a notice to the Administrative Agent (which shall be verified by the Administrative Agent) specifying any change in the Applicable Eurodollar Rate Margin, and if the Borrower has failed to deliver the compliance certificate required to be delivered pursuant to Section 5.1(vi), the Applicable Eurodollar Rate Margin that would otherwise be in effect shall automatically be increased to the highest margin until such compliance certificate is delivered.

(ii) The Administrative Agent shall forthwith upon determining any Euroloan Rate provide notice thereof to the Borrowers and the

Banks. Each such notice shall be conclusive and binding upon the Borrowers.

(iii) If, with respect to any Interest Period, the Administrative Agent is unable to determine the Euroloan Rate relating thereto, or adverse or unusual conditions in or changes in applicable law relating to the applicable Eurodollar interbank market make it illegal or, in the reasonable judgment of the Administrative Agent or any of the Banks as such Bank shall advise the Administrative Agent, impracticable, to fund therein the Euroloan Rate Amount or make the projected Euroloan Rate unreflective of the actual costs of funds therefor to the Administrative Agent or any such Bank, or if it shall become unlawful for the Administrative Agent or any such Bank to charge interest on the Revolving Credit Loan on a Euroloan Rate basis, then in any of the foregoing events the Administrative Agent shall so notify the Borrowers and interest will be calculated and payable in respect of such projected Interest Period (and thereafter for so long as the conditions referred to in this sentence shall continue) by reference to the Base Rate in accordance with Section 2.5.1 hereof.

(iv) If any Interest Period would otherwise end on a day which is not a Eurodollar Business Day, that Interest Period shall end on the Eurodollar Business Day next preceding or next succeeding such day as determined by the Administrative Agent in accordance with its usual practices and notified to the Borrowers at the beginning of such Interest Period.

(v) The Borrowers may prepay a Eurodollar Rate Loan only upon at least three (3) Business Days prior written notice to the Administrative Agent (which notice shall be irrevocable), and, except as permitted by payment of the applicable "yield maintenance fee" (as defined below), any such prepayment shall occur only on the last day of the Interest Period for such Eurodollar Rate Loan. Borrower shall pay to Administrative Agent for the account of the Banks, upon request of any Bank, such amount or amounts as shall be sufficient (in the reasonable opinion of such requesting Bank) to compensate it for any loss, cost, or expense incurred as a result of: (i) any payment of a Eurodollar Rate Loan on a date other than the last day of the Interest Period for such Loan; (ii) any failure by Borrowers to borrow a Eurodollar Rate Loan on the date specified by Borrowers' written notice; (iii) any failure by Borrowers to pay a Eurodollar Rate Loan on the date for payment specified in Borrowers' written notice. Without limiting the foregoing, Borrowers shall pay to Administrative Agent for the

account of such requesting Bank a "yield maintenance fee" in an amount computed by such requesting Bank as follows: The current rate for United States Treasury securities (bills on a discounted basis shall be converted to a bond equivalent) with a maturity date closest to the term chosen pursuant to the Euroloan Rate Election as to which the prepayment is made, shall be subtracted from the Euroloan Rate in effect at the time of prepayment. If the result is zero or a negative number, there shall be no yield maintenance fee. If the result is a positive number, then the resulting percentage shall be multiplied by the amount of the principal balance being prepaid. The resulting amount shall be divided by 360 and multiplied by the number of days remaining in the term chosen pursuant to the Euroloan Rate Election as to which the prepayment is made. Said amount shall be reduced to present value calculated by using the above referenced United States Treasury securities rate and the number of days remaining in the term chosen pursuant to the Euroloan Rate Election as to which prepayment is made. The resulting amount shall be the yield maintenance fee due to the requesting Bank upon the prepayment of a Eurodollar Rate Loan. Each reference in this paragraph to "Euroloan Rate Election" shall mean the election by Borrower of the Euroloan Rate. If by reason of an Event of Default, Administrative Agent elects to declare the Notes to be immediately due and payable, then any yield maintenance fee with respect to a Eurodollar Rate Loan shall become due and payable in the same manner as though Borrower had exercised such right of prepayment.

The Borrowers shall pay to the Administrative Agent for the account of such requesting Bank the amount of loss, computed in accordance with the foregoing formula, upon presentation to the Borrowers by such requesting Bank (with a copy to the Administrative Agent) of a statement setting forth such requesting Bank's calculation of the amount of such loss, which notice shall be conclusive and binding upon the Borrowers in the absence of manifest error.

2.5.10 Swingline Loans.

(i) Availability. Subject to the terms and conditions of this Agreement, the Swingline Lender agrees, in its sole and absolute discretion, to make Swingline Loans to the Borrowers from time to time from the Closing Date through, but not including, the Swingline Termination Date, provided that any such Swingline Loan shall be in an amount not less than $100,000; and further provided, that the aggregate principal amount of all outstanding Swingline Loans (after giving effect to any amount requested) at any time, shall not exceed the lesser of (x) the aggregate Revolving Credit

Commitments of all the Banks less the sum of (A) all outstanding Revolving Credit Loans (including Swingline Loans) at such time, (B) the aggregate Stated Amount of Letters of Credit outstanding at such time and (C) the aggregate amount of all unreimbursed draws under outstanding Letters of Credit at such time and (y) the Swingline Commitment at such time. Swingline Loans hereunder may be requested for a period of up to 7 days and shall be repaid and reborrowed in accordance with the terms hereof. The Swingline Lender shall initiate the transfer of funds representing the Swingline Loan to the Borrowers by 4:00 p.m. (Boston, Massachusetts time) on the Business Day of the requested borrowing, so long as the Swingline Loan has been requested by the Borrowers no later than 12:00 p.m. (Boston, Massachusetts time) on such Business Day.

(ii) Repayment. The Borrowers shall repay the outstanding principal amount of each Swingline Loan on the earliest to occur of: (x) the seventh (7^{th}) day after the date on which such Swingline Loan was made, (y) the Swingline Termination Date or (y) (i) if it shall receive notice of demand for payment from the Swingline Lender prior to 12:00 p.m. (Boston, Massachusetts time) on any Business Day, on the Business Day next succeeding such Business Day and (ii) if it shall receive such notice after 12:00 p.m. (Boston, Massachusetts time) on any day, on the Business Day which is 2 Business Days after it shall receive such notice.

(iii) Refunding and Conversion of Swingline Loans to Revolving Credit Loans .

(A) Swingline Loans shall be refunded by the Banks on demand by the Swingline Lender, in which case the Borrowers shall be deemed to have requested on such date of demand a Revolving Credit Loan in the principal amount of such Swingline Loan bearing interest with reference to the Base Rate plus the Applicable Base Rate Margin (unless the Borrowers have elected the Eurodollar Rate with respect thereto in accordance with the terms hereof). Such refundings of the Swingline Loan and/or fundings of such Revolving Credit Loans shall be made by the Banks in accordance with their respective Commitment Percentage and shall thereafter be reflected as Revolving Credit Loans of the Banks on the books and records of the Administrative Agent. Each Bank shall fund its respective Commitment Percentage of Revolving Credit Loans as required to repay Swingline Loans outstanding to the Swingline Lender upon demand by the Swingline Lender but in no event later than 2:00 p.m. (Boston, Massachusetts time) on the next succeeding Business Day after such demand is made. No Bank's obligation to fund its respective Commitment Percentage of a Swingline Loan shall be affected by any other Bank's failure to fund its Commitment Percentage of a Swingline Loan, nor shall any Bank's Commitment Percentage be increased as a result of any such failure of any other Bank to fund its Commitment Percentage. To the extent any Bank does not fund its respective Commitment Percentage of any Revolving Credit Loan deemed to be made to the Borrowers pursuant to this Section, the Borrower shall repay such amounts to the Swingline Lender as if such Loan were a Revolving Credit Loan for which a Bank did not advance its share to the Administrative Agent.

(B) If, at the time the Borrowers receive notice of a demand for repayment of a Swingline Loan from the Swingline Lender, the aggregate principal amount of all Revolving Credit Loans outstanding, plus the aggregate principal amount of all Swingline Loans outstanding (including the Swingline Loan for which demand for payment is then made by the Swingline Lender), plus the aggregate Stated Amount of Letters of Credit outstanding at such time, plus the aggregate of all unreimbursed draws under outstanding Letters of Credit, equals or exceeds the aggregate amount of the Revolving Credit Commitments of all of the Banks at such time, the Borrowers shall repay such Swingline Loan in accordance with Section 2.5.10(ii). The Borrowers hereby authorize the Administrative Agent to charge any account maintained with the Swingline Lender (up to the amount available therein) in order to immediately pay the Swingline Lender the amount of such Swingline Loans to the extent amounts received from the Banks are not sufficient to repay in full the outstanding Swingline Loans requested or required to be refunded. If any portion of any such amount paid to the Swingline Lender shall be recovered by or on behalf of the Borrowers from the Swingline Lender in bankruptcy or otherwise, the loss of the amount so recovered shall be ratably shared among all the Banks that have reimbursed the Swingline Lender pursuant to clause (A) above in accordance with their respective ratable share.

(C) Each Bank acknowledges and agrees that, absent the gross negligence or willful misconduct of the Swingline Lender, its obligation to refund Swingline Loans with Revolving Credit Loans in accordance with the terms of this Section 2.5.10 is absolute and unconditional and shall not be affected by any circumstance whatsoever, including, without limitation, non-satisfaction of the conditions set forth in Section 4. Further, each Bank agrees and acknowledges that if prior to the refunding of any outstanding Swingline Loans pursuant to this Section 2.5.10, one of the events described in Section 6.1.(vi), (vii) or (viii) shall have occurred, each Bank will, on the date the applicable Revolving Credit Loan would have been made pursuant to Section 2.5.10 hereof, purchase an undivided participating interest in the Swingline Loan to be refunded in an amount equal to its Commitment Percentage of the aggregate amount of such Swingline Loan. Each Bank will immediately transfer to the Swingline Lender, in immediately available funds, the amount of its participation. Whenever, at any time after the Swingline Lender has received from any Bank such Bank's participating interest in a Swingline Loan, the Swingline Lender receives any payment on account thereof, the Swingline Lender will distribute to such Bank its participating interest in such amount (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such Bank's participating interest was outstanding and funded).

(D) Each Bank's Commitment Percentage applicable to any Swingline Loan shall be identical to its Commitment Percentage applicable to Revolving Credit Loans.

(E) The Swingline Loans shall be evidenced by an Amended and Restated Swingline Note of the Borrowers to the Swingline Lender in or substantially

in the form of the Amended and Restated Revolving Credit Notes (as amended from time to time, the "Swingline Note"), with appropriate insertions.

SECTION 3. REPRESENTATIONS AND WARRANTIES.

The Borrowers hereby jointly and severally represent and warrant to the Administrative Agent and each Bank as follows:

3.1 Organization and Qualification. Each of the Borrowers (i) is a corporation, limited partnership or limited liability company, as applicable, duly organized, validly existing and in good standing under the laws of its jurisdiction of organization as indicated on Exhibit B attached hereto; (ii) has all requisite corporate or other organizational power and authority to own or to hold under lease its property and conduct its business as now conducted and as presently contemplated; and (iii) is duly qualified and in good standing in each jurisdiction (which jurisdictions are listed on Exhibit B attached hereto) where the nature of its properties or its business (present or proposed) requires such qualification and in which failure to qualify would have a material and adverse effect on the condition (financial or otherwise), properties, business or results of operations of the Borrowers taken as a whole.

3.2 Authority. The execution, delivery and performance by each Borrower of each of the Loan Documents to which such Borrower is or is to become a party (including the making of the borrowings contemplated by this Agreement) are within the corporate, limited partnership or limited liability company, as applicable, authority of such Borrower, have been duly authorized by all necessary corporate, limited partnership and limited liability company, as the case may be, proceedings on the part of such Borrower, and do not and will not (i) contravene any provision of law, its charter documents, its by-laws or other governing documents (each as in effect from time to time), or (ii) contravene any provisions of, or constitute an Event of Default hereunder or a default under, or an event which with the lapse of time or the giving of notice, or both, would constitute an Event of Default hereunder or a default under any other agreement, instrument, judgment, order, decree, permit, license or undertaking binding upon or applicable to such Borrower or any of its properties (except (i) with respect to agreements relating to Indebtedness for borrowed money, defaults under any such agreements with principal obligations of $5,000,000 or less, or (ii) with respect to any other agreement, instrument, judgment, order, decree, permit, license or undertaking, any such default as would not materially and adversely affect the condition (financial or otherwise), properties, business or results of operations of the Borrowers taken as a whole), or result in the creation of any mortgage, pledge, security interest, lien, encumbrance or charge upon any of the properties or assets of such Borrower (except for any such mortgage, pledge, security interest, lien, encumbrance or charge as would not materially and adversely affect the condition (financial or otherwise), properties, business or results of operations of the Borrowers taken as a whole), or (iii) require any waivers, consents or approvals by any of the creditors or trustees for creditors of such Borrower (except such as will be duly obtained on or prior to the Closing Date and will be in full force and effect

on and as of such date), or (iv) require any consents or approvals by any shareholders, members or partners of such Borrower (except such as will be duly obtained on or prior to the Closing Date and will be in full force and effect on and as of such date), or (v) require any approval, consent, order, authorization or license by, or giving notice to, or taking any other action with respect to, any governmental or regulatory authority or agency, except those actions that have been taken or will be taken prior to the Closing Date, under any provision of any applicable law.

3.3 Valid Obligations. The agreements and obligations of each Borrower contained in each of the Loan Documents to which such Borrower is a party constitute legal, valid and binding obligations of such Borrower enforceable against such Borrower in accordance with their respective terms.

3.4 Approvals and Consents. The execution, delivery and performance of each of the Loan Documents to which each Borrower is or is to become a party do not require any approval or consent of, or filing or registration with, any governmental or other agency or authority or any other person, except as disclosed on Exhibit B attached hereto.

3.5 Title to Properties; Absence of Liens. As of the date of this Agreement, each of the Borrowers has good and marketable title to all of its respective properties, assets and rights of every name and nature now purported to be owned by it, including without limitation the Business and the properties, assets and rights reflected in the Initial Financial Statement, except as otherwise noted in the Annual Report and except with respect to such properties, assets and rights which are not material to the condition (financial or otherwise), properties, business or results of operations of the Borrowers taken as a whole, in each case free from all liens, charges and encumbrances whatsoever except for insubstantial defects in title which do not materially detract from the value or impair the use of the affected properties and liens, charges or encumbrances permitted under Section 5.7 hereof, and as of the date of this Agreement, its Obligations under the Loan Documents rank at least pari passu with all its other Indebtedness, including, without limitation, the Senior Notes, except as set forth on Exhibit B attached hereto. The rights, properties and other assets presently owned, leased or licensed by any of the Borrowers and described elsewhere in this Agreement include all rights, properties and other assets necessary to permit the Borrowers to conduct their respective businesses in all material respects in the same manner as their businesses have been conducted prior to the date hereof. Except with respect to liens, charges or encumbrances permitted under Section 5.7 hereof, there is no financing statement, security agreement, chattel mortgage, real estate mortgage or other document filed or recorded with any filing records, registry or other public office, that purports to cover, affect or give notice of any present or possible future Encumbrance on any assets or property of the Borrower or any of its Subsidiaries or any rights relating thereto.

3.6 Compliance. Each of the Borrowers has all necessary permits, approvals, authorizations, consents, licenses, franchises, registrations and other rights and privileges to allow it to own and operate its business without any violation of law or the rights of

others (except for any such right or privilege as would not materially and adversely affect the condition (financial or otherwise), properties, business or results of operations of the Borrowers taken as a whole); and each of the Borrowers is duly authorized, qualified and licensed under and in compliance with all applicable laws, regulations, authorizations and orders of public authorities (except where the failure to comply would not materially and adversely affect the condition (financial or otherwise), properties, business or results of operations of the Borrowers taken as a whole; provided, that this Section 3.6 shall not apply with respect to any rights, privileges, laws, regulations, authorizations or orders the subject matter of which is covered by any other representation or warranty contained herein). Without limitation of the foregoing, each of the Borrowers is in compliance with, and neither the entering into of the Loan Documents or the use of the proceeds of the Revolving Credit Loans will violate: any law, rule or regulation relating to anti-terrorism or money laundering, including the Anti-Terrorism Order, the Patriot Act, the Trading with the Enemy Act, as amended, or any of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto.

3.7 Financial Statements. The Borrowers have furnished to the Administrative Agent and the Banks (i) the Consolidated balance sheet and statement of income of the Borrowers as at August 30, 2003 for the fiscal year then ended, and related footnotes, audited by Ernst & Young LLP (the "2003 Financials"), (ii) the Consolidated balance sheet and statement of income of the Borrowers as at February 28, 2004 and for the six-month period then ended (the "February 2004 Financials"), and (iii) the Consolidated balance sheet of the Borrowers on a pro forma basis after giving effect to the Private Placement as at the Closing Date (the "Closing Balance Sheet", and together with the 2003 Financials and the February 2004 Financials, the "Initial Financial Statement"), in each case prepared in accordance with GAAP (subject, in the case of (ii) and (iii) only, to normal changes for year-end audit adjustments which would not be in any case, or in the aggregate, materially adverse) and fairly presenting the financial position of the Borrowers as at the close of business on such dates and the results of operations of the Borrowers for the twelve-month and six-month periods, respectively, then ended. The Borrowers have also furnished to the Administrative Agent and the Banks projections of the Borrowers' future results of operations for the periods ending on August 28, 2004, August 27, 2005, and August 26, 2006, each on a pro forma basis and all of which take into account the Private Placement and all of which were made in good faith and based on assumptions which the Borrowers believed reasonable when made, it being recognized by the Banks that projections as to future results are not to be viewed as facts and that the actual results during the period or periods covered by the projections may differ from the projected results. The Administrative Agent and the Banks agree to keep confidential, in the manner each of them usually does with its respective customers, any and all of the information obtained from such projections, provided that such information may be available for inspection or examination by (i) any court or governmental regulatory authority having jurisdiction over the Administrative Agent or any Bank, (ii) any independent auditors of the Administrative Agent or any Bank, and (iii) any potential Assignees and Participants. At the date hereof, the Borrowers have no Indebtedness or

other liabilities, debts or obligations involving amounts material to the Borrowers taken as a whole, whether accrued, absolute, contingent or otherwise, and whether due or to become due, including, but not limited to, liabilities or obligations on account of taxes or other governmental charges, that are not set forth on Exhibit C attached hereto. Since the date of the Initial Financial Statement there have been no changes in the assets, liabilities, financial condition or business of the Business the effect of which has, individually or in the aggregate, been materially adverse, except as set forth on Exhibit B attached hereto. Since the Initial Financial Statement, none of the Borrowers has made any Restricted Payment except as expressly permitted pursuant to Section 5.28 hereof and as set forth on Exhibit B attached hereto.

3.8 Solvency. Each of the Borrowers has and, after giving effect to the Revolving Credit Loans and the issuance of any Letters of Credit, will have, assets (both tangible and intangible) having a present fair salable value in excess of the amount required to pay the probable liability on its then-existing debts (whether matured or unmatured, liquidated or unliquidated, absolute, fixed or contingent); each of the Borrowers has and will have access to adequate capital for the conduct of its business and the discharge of its debts incurred in connection therewith as such debts mature; no Borrower was Insolvent immediately prior to the making of the Revolving Credit Loans or the issuance of any Letters of Credit, and immediately after giving effect thereto, no Borrower will be Insolvent.

3.9 No Events of Default. As of the date of this Agreement, no Event of Default exists, and no event or condition exists which with the passage of time or the giving of notice, or both, would constitute an Event of Default.

3.10 Taxes. Each of the Borrowers has filed all federal, state and other tax returns required to be filed, and all taxes, assessments and other such governmental charges due from each Borrower have been fully paid or adequate reserves have been established therefor. No Borrower has executed any waiver that would have the effect of extending the applicable statute of limitations in respect of tax liabilities involving amounts material to the Borrowers taken as a whole. Each of the Borrowers has established on its books reserves adequate for the payment of all federal, state and other tax liabilities.

3.11 Litigation. Except as set forth on Exhibit B attached hereto, there is no litigation, proceeding or governmental investigation, civil or criminal, administrative or judicial, pending or, to the best knowledge of the Borrowers, threatened against any Borrower which, if adversely decided, would have a materially adverse effect on the business, properties or condition (whether financial or otherwise) of the Borrowers taken as a whole or on the ability of any Borrower to perform its obligations hereunder or under any other Loan Document.

3.12 Margin Rules. No portion of any Revolving Credit Loan is to be used for the purpose of purchasing or carrying any “margin security” or “margin stock” as such terms are used in Regulations U or X of the Board of Governors of the Federal Reserve System.

3.13 Restrictions on the Borrowers. No Borrower is subject to any provision of its charter, other incorporation or other organizational papers, by-laws, operating agreement, partnership agreement or stock provisions or any amendment thereof or a party to or otherwise bound by any indenture or agreement which it believes will, under current or foreseeable conditions, materially and adversely affect the normal operations of the Borrowers taken as a whole or impair the business, properties or condition (whether financial or otherwise) of the Borrowers taken as a whole.

3.14 Compliance with ERISA. Each of the Borrowers and each member of the Controlled Group has fulfilled its obligations under the minimum funding standards of ERISA and the Code with respect to each Plan and, together with each Plan and Welfare Plan that is not a Multi-Employer Plan, is in compliance in all material respects with the applicable provisions of ERISA and the Code, and has not incurred any liability to the PBGC, any trustee or a Plan under Title IV of ERISA; and no non-exempt "prohibited transaction" or "reportable event" (as such terms are defined in ERISA and the Code) has occurred with respect to any Plan or Welfare Plan that is not a Multi-Employer Plan. To the best of the knowledge and belief of each of the Borrowers and each member of the Controlled Group, each Plan and Welfare Plan that is a Multi-Employer Plan is in compliance in all material respects with the applicable provisions of ERISA and the Code; and no Borrower and no member knows or has reason to know of the occurrence of a non-exempt "prohibited transaction" or "reportable event" with respect to any Plan or Welfare Plan that is a Multi-Employer Plan. To the best knowledge of the Borrowers, no Borrower and no member of the Controlled Group has incurred any liability under Subtitle E of Title IV of ERISA to any Plan that is a Multi-Employer Plan

3.15 Intellectual Property. The Borrowers own or have rights with respect to all (i) patent and patent applications in any country or jurisdiction and (ii) trademarks, trade names, copyrights and service marks and United States, state and foreign registrations thereof and applications therefor which are necessary for the conduct of the Business without any violation of law or the rights of others.

3.16 Environmental and Regulatory Compliance. As to each of the real properties owned or leased by each Borrower and any operations thereon, and as to the Business, each such property and operation and the Business is presently in compliance with and has in full force and effect all permits, licenses, or approvals required by all applicable building, zoning, anti-pollution, hazardous substance, hazardous material, oil, radioactive or nuclear waste, environmental, health, safety or other laws, ordinances or regulations (collectively, "Environmental Laws"), including, without limitation, the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq., and the Energy Reorganization Act of 1974, as amended, 42 U.S.C. 5801 et seq., and any judgment, decree or order relating thereto, and no Borrower has received notification that any of the foregoing properties or operations or the Business is in violation or alleged violation of any of the foregoing, except where the failure to so comply with or have any such permit, license or approval or where the receipt of such notification would not materially and adversely affect the

condition (financial or otherwise), properties, business or results of operations of the Borrowers taken as a whole, it being understood and agreed that any failure to so comply with or have any such permit, license or approval shall be considered to materially and adversely affect the condition (financial or otherwise), properties, business or results of operations of the Borrowers taken as a whole only if the cost to the Borrowers associated with such failure is and/or is reasonably expected to be equal to or greater than $2,000,000, which calculation shall include any and all attorneys fees incurred or reasonably expected to be incurred by the Borrowers. Except as set forth on Exhibit B attached hereto and except for OHM (as hereinafter defined) that is used in compliance with all Environmental Laws in amounts and methods customary for a business such as the Business (provided such use does not result in a release that requires reporting pursuant to any Environmental Law), no Borrower has ever generated, stored, handled or disposed of any hazardous substances, hazardous materials, oil, or radioactive or nuclear waste (collectively, "OHM") on any of such properties or any portion thereof or in connection with any of such operations or the Business and no Borrower is aware of the presence, generation, storage, handling, or disposal of any OHM on any of such properties or any portion thereof or in connection with any of such operations or the Business by any Borrower or any prior owner or prior occupant or prior user thereof or by anyone else, nor is any Borrower aware of any spill or release or threatened release of OHM or other substance, into the environment on or from any of such properties or operations or in connection with the Business. Except as set forth on Exhibit B attached hereto, no inquiry, notice or threat to give notice by any governmental authority or any other third party has been received by any Borrower with respect to the generation, storage, handling, or disposal or release or threat of release (collectively, a "Release") or alleged Release thereof, or with respect to any violation or alleged violation of any Environmental Laws or any judgment, decree or order relating thereto. Except as set forth on Exhibit B attached hereto, no underground storage tanks or surface impoundments are on any of the properties owned or leased or operated by any Borrower or used in connection with the Business. Without in any way limiting the foregoing, as to each of the real properties owned or leased by each Borrower and any operations thereon, all as described on Exhibit B attached hereto, and as to the Business, each such property and operation and the Business is presently in compliance with and has in full force and effect all permits, licenses, or approvals required in connection with the licensing of nuclear decontamination facilities, the handling and disposal of radioactive waste, and record-keeping and reporting in connection therewith, except where the failure to so comply with or have any such permit, license or approval would not materially and adversely affect the condition (financial or otherwise), properties, business or results of operations of the Borrowers taken as a whole. Notwithstanding anything to the contrary set forth in any of the immediately preceding six sentences, the Borrowers shall not be required to set forth on Exhibit B a description of any set of facts or circumstances or of any inquiry, notice or threat to give notice described above (each individually, an "Environmental Matter") unless the cost to the Borrowers to respond to, address, or remediate any individual Environmental Matter shall be and/or shall reasonably be expected to be equal to or greater than $2,000,000. There shall be no deduction from any sum calculated and/or estimated pursuant to the preceding sentence due to any insurance

proceeds to which the Borrowers may be entitled or which the Borrowers may receive, and there shall be included in any such calculation the cost of any and all attorneys fees incurred and/or reasonably expected to be incurred by the Borrowers. For the purposes of this Section, (i) "hazardous substances" shall mean "hazardous substances" as defined in the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C. §9601 et seq., and regulations thereunder or under the provisions of any other applicable federal, state, county or municipal law, ordinance, rule or regulation, (ii) "hazardous material" and "oil" shall mean "hazardous material" and "oil", respectively, as defined in the Massachusetts Oil and Hazardous Material Release Prevention and Response Act, as amended, M.G.L. Chapter 21E, and regulations thereunder or under the provisions of any other applicable federal, state, county or municipal law, ordinance, rule or regulation, and (iii) "release" or "threat of release" shall mean such terms as they are defined in any of the foregoing laws, ordinances, rules or regulations, as applicable.

3.17 Labor Relations. No Borrower is engaged in any unfair labor practice that could have a material adverse effect on the Borrowers taken as a whole. Except as set forth on Exhibit B, there is (i) no significant unfair labor practice complaint pending against any Borrower or, to the best knowledge of the Borrowers, threatened against any of them, before the National Labor Relations Board, and no significant grievance or significant arbitration proceeding arising out of or under any collective bargaining agreement is so pending against any Borrower or, to the best knowledge of the Borrowers, threatened against any of them, except for such complaints, grievances and arbitration proceedings which, if adversely decided, would not have a material and adverse effect on the Borrowers taken as a whole, (ii) no significant strike, labor dispute, slowdown or stoppage pending against any Borrower or, to the best knowledge of the Borrowers, threatened against any Borrower except for any such labor action as would not have a material and adverse effect on the Borrowers taken as a whole, and (iii) to the best knowledge of the Borrowers, no union representation question existing with respect to a material number of employees of any Borrower and, to the best knowledge of the Borrowers, no union organizing activities are taking place which would have a material and adverse effect on the Borrowers taken as a whole.

3.18 Interdependence of Borrowers. In order to induce the Administrative Agent and each Bank to enter into this Agreement and the other Loan Documents to which it is a party, and grant the Revolving Credit Loans hereunder, the Borrowers hereby jointly and severally represent and warrant that: (i) the business of each Borrower shall benefit from the successful performance of the business of each other Borrower, and all of the Borrowers as a group; (ii) each Borrower has cooperated to the extent necessary and shall continue to cooperate with each other Borrower to the extent necessary in the development and conduct of each other Borrower's business, and shall to the extent necessary share and participate in the formulation of methods of operation, distribution, leasing, inventory control, and other similar business matters essential to each Borrower's business; (iii) the business of each Borrower shall continue to benefit from the maintenance with the other Borrowers of common facilities and the sharing with the other

Borrowers of officers, directors and staff personnel, and shall benefit from reporting its financial results on a consolidated basis with the other Borrowers; and (iv) the failure of any Borrower to cooperate with the other Borrowers in the conduct of their respective businesses shall have an adverse impact on the business of each Borrower, and the failure of any Borrower to associate or cooperate with the other Borrowers is reasonably likely to impair the goodwill of such Borrower and all of the Borrowers as a group.

3.19 Contracts with Affiliates, Etc.

(i) Except for agreements or transactions (in each case) in the ordinary course of business and on an arm's-length basis, no Borrower or any officer, employee or director thereof is a party to or otherwise bound by any agreements, instruments or contracts (whether written or oral) with any Affiliate other than the Loan Documents, except for any such agreement, instrument or contract as would not materially and adversely affect the condition (financial or otherwise), properties, business or results of operations of the Borrowers taken as a whole.

(ii) There is no material amount of Indebtedness for borrowed money owing by any Borrower to any Affiliate. There is no material amount of Indebtedness for borrowed money owing by any Affiliate to any Borrower.

3.20 Subsidiaries. (a) Except as set forth on Exhibit B, as of the date of this Agreement, all of the Subsidiaries of the Borrowers are as set forth in the Annual Report. Except as set forth on Exhibit B attached hereto, each Borrower is the owner, free and clear of all liens and encumbrances, of all of the issued and outstanding capital stock or other equity ownership of each of its Subsidiaries. All shares of such capital stock have been validly issued and are fully paid and nonassessable, and no rights to subscribe to any additional shares have been granted, and no options, warrants or similar rights are outstanding. (b) Neither Pride American Garments, Inc. nor Interstate Uniform Manufacturing of Puerto Rico, Inc. owns net assets in excess of $4,000,000 (which net assets consist primarily of accounts receivable owed by UniFirst) .

3.21 Disclosure. No representations and warranties made by the Borrowers in this Agreement, any other Loan Document, any financial statement, any certificate or in the information memorandum of the Borrowers dated May, 2004 for the facility subject of this Agreement furnished to the Administrative Agent, the Arranger, or the Banks by or on behalf of the Borrowers, contains any untrue statement of material fact or omits to state a material fact necessary in order to make the statements contained therein not materially misleading in light of the circumstances in which they are made. Except as disclosed on Exhibit B attached hereto, there is no fact reasonably known to any Borrower regarding any Borrower or the industry in which any Borrower is engaged which materially adversely affects, or which would in the future materially adversely affect, the business, condition (financial or otherwise), assets, operations or prospects of the Borrowers taken as a whole.

SECTION 4. CONDITIONS OF REVOLVING CREDIT LOANS.

4.1 Conditions to Making the First Revolving Credit Loan . The obligations of the Banks to make the first Revolving Credit Loan hereunder or of the Issuing Bank to issue any Letter of Credit shall be subject to the satisfaction, prior thereto or concurrently therewith, of each of the following conditions precedent:

4.1.1 Loan Documents. (i) Each of the Loan Documents shall have been duly and properly authorized, executed and delivered by the respective party or parties thereto and shall be in full force and effect on and as of the Closing Date, and (ii) executed original counterparts of each of the Loan Documents as executed and delivered by the respective parties thereto shall have been furnished to the Administrative Agent.

4.1.2 Legality of Transactions. No change in applicable law or regulation shall have occurred as a consequence of which it shall have become and continue to be unlawful (i) for the Administrative Agent or any Bank to perform any of its respective agreements or obligations under any of the Loan Documents to which each of them respectively is a party on the Closing Date, or (ii) for any Borrower to perform any of its agreements or obligations under any of the Loan Documents to which it is a party on the Closing Date.

4.1.3 Representations and Warranties. Each of the representations and warranties made by or on behalf of the Borrowers to the Administrative Agent and the Banks in this Agreement or the other Loan Documents shall be true and correct when made, shall, for all purposes of this Agreement, be deemed to be repeated on and as of the Closing Date, and shall be true and correct on and as of such date (except to the extent that such representations and warranties expressly relate to an earlier date).

4.1.4 Performance, etc. Each Borrower shall have duly and properly performed, complied with and observed each of its covenants, agreements and obligations contained in any of the Loan Documents to which it is a party or by which it is bound which are required to be performed on the Closing Date. All necessary consents and/or waivers in connection with the consummation of the transactions contemplated by the Loan Documents shall have been obtained by the Borrowers and copies thereof shall have been delivered to the Administrative Agent and the Banks. No event shall have occurred on or prior to the Closing Date and be continuing on such Closing Date, and no condition shall exist on such Closing Date, which constitutes an Event of Default or which would, with notice or the lapse of time, or both, constitute an Event of Default, both immediately prior to and after giving effect to the Private Placement and the Revolving Credit Loans to be made on the Closing Date.

4.1.5 Proof of Corporate Action; Good Standing . The Administrative Agent shall have received from each Borrower a certificate, certified by a duly authorized officer of such Borrower to be true and complete on the Closing Date, (i) attaching a copy of records of all corporate, limited partnership or limited liability company, as applicable, action taken by such Borrower to authorize (a) its execution and delivery of each of the

Loan Documents to which it is or is to become a party, (b) its performance of all of its agreements and obligations under each of such documents, and (c) any borrowings and other transactions contemplated by this Agreement, (ii) stating that there have been no amendments to its charter or other organizational documents or to its by-laws, operating agreement or partnership agreement as in effect on July 2, 1991 or, if later, the date of initial effectiveness thereof, except as set forth on Exhibit B attached hereto, and (iii) stating that all insurance that is required by this Agreement to be in effect in respect of all property and fixtures of the Borrowers is in effect on the Closing Date.

4.1.6 Incumbency Certificate. The Administrative Agent shall have received from each Borrower an incumbency certificate, dated the Closing Date and signed by a duly authorized officer of such Borrower, and giving the name and bearing a specimen signature of each individual who shall be authorized: (i) to sign, in the name and on behalf of each Borrower, each of the Loan Documents to which it is or is to become a party; (ii) to make application for the Loans and Letters of Credit; and (iii) to give notices and to take other action on its behalf under the Loan Documents.

4.1.7 Proceedings and Documents. All corporate, governmental and other proceedings in connection with the transactions contemplated by the Loan Documents and all instruments and documents incidental thereto, shall be in form and substance reasonably satisfactory to the Administrative Agent and the Banks and the Administrative Agent shall have received all such counterpart originals or certified or other copies of all such instruments and documents as the Administrative Agent and the Banks shall have reasonably requested.

4.1.8 Fees. The Borrowers shall have complied with their obligations under Section 2.5 hereof to pay any fees payable on the Closing Date.

4.1.9 Legal Opinion Letter. The Administrative Agent shall have received a letter addressed to the Administrative Agent and the Banks from Goodwin Procter LLP, counsel to the Borrowers, in or substantially in the form of the opinion letter previously delivered by Goodwin Procter LLP in connection with the September 2003 Credit Agreement.

4.1.10 Financial Condition. The Administrative Agent and the Banks shall be satisfied that the financial statements referred to in Section 3.7 hereof fairly present the business and financial condition of the Borrowers as at the close of business on the date thereof and the results of operations for the periods then ended, and that there has been no material adverse change in the assets, business, properties, liabilities (actual or contingent), condition (financial or otherwise), operations, income or prospects of the Borrowers and their Subsidiaries taken as a whole since the Initial Financial Statement or in the Borrowers' ability to operate in accordance with the projections referred to in Section 3.7 or to comply with the financial covenants referred to in Sections 5.25, 5.26 and 5.27 (except as described on Exhibit B attached hereto). The Administrative Agent and the Banks shall be satisfied with the projections referred to in Section 3.7. There

shall have been no material misstatements in, or omissions from, the financial statements and any other documentation furnished to the Administrative Agent and the Banks.

4.1.11 Legal Fees. The Borrowers shall have reimbursed the Administrative Agent and its Affiliates for all of the reasonable fees and disbursements of Messrs. Goulston & Storrs, P.C., counsel to the Administrative Agent and BOA, which shall have been incurred by the Administrative Agent or BOA in connection with the preparation, negotiation, execution and delivery of the Loan Documents.

4.1.12. Reserved.

4.1.13. Closing of Private Placement; Private Placement Documents . The Private Placement shall be consummated contemporaneously with the execution and delivery of this Agreement and the other Loan Documents to the Administrative Agent, and Senior Notes shall have been issued in the amount of $165,000,000. The Private Placement Documents and all other documentation and deliverables in connection therewith shall have been executed and delivered by each of the parties thereto, with a copy to the Administrative Agent, and shall be in full force and effect as of the Closing Date. The terms and conditions of the Private Placement Documents and related documentation shall be in form and substance satisfactory to the Administrative Agent and consistent with the terms and provisions of the Private Placement Term Sheet, and shall contain terms to the effect that the obligations of the Borrowers pursuant to the Senior Notes rank pari passu with all its other senior unsecured Indebtedness, including, without limitation, the Revolving Credit Loans. All of the conditions precedent to the consummation of the Private Placement shall have been met or satisfied without any waiver by any party thereto of any condition, obligation, covenant or other requirement without the Administrative Agent's prior written consent, upon the terms set forth in the Private Placement Documents and in the form delivered to and approved by the Administrative Agent. The proceeds of the Private Placement shall have been paid to the Administrative Agent for the account of the Existing Lenders in accordance with the terms of the September 2003 Credit Agreement and applied to repay the Revolving Credit Loans (as therein defined) outstanding under and in accordance with the terms of September 2003 Credit Agreement, together with a permanent reduction in the aggregate Revolving Credit Commitments (as therein defined) under the 2003 Credit Agreement in the amount of such repayments such that the Revolving Credit Commitments (as defined under the September 2003 Credit Agreement) shall be permanently reduced to $120,582.186.70 effective immediately prior to the effectiveness of the Assignment and this Agreement.

4.1.14. Organizational and Capital Structure . The organizational and capital structure of the Borrowers shall be reasonably satisfactory to the Administrative Agent.

4.1.15. No Material Adverse Change . Since the date of the Commitment Letter, none of the following events shall have occurred: (i) any material adverse change to the syndication market for credit facilities of like kind and nature to the Revolving Credit Loans pursuant to this Agreement, or material disruption of or material adverse change in the banking, capital, debt or other financial markets, which changes the Administrative Agent, in its reasonable discretion, believes has a material adverse effect on the transactions contemplated hereby; (ii) a suspension in trading in, or an establishment of minimum or maximum prices for, securities on the New York Stock Exchange or the American Stock Exchange; (iii) a banking moratorium shall have been declared by federal authorities or by authorities in the State of New York, and (iv) any other material adverse change in governmental regulation or policy affecting BOA, the Borrowers or the Revolving Credit Loans pursuant to this Agreement.

4.1.16 No Default of Material Contracts. None of the Borrowers or any of their Subsidiaries shall be in default under any contract or agreement material to the condition (financial or otherwise), properties, business or results of operations of the Borrowers, taken as a whole.

4.1.17 No Competing Placement. None of the Borrowers or any of their Subsidiaries shall have entered into a competing offering, placement or arrangement of debt securities or bank financing, other than the Private Placement.

4.2 Conditions to Making Subsequent Revolving Credit Loans or Issuing Subsequent Letters of Credit . The obligations of the Banks to make any Revolving Credit Loans or to issue Letters of Credit hereunder subsequent to the first Revolving Credit Loan shall be subject to the satisfaction, prior thereto or concurrently therewith, of each of the following conditions precedent:

4.2.1 Legality of Transactions. It shall not be unlawful (i) for any Borrower to perform any of its agreements or obligations under any of the Loan Documents to which such Borrower is a party on the Closing Date or (ii) with respect to obligations of each Bank to make any Revolving Credit Loans or to issue Letters of Credit subsequent to the first Revolving Credit Loan, for such Bank to perform any of its agreements or obligations under any of such Loan Documents to which such Bank is a party on the Drawdown Date of such Revolving Credit Loan.

4.2.2 Representations and Warranties. Each of the representations and warranties made by or on behalf of the Borrowers to the Administrative Agent and each Bank in this Agreement or any other Loan Document shall have been true and correct in all material respects when made and shall, for all purposes of this Agreement, be deemed to be repeated on and as of the Drawdown Date of such Revolving Credit Loan or the date of issuance of such Letter of Credit, and shall be true and correct in all material respects on and as of such date, except to the extent that such representations and warranties relate solely to a prior date.

4.2.3 No Events of Default. No event shall have occurred on or prior to such date and be continuing on such date, and no condition shall exist on such date which constitutes an Event of Default or which would, with notice or the lapse of time, or both, constitute an Event of Default both immediately prior to and after giving effect to such Revolving Credit Loan or Letter of Credit.

4.2.4 Proceedings and Documents. All corporate, limited partnership, limited liability company, governmental and other proceedings in connection with the transactions contemplated by the Loan Documents and all instruments and documents incidental thereto, shall be in form and substance reasonably satisfactory to the Administrative Agent and the Banks and the Administrative Agent shall have received all such counterpart originals or certified or other copies of all such instruments and documents as the Administrative Agent and the Banks shall have reasonably requested.

SECTION 5. COVENANTS.

The Borrowers hereby jointly and severally covenant with the Administrative Agent and the Banks and warrant that, from the date hereof and so long as any part of the Revolving Credit Commitments of the Banks remains in effect and until such later date as all of the Obligations are paid and satisfied in full:

5.1 Financial Reporting. The Borrowers shall furnish to the Administrative Agent and to each Bank (through the Administrative Agent):

(i) as soon as available to the Borrowers, but in any event within one hundred and twenty (120) days after each fiscal year-end, Consolidated and consolidating balance sheets of the Borrowers and their Subsidiaries as at the end of, and related Consolidated and consolidating statements of income, retained earnings and cash flow for, such fiscal year prepared in accordance with GAAP and, in the case of such Consolidated statements, certified by the Borrowers' Accountants; and concurrently with such financial statements, a written statement by the Borrowers' Accountants that, in the making of the audit necessary for their report and opinion upon such financial statements, they have obtained no knowledge of any Event of Default, or knowledge of any event which, with the passage of time, the giving of notice or both, will constitute such Event of Default, or, if in the opinion of such accountant such Event of Default or event exists, they shall disclose in such written statement the nature and status thereof;

(ii) as soon as available to the Borrowers, but in any event within sixty (60) days after the end of each of the first three fiscal quarters of each fiscal year of the Borrowers, Consolidated and consolidating balance sheets of the Borrowers and their Subsidiaries as at the end of, and related statements of income, retained earnings and cash flow for, the portion of the fiscal year then ended and for the fiscal quarter then ended (all in reasonable detail), prepared in accordance with GAAP and certified by the chief financial officer or Treasurer of each of the Borrowers;

(iii) promptly as they become available, a copy of each report (including any so-called management letters) submitted to any Borrower or its Subsidiaries by independent certified public accountants in connection with each annual audit of the books of such Borrower or Subsidiary by such accountants or in connection with any interim audit thereof pertaining to any phase of the business of such Borrower or Subsidiary;

(iv) promptly as they become available, copies of all such financial statements, proxy material and reports as it shall send to stockholders of any Borrower or its Subsidiaries, and of all regular and periodic reports filed by UniFirst or any of its Subsidiaries with any securities exchange or with the Securities and Exchange Commission or any governmental authority succeeding to any or all of the functions of said Commission;

(v) from time to time, with reasonable promptness, such other financial data and information about any Borrower or its Subsidiaries as the Administrative Agent or any Bank (through the Administrative Agent) may reasonably request;

(vi) concurrently with each delivery of financial statements pursuant to clause (i) and clause (ii) of this Section, a report in substantially the form of Exhibit D attached hereto signed on behalf of the Borrowers by the president, chief financial officer or Treasurer of each of the Borrowers or, with respect to any of the Borrowers other than UniFirst, by the vice president; and

(vii) concurrently with each delivery of financial statements pursuant to clause (i) of this Section, pro forma Consolidated projections for the Borrowers and their Subsidiaries for the next three (3) fiscal years beginning with such fiscal year, including projected balance sheets, income statements, cash flow statements and such other statements as the Administrative Agent or any Bank may reasonably request, and in form and substance consistent with the projections previously delivered by the Borrowers and their Subsidiaries to the Administrative Agent hereunder and in any event reasonably satisfactory to the Administrative Agent and the Banks, all prepared on a basis consistent with the financial statements required by clause (i) of this Section and accompanied by the principal qualitative assumptions made by the Borrowers and their Subsidiaries in preparing such projections, it being recognized by the Banks that projections as to future results are not be viewed as facts and that the actual results during the period or periods covered by the projections may differ from the projected results. Such projections shall be made in good faith and based on assumptions which the Borrowers and their Subsidiaries believe reasonable when made. The Administrative Agent and the Banks agree to keep confidential, in the manner each of them usually does with its respective customers, any and all of the information obtained from such projections, provided that such information may be made available for inspection and examination by (i) any court or governmental regulatory authority having jurisdiction over the Administrative Agent or any Bank, (ii) any independent auditors of the Administrative Agent or any Bank, and (iii) any potential Assignees and Participants.

5.2 Conduct of Business. Each of the Borrowers shall, and shall cause its Subsidiaries to:

(i) duly observe and comply with all applicable laws and all requirements of any governmental authorities relative to its corporate, limited partnership or limited liability company, as applicable, existence, rights and franchises, to the conduct of its business and to its property and assets (except where the failure to observe and comply would not materially and adversely affect the condition (financial or otherwise), properties, business or results of operations of the Borrowers taken as a whole or the ability of the Borrowers to perform their respective obligations to the Administrative Agent and each Bank), and shall maintain and keep in full force and effect all licenses and permits necessary to the proper conduct of its business (except for any such license or permit as would not materially and adversely affect the condition (financial or otherwise), properties, business or results of operations of the Borrowers taken as a whole; provided, that this Section 5.2(i) shall not apply with respect to any laws, requirements, licenses or permits the subject matter of which is covered by any other covenant contained herein);

(ii) maintain its corporate, limited partnership or limited liability company, as applicable, existence, except as permitted by Section 5.8 hereof, and remain or engage in substantially the same business as that in which it is now engaged plus reasonable extensions and expansions thereof, except that any Borrower may, upon prior notice to (and, with respect to the following clause (a), prior written consent from) the Administrative Agent and each Bank (which consent shall not be unreasonably withheld): (a) from time to time organize Subsidiaries to conduct branches or divisions of the business now conducted by such Borrower or to hold any of the property of such Borrower if such Subsidiary promptly upon its formation executes and delivers the agreements provided for in Section 5.2(iii) hereof; or (b) withdraw from any business activity which its Board of Directors or other governing body, after all due consideration of the circumstances, reasonably considers such withdrawal to otherwise be in the best interests of such Borrower and of all of the Borrowers taken as a whole;

(iii) upon forming or acquiring any Subsidiary organized under the laws of a jurisdiction within the United States, such Subsidiary and each Borrower shall execute and deliver to the Administrative Agent and the Banks (through the Administrative Agent) (a) a joinder agreement substantially in the form of Exhibit E attached hereto and the documents referred to in Section 2.01 thereof and (b) such other documents reasonably requested by the Administrative Agent consistent with the terms of this Agreement which provide that such Subsidiary shall become bound by all of the terms, covenants and agreements contained in the Loan Documents. Upon satisfaction of the conditions set forth in this Section 5.2(iii), each such newly-formed or acquired Subsidiary shall become a Borrower hereunder and under the other Loan Documents to the same extent as if such Subsidiary had been a party hereto and thereto on the Closing Date; and

(iv) at no time during the term of this Agreement shall the combined total assets and revenues relating to Uniformes de San Luis S.A. de C.V., a Mexican corporation, Unifirst S.A. de C.V., a Mexican corporation, Euro Nuclear Services (Netherlands) B.V., a Dutch company, ENS Nuklear Services, Gmbh, a German limited liability company, Euro Nuclear Services Limited, a company incorporated in the United Kingdom, and any other Subsidiary, whether now existing or hereafter formed or acquired, of the Borrowers which is not a Borrower hereunder, represent more than 10% of the total Consolidated assets and revenues of Unifirst.

5.3 Maintenance and Insurance. Each of the Borrowers shall, and shall cause its Subsidiaries to, maintain and keep its properties, which are material to the Borrowers taken as a whole, in good repair, working order and condition, and from time to time make all needful and proper repairs, renewals, replacements, additions and improvements thereto so that its business may be properly and advantageously conducted at all times. Each of the Borrowers shall, and shall cause its Subsidiaries to, at all times maintain with financially sound and reputable insurance companies, funds or underwriters' insurance of the kinds, covering the risks and in the relative proportionate amounts usually carried by reasonable and prudent companies conducting businesses similar to that of such Borrower or Subsidiary.

5.4 Taxes. Each of the Borrowers shall, and shall cause its Subsidiaries to, pay or cause to be paid all taxes, assessments or governmental charges (other than taxes, assessments and other governmental charges which either individually or in the aggregate are not material to the business or assets of the Borrowers taken as a whole) on or against it or its properties prior to such taxes becoming delinquent, except for any tax, assessment or charge which is being contested in good faith by proper legal proceedings and with respect to which adequate reserves have been established and are being maintained.

5.5 Limitation of Indebtedness. No Borrower shall, nor shall any Borrower permit any of its Subsidiaries to, create, incur, assume or suffer to exist, or in any manner become or be liable directly or indirectly with respect to, any Indebtedness or any off-balance sheet liabilities in the nature of synthetic leases or similar transactions except:

(i) the Obligations;

(ii) Indebtedness (including, without limitation, any indebtedness or other liabilities to the Banks) existing on the date of this Agreement, listed and described, but only to the extent so listed and described, on Exhibit C attached hereto;

(iii) Indebtedness for the purchase price of capital assets incurred in the ordinary course of business, provided that (a) such purchase is permitted by the terms of this Agreement, and (b) the aggregate principal amount of Indebtedness permitted by this clause (iii) shall not exceed $10,000,000 at any time outstanding;

(iv) Indebtedness for taxes, assessments or governmental charges to the extent that payment therefor shall at the time not be required to be made in accordance with Section 5.4 hereof;

(v) Indebtedness on open account for the purchase price of services, materials and supplies incurred by any Borrower in the ordinary course of business (not as a result of borrowing), so long as all of such open account Indebtedness shall be promptly paid and discharged when due or in conformity with customary trade terms and practices, except for any such open account Indebtedness which is being contested in good faith by such Borrower, as to which adequate reserves required by GAAP have been established and are being maintained and as to which no encumbrance has been placed on any property of such Borrower;

(vi) Indebtedness for borrowed money (including, without limitation, Subordinated Debt) of the Borrowers incurred after the date of this Agreement from any institutional lender in an aggregate amount outstanding (or committed) not in excess of $10,000,000 at any time, provided that (w) such Indebtedness for borrowed money shall be unsecured by any liens, charges or encumbrances whatsoever, (x) such Indebtedness shall not be in the nature of a revolving credit line, (y) such Indebtedness shall contain financial covenants that are no more restrictive to the Borrowers than those financial covenants contained in this Agreement and the other Loan Documents, and (z) the Administrative Agent shall receive prior notice of such incurrence of Indebtedness;

(vii) Indebtedness of any Borrower incurred in connection with the acquisition of substantially all of the assets of a Person other than a Borrower after the date of this Agreement, provided that, in each case (a) the related acquisition shall be expressly permitted by Section 5.8 hereof, (b) such Indebtedness shall be in favor of the seller of such assets (or its parent or successor in interest) ("Seller Indebtedness") or assumed as part of the related acquisition, including, without limitation, Indebtedness in the form of Industrial Revenue Bonds, but not any renewals or extensions of such Industrial Revenue Bonds ("Assumed Indebtedness"), (c) such Indebtedness shall not exceed the lesser of the cost of the acquired assets or their fair market value at the time of the related acquisition, (e) the aggregate amount of all Seller Indebtedness and Assumed Indebtedness outstanding at any time under this Section 5.5(vii) shall not exceed $10,000,000; (e) such Indebtedness shall be on terms reasonably acceptable to the Majority Banks (provided that such terms shall not require subordination of such Indebtedness to the Obligations); and (f) prior to any such acquisition with respect to which the aggregate consideration (including all assumed debt and equity issuances in connection therewith and all indebtedness used to finance such acquisition) exceeds $5,000,000, the Administrative Agent and the Banks shall have received computations from the Borrowers showing that the Funded Debt Ratio on a pro forma basis based upon the most recently completed Reference Period, but after giving effect to such proposed acquisition (including all Indebtedness assumed or incurred in connection therewith and all other Indebtedness for borrowed money of the Borrowers (including, in any event, the Obligations, the Stated Amount of Letters of Credit, obligations in respect of capital leases and Subordinated

Debt, if any) incurred after the last day of such Reference Period), does not exceed a multiple that is .25x less than the ratio then specified for such Reference Period in Section 5.26 hereof, provided that under no circumstances shall the required Funded Debt Ratio be less than 2.5 to 1.

(viii) Indebtedness for borrowed money of Euro Nuclear Services (Netherlands) B.V. ("ENS"), not to exceed Dfl. 5,000,000 in the aggregate from Internationale Nederlanden Bank ("ING") and Dfl. 2,250,000 in the aggregate from N.V. Noordeljke Ontwikkellngsmaatschappij ("NOM") (ING and NOM being sometimes collectively referred to herein as the "Dutch Lenders"); provided that such Indebtedness for borrowed money (a) shall be unsecured by any liens, charges or encumbrances whatsoever, and (b) is on or substantially on the terms respectively set forth in the Loan Agreement between ING and Euro Nuclear dated July 31, 1995, and the Money Loan Agreement dated October 1, 1995 among NOM, ENS, UniFirst and UniTech;

(ix) Indebtedness of UniFirst Canada for borrowed money to Royal Bank incurred in connection with the Royal Bank Documents, provided that such Indebtedness shall not exceed Cdn $10,000,000 in the aggregate; and

(x) Indebtedness of the Borrowers under the Senior Notes (on the terms in effect on the date hereof or as such terms may be amended from time to time in accordance with Section 5.22 hereof, and subject to the conditions set forth in Section 5.31 hereof).

5.6 Guaranties. No Borrower shall, nor shall any Borrower permit any of its Subsidiaries to, become or be liable by way of guaranty, surety or other arrangement for the Indebtedness or obligations of any nature or kind of any other entity or person (including any Subsidiary), except (i) for endorsement of instruments for collection in the ordinary course of business, (ii) guaranties by any Borrower of any Indebtedness or other obligations of any other Borrower or Subsidiary so long as such Indebtedness or other obligation is not prohibited by this Agreement.

5.7 Restrictions on Liens. No Borrower shall, nor shall any Borrower permit any of its Subsidiaries to, create, incur, assume or suffer to exist any mortgage, pledge, security interest, lien or other charge or encumbrance, including the lien or retained security title of a conditional vendor, ("Encumbrances") upon or with respect to any property or assets, real or personal, of such Borrower or Subsidiary, or assign or otherwise convey any right to receive income, except:

(i) Encumbrances existing on the date of this Agreement and set forth on Exhibit B attached hereto; or

(ii) Liens for taxes, fees, assessments and other governmental charges to the extent that payment of the same is not required in accordance with the provisions of Section 5.4 hereof; or

(iii) Encumbrances in favor of the Administrative Agent for the benefit of the Banks; or

(iv) Encumbrances securing Indebtedness for the purchase price of capital assets to the extent such Indebtedness is permitted by Section 5.5(iii) hereof, provided that (a) each such Encumbrance is given solely to secure the purchase price of such property, does not extend to any other property and is given at the time of acquisition of the property, and (b) the Indebtedness secured thereby does not exceed the lesser of the cost of such property or its fair market value at the time of acquisition; or

(v) Liens of mechanics, laborers, materialmen, carriers and warehousemen arising by operation of law to secure payment for labor, materials, supplies or services incurred in the ordinary course of such Borrower's or Subsidiary's business, but only if the payment thereof is not at the time required or such liens do not, individually or in the aggregate, materially detract from the value or limit the use of any property subject thereto; or

(vi) Deposits made in the ordinary course of such Borrower's or Subsidiary's business in connection with workmen's compensation, unemployment insurance, social security and other similar laws.

(vii) Encumbrances upon property with respect to which the title to or the right to use such property is acquired after the date of this Agreement by any Borrower or Subsidiary by acquisition of substantially all of the assets of a Person other than a Borrower or Subsidiary and securing Indebtedness permitted by Section 5.5(vii) hereof, provided that (a) any such Encumbrance shall have existed on such property on the date of, or in the case of Seller Indebtedness, shall be created concurrently with, such acquisition and shall have not have been created, incurred or assumed in anticipation thereof, (b) any such Encumbrance shall only be upon the real or personal property (other than inventory or accounts receivable) acquired or, in the case of new construction, the building(s) constructed and the real property relating to same, and shall not extend to or cover any other property of any Borrower or Subsidiary, and (c) such Encumbrances shall not secure an aggregate amount in excess of $5,000,000.00.

In addition, the Borrowers shall not, nor shall any Borrowers permit any Subsidiary to, enter into or permit to exist any arrangement or agreement which directly or indirectly prohibits the Borrowers or any such Subsidiary from creating or incurring any Encumbrance in favor of the Administrative Agent for the benefit of the Banks and the Administrative Agent under the Loan Documents, except that with respect to the Encumbrances described in clause (vii) of this Section 5.7, the agreements evidencing such Encumbrances may provide that the Administrative Agent and the Banks may not have a lien on the specific assets to which such Encumbrances apply (but on those specific assets only and not with respect to any other assets (including proceeds) of the Borrowers).

5.8 Merger, Acquisitions and Purchase and Sale of Assets . No Borrower shall, nor shall any Borrower permit any of its Subsidiaries to, consolidate or merge with or into any other corporation or other entity, acquire the assets or stock of any entity, or sell, lease, transfer or otherwise dispose of all or any substantial part of its assets (including, without limitation, its plant, property, equipment or Customer Lists), either by or through a single transaction or by or through a series of separate but related transactions, except:

(i) that (x) a Subsidiary of UniFirst may be merged or consolidated with any one or more other Subsidiaries of UniFirst if the successor formed or resulting from such consolidation or merger shall be a Subsidiary of UniFirst, and (y) a Subsidiary of UniFirst may be dissolved so long as all of the assets and properties of such Subsidiary have been transferred to UniFirst or one of its other Subsidiaries prior to such dissolution;

(ii) sales of assets (x) in the ordinary course of business and (y) not in the ordinary course of business having an aggregate purchase price of not more than $15,000,000 in any fiscal year, provided that all such sales under clauses (x) and (y) are made at fair market value (it being agreed that for purposes of this clause (ii), except with respect to sales of inventory in the ordinary course of business, any sale (or series of related sales to the same or an affiliated party) having an aggregate purchase price of $1,000,000 or less shall be deemed to be made in the ordinary course of business and any sale (or series of related sales to the same or an affiliated party) having an aggregate purchase price of more than $1,000,000 shall be deemed to be made out of the ordinary course of business); and

(iii) in connection with acquisitions, that are non-hostile in nature, of interests in other corporations or business entities engaged in the same business as that in which the Borrowers are now engaged or in a reasonable extension or expansion thereof (either through the purchase of assets or capital stock or otherwise); provided, that (a) the aggregate amount of such acquisitions shall not exceed $25,000,000 in any 12 month period, (b) the aggregate amount of any single such acquisition shall not exceed $15,000,000, (c) except to the extent expressly permitted by Section 5.7(vii) hereof, the properties and assets acquired in connection with such acquisitions shall be free from all liens, charges and encumbrances whatsoever, (d) immediately prior to and after giving effect to such acquisition, no Event of Default shall exist, (e) with respect to any such acquisition in which the aggregate consideration (including all assumed debt and equity issuances in connection therewith and all indebtedness used to finance such acquisition) exceeds $5,000,000, any such corporation or business entity shall have realized positive EBITDA for the most recently completed twelve calendar months prior to the consummation of such acquisition, (f) upon consummation of such acquisition, any corporation or business entity acquired shall be a party to such of the Loan Documents as is required by the Administrative Agent, as more fully described in Section 5.2(iii), and (g) prior to any such acquisition with respect to which the aggregate consideration (including all assumed debt and equity issuances in connection therewith) exceeds $5,000,000, the Administrative Agent and the Banks shall have received computations from the Borrowers showing that the Funded Debt Ratio on a pro forma basis for the

most recently completed Reference Period, but after giving effect to such proposed acquisition (including all Indebtedness assumed or incurred in connection therewith and all other Indebtedness for borrowed money of the Borrowers (including, in any event, the Obligations, the Stated Amount of Letters of Credit, obligations in respect of capital leases and Subordinated Debt, if any)), does not exceed a multiple that is .25x less than the ratio specified for such Reference Period in Section 5.26 hereof, provided that under no circumstances shall the required Funded Debt Ratio be less than 2.5 to 1.

5.9 Investments and Loans. No Borrower shall, nor shall any Borrower permit any of its Subsidiaries to, make or have outstanding at any time any investments in or loans to any other person (including any Subsidiary), whether by way of advance, guaranty, extension of credit, capital contribution, purchase of stocks, notes, bonds or other securities or evidences of Indebtedness, or acquisition of limited or general partnership interests, other than:

(i) in direct obligations of the United States of America, maturing within one year of their issuance;

(ii) in time certificates of deposit or repurchase agreements, maturing within one year of their issuance, from banks in the United States having capital, surplus and undivided profits in excess of $500,000,000;

(iii) in short-term commercial paper carrying the investment grade rating by Moody's or Standard and Poor's rating services and issued by corporations headquartered in the United States, in currency of the United States of America;

(iv) in any other Borrower, provided that immediately prior to and after giving effect to such investment or loan, no Event of Default shall exist;

(v) in connection with acquisitions of interests in other corporations or business entities engaged in the same business as that in which the Borrower is now engaged or in a reasonable extension or expansion thereof (either through the purchase of assets or capital stock or otherwise) to the extent permitted under Section 5.8(iii) hereof;

(vi) in shares of (a) money-market mutual funds investing in obligations carrying the investment grade rating by Moody's or Standard and Poor's rating services, and (b) mutual funds investing in adjustable rate preferred stock;

(vii) loans and advances to employees of the Borrowers, made in the ordinary course of business and consistent with past practices, not to exceed $1,000,000 in the aggregate, provided that no such advances to any single employee shall exceed $250,000 in the aggregate; and

(viii) investments in addition to those permitted in this Section 5.9 which do not exceed in the aggregate $5,000,000, provided that on the date on which any such

investment is proposed to be made, no event or condition which constitutes an Event of Default, or which, with notice or the lapse of time, or both, would constitute an Event of Default, would occur by reason of the making of such investment.

5.10 Sale of Notes. No Borrower shall, nor shall any Borrower permit any of its Subsidiaries to, sell, discount or dispose of any note, instrument, account, or other obligation owing to such Borrower or Subsidiary in an amount that is material to the Borrowers taken as a whole, except to any Bank.

5.11 ERISA Plans. With respect to any Plan, each of the Borrowers and each member of the Controlled Group will (i) fund each Plan as required by the provisions of Section 302 of ERISA or Section 412 of the Code, (ii) furnish the Administrative Agent, no later than the date of submission in the case of any request or notice relating to any such Plan other than a Multi-Employer Plan, and no later than acquiring knowledge or having reason to know thereof in the case of any request or notice relating to a Multi-Employer Plan, (a) a copy of any request for a waiver of the funding standards or an extension of the amortization periods required under Section 302 of ERISA or Section 412 of the Code and (b) a copy of any notice of intent to terminate any Plan sent to the PBGC, (iii) furnish to the Administrative Agent notice of any event described in Title IV of ERISA that could cause any of the Borrowers or any member of the Controlled Group to become liable for any withdrawal liability in excess of $250,000 in the aggregate with respect to a Plan or in excess of $750,000 in the aggregate with respect to all Plans, immediately upon knowing or having reason to know of such event, and (iv) furnish to the Administrative Agent, if and when any of the Borrowers or any member of the Controlled Group gives or is required to give notice to the PBGC of any "reportable event" (as defined in Section 4043 of ERISA) with respect to any Plan that might constitute grounds for a termination of such Plan under Title IV of ERISA, or knows or has reason to know that the plan administrator of any Plan has given or is required to give notice of any such reportable event, a copy of the notice of such reportable event given or required to be given to the PBGC or, if such notice is not given to the PBGC, a description of the content of the notice that would be required to be given; and each of the Borrowers and each member of the Controlled Group will comply, and will cause each Plan and Welfare Plan maintained by it to comply, in all material respects with the applicable provisions of ERISA and the Code, and cause each Plan and Welfare Plan maintained by it to pay all benefits when due.

None of the Borrowers, nor any member of the Controlled Group shall permit any Plan or Welfare Plan maintained by it to (x) engage in any non-exempt "prohibited transaction" (as defined in Section 406 of ERISA and Section 4975 of the Code), (y) incur any "accumulated funding deficiency" (as defined in Section 302 of ERISA and Section 412 of the Code), whether or not waived, or (z) terminate in a manner that could result in the imposition of a lien or encumbrance on the assets of any of the Borrowers pursuant to Section 4068 of ERISA.

5.12 Revolving Credit Commitment. The Borrowers shall not cause or permit the aggregate principal amount of the Revolving Credit Loans (including Swingline Loans), plus the aggregate Stated Amount of Letters of Credit outstanding at such time, plus the aggregate amount of any unreimbursed draws under outstanding Letters of Credit, to exceed the aggregate amount of the Revolving Credit Commitments of all the Banks.

5.13 Notification of Default. Upon becoming aware of the existence of any condition or event which would constitute an Event of Default, or any condition or event which would upon notice or passage of time, or both, constitute an Event of Default, the Borrowers shall forthwith give the Administrative Agent written notice thereof specifying the nature and duration thereof and the action being or proposed to be taken with respect thereto.

5.14 Notification of Material Litigation. The Borrowers shall forthwith notify the Administrative Agent in writing of any litigation or of any investigative proceedings (civil or criminal) of a governmental agency or authority commenced or known to be threatened against any of them or any Subsidiary which would be materially adverse to the business or the financial condition of the Borrowers taken as a whole.

5.15 Notification of Material Adverse Change. The Borrowers shall forthwith notify the Administrative Agent of any occurrence, condition or event affecting any Borrower or any Subsidiary which would constitute a material adverse change in or which would have a material adverse effect on the business, properties or condition (financial or otherwise) of the Borrowers taken as a whole.

5.16 Inspection by the Administrative Agent and the Banks. Each Borrower shall, and shall cause their Subsidiaries to, permit the Banks, through the Administrative Agent or any of their representatives, agents or designees, at any reasonable time and from time to time, (i) to visit and inspect the properties of such Borrower or Subsidiary, (ii) to examine and make copies of and take abstracts from the books and records of such Borrower or Subsidiary, and (iii) to discuss the affairs, finances and accounts of such Borrower or Subsidiary with appropriate officers.

5.17 Maintenance of Books and Records. Each Borrower shall, and shall cause their Subsidiaries to, keep adequate books and records of account in which true and complete entries will be made reflecting all of its business and financial transactions, and such entries will be made in accordance with GAAP and applicable law including, without limitation, laws with respect to questionable, improper or corrupt payments.

5.18 Use of Proceeds. The proceeds of each of the Revolving Credit Loans shall be used by the Borrowers (i) to provide working capital for the Borrowers, and (ii) to fund acquisitions of interests in other corporations or business entities, to the extent permitted herein. No part of the proceeds of any of the Loans shall be used (directly or indirectly) for the purpose of purchasing or carrying any “margin security” or “margin

stock" as such terms are used in Regulations U or X of the Board of Governors of the Federal Reserve System.

5.19 Transactions with Affiliates. No Borrower shall, nor shall any Borrower permit any of its Subsidiaries to, directly or indirectly enter into any purchase, sale, lease or other transaction with any Affiliate except in the ordinary course of business on terms that are no less favorable to such Borrower or Subsidiary than those which might be obtained at the time in a comparable arm's-length transaction with any person who is not an Affiliate.

5.20 Environmental Regulations.

(i) Each of the Borrowers shall, and shall cause its Subsidiaries to, comply with all Environmental Laws (as such term is defined in Section 3.16 hereof) now or hereafter applicable to any of them, their respective properties or the Business, including, without limitation, the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq., and the Energy Reorganization Act of 1974, as amended, 42 U.S.C. 5801 et seq., in all jurisdictions in which any of them operates now or in the future, except where the failure to comply with such laws would not materially and adversely affect the condition (financial or otherwise), properties, business or results of operations of the Borrowers taken as a whole, it being understood and agreed that any failure to so comply with or have any such permit, license or approval shall be considered to materially and adversely affect the condition (financial or otherwise), properties, business or results of operations of the Borrowers taken as a whole only if the cost to the Borrowers and their Subsidiaries associated with such failure is and/or is reasonably expected to be equal to or greater than $2,000,000, which calculation shall include any and all attorneys fees incurred or reasonably expected to be incurred by the Borrowers and their Subsidiaries.

(ii) If any Borrower or any of its Subsidiaries shall (a) receive notice that any violation or alleged violation of any Environmental Law may have been committed or is about to be committed by any Borrower or any of its Subsidiaries, (b) receive notice that any administrative or judicial complaint or order has been filed or is about to be filed against any Borrower any of its Subsidiaries alleging a violation of any Environmental Law or requiring any Borrower any of its Subsidiaries to take any action in connection with the alleged or actual release or threat of release of toxic or hazardous wastes or materials, oil, or radioactive or nuclear waste into the environment, or (c) receive any notice from a federal, state, or local governmental agency or any other third party alleging that any Borrower any of its Subsidiaries may be liable or responsible for any costs associated with a response to or a cleanup of a release or threat of release of toxic or hazardous wastes or materials, oil, or radioactive or nuclear waste into the environment or any damages caused thereby, the Borrowers or such Subsidiaries shall provide the Administrative Agent with a copy of such notice within five (5) days after such Borrower's or Subsidiary's receipt thereof; provided, however, that this sentence shall only apply with respect to any violation, complaint, order or liability which would have a material and adverse affect on the condition (financial or otherwise), properties, business

or results of operations of the Borrowers taken as a whole, it being understood and agreed that any such violation, complaint, order or liability shall be considered to materially and adversely affect the condition (financial or otherwise), properties, business or results of operations of the Borrowers taken as a whole only if the cost to the Borrowers and their Subsidiaries associated with such violation, complaint, order or liability is and/or is reasonably expected to be equal to or greater than $2,000,000. There shall be no deduction from any sum calculated and/or estimated pursuant to the preceding sentence due to any insurance proceeds to which the Borrowers or their Subsidiaries may be entitled or which the Borrowers or their Subsidiaries may receive, and there shall be included in any such calculation the cost of any and all attorneys fees incurred and/or reasonably expected to be incurred by the Borrowers and their Subsidiaries. Within fifteen (15) days after such Borrower or Subsidiary has learned of the enactment or promulgation of any federal, state or local Environmental Law which may result in any such material adverse change in the business, properties or condition (financial or otherwise) of any Borrower or any of its Subsidiaries, the Borrowers or such Subsidiaries shall provide the Administrative Agent with notice thereof.

5.21 Fiscal Year. The Borrowers and their Subsidiaries shall have fiscal years ending on the last Saturday in August of each year and shall not change such fiscal years without the express prior written consent of each of the Banks.

5.22 No Amendments to Certain Documents. None of the Borrowers shall, nor shall any Borrower permit any of its Subsidiaries to, at any time cause or permit (i) any of the Ancillary Documents to be modified, amended or supplemented in any respect whatever, or (ii) any of the charter or other incorporation documents or by-laws of any Borrower or any of its Subsidiaries to be modified, amended or supplemented in any respect whatever, without (in each case) the express prior written agreement, consent or approval of each of the Banks, except for any such modification, amendment or supplement as would not (x) materially and adversely affect the condition (financial or otherwise), properties, business or results of operations of the Borrowers taken as a whole or the ability of the Borrowers to perform their respective obligations to the Administrative Agent and each Bank, or (y) effect a change in any provision pertaining to the subordination or the terms of payment of any Subordinated Debt. The terms of the Senior Notes and the Note Purchase Agreement shall not be modified, amended or supplemented so as to (i) provide for security of the obligations under the Senior Notes and the Note Purchase Agreement, (ii) cause the amount of Indebtedness under the Senior Notes to exceed $165,000,000, or (iii) cause the Borrower's obligations under the Senior Notes and the Note Purchase Agreement to rank senior to the Revolving Credit Loans or any other senior unsecured Indebtedness of the Borrowers and any of their Subsidiaries, without the express prior written agreement, consent or approval of the Majority Banks.

5.23 No Termination of Certain Documents. None of the Borrowers shall, nor shall any Borrower permit any of its Subsidiaries to, at any time directly or indirectly terminate, cancel or rescind, or cause or permit, or otherwise agree or consent to or approve, the termination, cancellation or rescission of, any of the Loan Documents or any

of the Ancillary Documents without (in each case) the express prior written agreement, consent or approval of each of the Banks, except, in the case of an Ancillary Document only, for any such termination, cancellation or rescission as would not materially and adversely affect the condition (financial or otherwise), properties, business or results of operations of the Borrowers taken as a whole or the ability of the Borrowers to perform their respective obligations to the Administrative Agent and each Bank.

5.24 Customer Lists. The Borrowers shall, and shall cause their Subsidiaries to, use their respective reasonable efforts to prevent any officer, director, employee, shareholder or agent of any Borrower or any of its Subsidiaries from revealing any Customer Lists to any person or entity or causing to be transferred, sold or donated any Customer Lists to any person or entity or taking any action which would negatively affect the value of any Customer Lists (except in connection with sales of assets or stock expressly permitted by this Agreement). The Borrowers shall, and shall cause their Subsidiaries to, deliver to the Administrative Agent, at any time upon the occurrence of an Event of Default or an event which, with the giving of notice or the passage of time, or both, would constitute an Event of Default, upon the Administrative Agent's or any Bank's request, copies of the then-current Customer Lists, together with such other information as the Administrative Agent or such Bank may reasonably request in order to identify the terms and conditions of the Borrowers' and their Subsidiaries' agreements with their respective customers. The Administrative Agent and the Banks agree to keep confidential, in the manner each of them usually does with its respective customers, any and all of the information obtained from such Customer Lists; provided that (i) such Customer Lists may be made available for inspection and examination by (a) any governmental regulatory authority having jurisdiction over the Administrative Agent or any Bank, (b) any independent auditors of the Administrative Agent or any Bank, and (c) any potential Assignees and Participants, and (ii) the foregoing shall in no way limit the exercise by the Administrative Agent and each Bank of any and all rights they may have after any acceleration pursuant to Section 6.2 hereof.

5.25 Consolidated Tangible Net Worth. The Borrowers shall at all times maintain Consolidated Tangible Net Worth of the Borrowers and their Subsidiaries of not less than the sum of (i) $108,000,000.00 plus, (ii) on a cumulative basis, an amount equal to 50% of the net after tax profit of the Borrowers and their Subsidiaries earned in each of their fiscal quarters (commencing with the fiscal quarter ending May 28, 2004), with no reduction for losses.

5.26 Funded Debt Ratio. The Borrowers shall not permit the Funded Debt Ratio of the Borrowers and their Subsidiaries as at the last day of any fiscal quarter in any fiscal period identified below to be greater than
the ratio specified below opposite such fiscal period:

Period	Maximum Ratio
From the Closing Date through the fiscal quarter ending May 28, 2004	3.00 to 1.00
From the fiscal quarter ending August 28, 2004 through the fiscal quarter ending May 28, 2005	2.75 to 1.00
Through any fiscal quarter ending thereafter	2.5 to 1.00

5.27 Debt Coverage. The Borrowers shall not cause or permit the Debt Coverage Ratio (as hereinafter defined) of the Borrowers and their Subsidiaries for any Reference Period (as hereinafter defined) as of any fiscal quarter end to be less than 1.75 to 1.

For purposes of this Agreement:

(i) "Debt Coverage Ratio" means, in relation to any Reference Period, the ratio of (a) the sum of (A) EBITDA for such Reference Period, minus the sum of (B) Capital Expenditures made by the Borrowers and their Subsidiaries during such Reference Period minus (C) federal and state income taxes relating to the Business and actually paid by the Borrowers and their Subsidiaries during such Reference Period, to (b) the sum of (A) the aggregate Interest Charges of the Borrowers and their Subsidiaries for such Reference Period, plus (B) the aggregate amount of all scheduled principal payments made during such Reference Period in respect of any Indebtedness for borrowed money or capital leases of the Borrowers and their Subsidiaries (to the extent not otherwise included in Indebtedness); and

(ii) "Reference Period" means, with respect to any specified date, the period of four consecutive fiscal quarters of the Borrowers and their Subsidiaries ending on such date. It is intended that a separate Reference Period of four consecutive fiscal quarters of the Borrowers and their Subsidiaries shall end at the last day of each and every fiscal quarter of the Borrowers and their Subsidiaries.

5.28 Restricted Payments. No Borrower shall, nor shall any Borrower permit its Subsidiaries to, pay, make or declare any Restricted Payment. Notwithstanding the foregoing, (i) UniFirst's Subsidiaries may from time to time make distributions to UniFirst, (ii) UniFirst may make capital contributions to any of its Subsidiaries which is a party to this Agreement, and (iii) UniFirst may pay regular quarterly dividends (such dividends to be consistent with past practices) to its shareholders, provided that at the time UniFirst pays any such dividend, and after giving effect thereto, no Event of Default, or event which would, with notice or lapse of time, or both, constitute an Event of Default, exists. No Borrower will, nor shall any Borrower permit its Subsidiaries to, enter into any agreement, contract or arrangement (other than the Loan Documents) restricting the ability of any Subsidiary of any Borrower or any Borrower to pay or make dividends or distributions in cash or kind, to make loans, advances or other payments of any nature or to make transfers or distributions of all or any part of its assets to any Borrower. Notwithstanding the

foregoing, it is agreed that the proceeds of the Revolving Credit Loans may also be used by UniFirst for the redemption or repurchase, on one or more occasions, of its capital stock, provided that the aggregate amount of all such redemptions during the term of this Agreement shall not exceed $25,000,000, and provided that, in each case, no Event of Default then exists or would result from such redemption. The Borrowers shall deliver to the Administrative Agent and the Banks within ten (10) days after the end of each month in which any such redemptions or repurchases are made computations from the Borrowers showing that (x) the Funded Debt Ratio on a pro forma basis for the most recently completed Reference Period, but both before and after giving effect to such proposed redemption or repurchase, is less than 2.00 to 1.00, and (y) the Funded Debt Ratio on a pro forma basis for the most recently completed Reference Period, but after giving effect to such proposed redemption or repurchase, does not exceed a multiple that is .25x less than the ratio then specified for such Reference Period in Section 5.26 hereof.

5.29 Sale and Leaseback. No Borrower shall, nor shall any Borrower permit its Subsidiaries to, enter into any arrangement, directly or indirectly, whereby it shall sell or transfer any property owned by it in order to lease such property or lease other property that the Borrower intends to use for substantially the same purpose as the property being sold or transferred.

5.30 Obligations to Rank Pari Passu. The Obligations of each Borrower under this Agreement and the other Loan Documents shall rank at least pari passu with all other present and future senior unsecured Indebtedness of the Borrowers and any of their Subsidiaries, including, without limitation, the Senior Notes.

5.31 Most Favored Nation Status. Each of the Borrowers agrees that, if the Senior Notes or the Note Purchase Agreement shall be amended, modified or supplemented to (i) shorten the term of the Senior Notes such that the maturity date of the Senior Notes is prior to or concurrent with the Revolving Credit Maturity Date, or (ii) make the financial covenants under the Senior Notes and the Note Purchase Agreement more restrictive than the financial covenants set forth in this Agreement and the other Loan Documents, including, without limitation, by adding financial covenants to the terms of the Senior Notes or the Note Purchase Agreement other than those in effect on the date hereof, then at the Agent's option, the Borrower, the Administrative Agent and the Banks shall amend this Agreement such that (i) the Revolving Credit Maturity Date hereunder is prior to the maturity date of the Senior Notes (the date of the Revolving Credit Maturity Date to be established in the Administrative Agent's sole discretion, but not more than one hundred eighty (180) days prior to the maturity date of the Senior Notes) and (ii) the financial covenants in this Agreement are as restrictive as those financial covenants in the Senior Notes and the Note Purchase Agreement and/or the financial covenants in this Agreement include the financial covenants added to the Senior Notes and the Note Purchase Agreement.

SECTION 6. EVENTS OF DEFAULT; ACCELERATION.

6.1 Any or all of the Obligations of the Borrowers to the Administrative Agent and the Banks shall, at the option of the Majority Banks (acting through the Administrative Agent) (except for automatic acceleration referenced in Section 6.2 hereof), and notwithstanding the provisions of any instrument evidencing an Obligation, be immediately due and payable without notice or demand upon the occurrence of any of the following events of default (individually, an "Event of Default"):

(i) any principal payable under this Agreement (including, without limitation, Section 2.1.1 hereof) or any Revolving Credit Note, any Swingline Note or any obligation to reimburse BOA on account of any drawing under any Letter of Credit, shall not be paid punctually on the date on which the same shall have first become due and payable; or

(ii) any interest or any other sum (except principal) payable to the Administrative Agent or the Banks under any of the Loan Documents shall not be paid within five (5) days after the date on which the same shall have first become due and payable; or

(iii) (a) any Borrower shall fail to perform, comply with or observe or shall otherwise breach any one or more of its covenants, agreements or obligations contained in Sections 5.5 through 5.8, inclusive, 5.9(v), 5.13, 5.20, 5.22, 5.23, 5.25 through 5.28 inclusive, 5.30, and 5.31 of this Agreement; or (b) any Borrower shall fail to perform, comply with or observe or shall otherwise breach any one or more of its covenants, agreements or obligations contained herein (other than in the Sections listed in clause (a) above) or in any other Loan Document to which such person is a party and such failure under this clause (b) shall continue for more than fifteen (15) days after the earlier of the date on which any Borrower shall have first actually become aware of such failure or breach or the Administrative Agent or the Banks shall have first notified any Borrower of such failure or breach; or

(iv) any representation or warranty at any time made by or on behalf of any Borrower in any Loan Document or in any certificate, written report or statement furnished to the Administrative Agent or the Banks pursuant thereto shall prove to have been false in any material respect upon the date when made or deemed to have been made; or

(v) (A) any Borrower or any Subsidiary is in default (which default has not been cured or waived) (as principal or as guarantor or other surety) in the payment of any principal of or premium or make-whole amount or interest (in the payment amount of at least $500,000) on any Indebtedness that is outstanding in an aggregate principal amount of at least $10,000,000 beyond any period of grace provided with respect thereto, or (2) any Borrower or any Subsidiary is in default (which default has not been cured or waived) in the performance of or compliance with any term of any evidence of any Indebtedness that is outstanding in an aggregate principal amount of at least $10,000,000 or of any mortgage, indenture or other agreement relating thereto or any other condition exists, and, in either such case, as a consequence of such default or condition such Indebtedness has become, or has been declared, or one or more Persons has the right to

declare such Indebtedness to be due and payable before its stated maturity or before its regularly scheduled dates of payment, or (3) as a consequence of the occurrence or continuation of any event or condition (which event or condition has not been cured or waived) (other than the passage of time or the right of the holder of Indebtedness to convert such Indebtedness into equity interests), any Borrower or any Subsidiary has become obligated to purchase or repay Indebtedness before its regular maturity or before its regularly scheduled dates of payment in an aggregate outstanding principal amount of at least $10,000,000 or one or more Persons have the rights to require any Borrower or any Subsidiary so to purchase or repay such Indebtedness; or

(B) notwithstanding the foregoing Section 6.1(v)(A), any Event of Default (as such term is defined in the Note Purchase Agreement) shall occur and be continuing under the Note Purchase Agreement or the Senior Notes; or

(vi) any Borrower or its Subsidiaries shall (a) apply for or consent to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of itself or of all or a substantial part of its property, (b) be generally not paying its debts as such debts become due, (c) make a general assignment for the benefit of its creditors, (d) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), (e) file a petition seeking to take advantage of any other law providing for the relief of debtors, (f) consent to any petition filed against it seeking an order for relief under the Bankruptcy Code or of any other law providing for the relief of debtors, (g) take any action under the laws of its jurisdiction of incorporation or organization similar to any of the foregoing, or (h) take any corporate action for the purpose of effecting any of the foregoing; or

(vii) a proceeding or case shall be commenced against any Borrower or its Subsidiaries in any court seeking (a) the liquidation, reorganization, dissolution, winding up, or composition or readjustment of its debts, (b) the appointment of a trustee, receiver, custodian, liquidator or the like of it or of all or any substantial part of its assets, (c) an order for relief under the Bankruptcy Code, (d) similar relief in respect of it, under any law providing for the relief of debtors; and any such proceeding specified in (a) through (d) hereinabove (A) shall not be dismissed within thirty (30) days from the initiation thereof, or (B) shall not be contested by such Borrower or Subsidiary in good faith and with due diligence; or action under the laws of the jurisdiction of incorporation or organization of any Borrower or its Subsidiaries similar to any of the foregoing shall be taken with respect to such Borrower or Subsidiary and such action shall not be dismissed within thirty (30) days from the initiation thereof, or during such thirty (30) day period such Borrower or Subsidiary shall not contest the same in good faith and with due diligence; or

(viii) a court shall with respect to any Borrower or its Subsidiaries order or enter (a) the liquidation, reorganization, dissolution, or composition or readjustment of its debts, (b) the appointment of a trustee, receiver, custodian, liquidator or the like of it or of all or any substantial part of its assets, (c) order for relief under the Bankruptcy Code, (d)

similar relief in respect of it, under any law providing for the relief of debtors, or (e) similar order under the laws of the jurisdiction of incorporation or organization; or

(ix) judgments or orders for the payment of money shall be entered against any Borrower or any of its Subsidiaries by any court, or warrants of attachment or execution or similar process shall be issued or levied against property of any Borrower or its Subsidiaries, which in the aggregate exceeds $500,000 in value (except to the extent fully covered by insurance and the insurance carrier has not reserved the right to disallow such claim), and the same shall continue unsatisfied and in effect for a period of thirty (30) days without being vacated, discharged, satisfied or stayed pending appeal; or

(x) any Borrower, any of its Subsidiaries or any member of the Controlled Group shall fail to pay when due a material amount which it shall have become liable to pay to the PBGC or to any Plan under Title IV of ERISA or to any Plan under Section 302 of ERISA or Section 412 of the Code or a proceeding shall be instituted by a fiduciary of any Plan against any Borrower, any of its Subsidiaries or any member of a Controlled Group and such proceeding shall not have been dismissed within thirty (30) days thereafter; or, if termination of a Plan could cause any of the Borrowers, any of their Subsidiaries or any member of the Controlled Group to become liable for a material amount with respect to the Plan, notice of intent to terminate a Plan shall be filed under Title IV of ERISA by any Borrower, any of its Subsidiaries or any member of the Controlled Group, any plan administrator or any combination of the foregoing, or the PBGC shall institute proceedings under Title IV of ERISA to terminate or to cause a trustee to be appointed to administer any Plan, or a condition shall exist by reason of which the PBGC would be entitled to obtain a decree adjudicating that any Plan must be terminated; or if any of the Borrowers, any of their Subsidiaries or any member of the Controlled Group incurs a material withdrawal liability under Subtitle E of Title IV of ERISA to any Plan which is a Multi-Employer Plan; or

(xi) any covenant, agreement or obligation of any Borrower contained in or evidenced by any Loan Document shall, prior to the date on which such document shall terminate in accordance with its terms or the express prior written agreement, consent or approval of each of the Banks, cease in any material respect to be legal, valid, binding or enforceable in accordance with the terms thereof; or

(xii) any covenant, agreement or obligation of any Borrower contained in or evidenced by any Ancillary Document shall, prior to the date on which such document shall terminate in accordance with its terms or the express prior written agreement, consent or approval of each of the Banks, cease to be legal, valid, binding or enforceable in accordance with the terms thereof, and the Banks shall have determined (in their complete discretion) that such cessation (a) will impair in any material respect any of the rights or remedies of the Administrative Agent or the Banks under any of the Loan Documents or the Ancillary Documents, or (b) will impair in any material respect the condition (financial or otherwise), properties, business or results of operations of the Borrowers taken as a whole; or

(xiii) any Loan Document or any Ancillary Document shall be canceled, terminated, revoked or rescinded otherwise than in accordance with the express prior written agreement, consent or approval of each of the Banks; or any action at law, suit in equity or other legal proceeding to cancel, revoke or rescind any Loan Document or Ancillary Document shall be commenced by or on behalf of any Borrower or any other person bound thereby, or by any court or any other governmental or regulatory authority or agency of competent jurisdiction; or any court or any other governmental or regulatory authority or agency of competent jurisdiction shall make a determination that, or shall issue a judgment, order, decree or ruling to the effect that, any one or more of the Loan Documents or Ancillary Documents, or any one or more of the obligations of any Borrower or any other person under any one or more of the Loan Documents or Ancillary Documents, are illegal, invalid or unenforceable in any material respect in accordance with the terms thereof; and in the case of any Ancillary Document only, the Banks shall have determined (in their complete discretion) that such event (a) will impair in any material respect any of the rights or remedies of the Administrative Agent or the Banks under any of the Loan Documents or the Ancillary Documents, or (b) will impair in any material respect the condition (financial or otherwise), properties, business or results of operations of the Borrowers taken as a whole; or

(xiv) at any time after the date hereof, except as permitted by Section 5.8(i) hereof, UniFirst shall own, both legally and beneficially, directly or indirectly, less than one hundred percent (100%) of all of the issued and outstanding Voting Shares of each of UniTech, UniFirst S.A., UniFirst Canada, UniFirst Holdings, UOne, UTwo, UR, Euro Nuclear, Uniformes, ENS Nuklear, RC Air, Unifirst-First Aid, or any Subsidiary of the foregoing formed or acquired after the date hereof provided, that any Subsidiary of UniFirst may issue options to its employees for services so long as, after giving effect thereto, UniFirst shall continue to own, both legally and beneficially, not less than eighty percent (80%) of all of the issued and outstanding Voting Shares of such Subsidiary; or

(xv) at any time after the date hereof, the estate of Aldo A. Croatti, Marie Croatti, descendants of either Aldo A. Croatti or Marie Croatti, or trusts established for the benefit of any of the foregoing Persons collectively cease to own, legally and beneficially, shares of common stock of UniFirst enabling the holders thereof to elect a majority of the directors of UniFirst.

6.2 Acceleration. Upon the occurrence of any Event of Default and at any time thereafter (unless such Event of Default shall theretofore have been remedied to the satisfaction of the Majority Banks), at the option of the Majority Banks (acting through the Administrative Agent), or automatically upon the occurrence of any of the events described in Sections 6.1(vi), (vii) or (viii) hereof: (a) the Revolving Credit Commitment shall terminate in full, and each of the Banks shall thereupon be relieved of all of its obligations to make any Revolving Credit Loans hereunder; (b) the unpaid principal amount of the Revolving Credit Notes together with accrued interest thereon and all other Obligations shall become immediately due and payable without presentment, demand,

protest or notice of any kind, all of which are hereby expressly waived; (c) the Borrowers shall deposit in a cash collateral account established by or on behalf of the Administrative Agent an amount equal to 105% of the aggregate then undrawn and unexpired amount of any Letters of Credit, such amounts to be held in such account under the sole dominion and control of the Administrative Agent and applied by the Administrative Agent to the payment of drafts drawn under such Letters of Credit, and the balance, if any, in such account, after all such Letters of Credit shall have expired or been fully drawn upon, shall be applied to repay the other Obligations; and (d) the Administrative Agent and each Bank may exercise any and all rights it has under this Agreement, the other Loan Documents or any other documents or agreements executed in connection with the transactions contemplated by this Agreement, or by law or equity, and proceed to protect and enforce the Administrative Agent's and each Bank's rights by any action at law, suit in equity or other appropriate proceeding, whether for specific performance or for an injunction against a violation of any covenant contained herein or in any Loan Document or in aid of the exercise of any power granted hereby or thereby or by law.

SECTION 7. SET-OFF.

7.1 Any deposits or other sums at any time credited by or due from any Bank to any Borrower, without notice (any such notice being expressly waived hereby) and to the fullest extent permitted by law and without regard to any collateral or other source of payment whatsoever, may at any time be applied by any Bank to or set-off against Obligations owed to such Bank on which any Borrower is primarily liable and may at or after the maturity thereof be applied to or set-off against Obligations on which any Borrower is secondarily liable, and advice thereof shall thereafter be given to the chief financial officer of UniFirst in accordance with such Bank's customary practice.

7.2 Any deposits or other sums which at any time may be credited to any Borrower by or due to it from any Participant may at any time, without notice (any such notice being expressly waived hereby) and to the fullest extent permitted by law and without regard to any collateral or other source of payment whatsoever, be applied to or set-off by such Participant against the then outstanding indebtedness of the Borrowers hereunder, and advice thereof shall thereafter be given to the chief financial officer of UniFirst in accordance with such Participant's customary practice.

SECTION 8. CONCERNING THE ADMINISTRATIVE AGENT AND THE BANKS.

8.1 Appointment and Authorization. Each of the Banks and the Issuing Bank hereby irrevocably appoints BOA to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Section are solely for

the benefit of the Administrative Agent, the Banks and the Issuing Bank, and none of the Borrowers shall have rights as a third party beneficiary of any of such provisions.

8.2 Administrative Agent and Affiliates; Rights as a Bank . The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Bank as any other Bank and may exercise the same as though it were not the Administrative Agent and the term "Bank" or "Banks" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrowers or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Banks.

8.3 Future Advances . (a) In order more conveniently to administer the Revolving Credit Loans, the Administrative Agent may, unless notified to the contrary by any Bank on or prior to the date upon which any Revolving Credit Loan is to be made, assume that such Bank has made available to the Administrative Agent on such date the amount of such Bank's share of such Revolving Credit Loan to be made on such date as provided in this Agreement, and the Administrative Agent may (but it shall not be required to), in reliance upon such assumption, make available to the Borrowers a corresponding amount. If any Bank makes available to the Administrative Agent such amount on a date after the date upon which the Revolving Credit Loan is made, such Bank shall pay to the Administrative Agent on demand an amount equal to the product of (i) the average computed for the period referred to in clause (iii) below, of the weighted average interest rate paid by the Agent for federal funds acquired by the Administrative Agent during each day included in such period, multiplied by (ii) the amount of such Bank's share of such Revolving Credit Loan, multiplied by (iii) a fraction, the numerator of which is the number of days that elapsed from and including such date to the date on which the amount of such Bank's share of such Revolving Credit Loan shall become immediately available to the Administrative Agent, and the denominator of which is 365. A statement of the Administrative Agent submitted to such Bank with respect to any amounts owing under this subsection shall be prima facie evidence of the amount due and owing to the Administrative Agent by such Bank.

(b) The Administrative Agent may at any time, in its sole discretion, upon notice to any Bank, refuse to make any Revolving Credit Loan to the Borrowers on behalf of such Bank unless such Bank shall have provided to the Administrative Agent immediately available federal funds equal to such Bank's share of such Revolving Credit Loan in accordance with this Agreement.

(c) Anything in this Agreement to the contrary notwithstanding, the obligations to make Revolving Credit Loans under the terms of this Agreement shall be the several and not joint obligation of each of the Banks and any advances made by the Administrative Agent on behalf of any Bank are strictly for the administrative convenience of the parties

and shall in no way diminish any Bank's liability to repay the Administrative Agent for such Revolving Credit Loans and advances. If the amount of any Bank's share of any Revolving Credit Loan which the Administrative Agent has advanced to the Borrowers is not made available to the Administrative Agent by such Bank within 1 Business Day following the date upon which such Revolving Credit Loan is made, the Administrative Agent shall promptly notify the Borrowers and shall be entitled to recover such amount from the Borrowers within 3 Business Days following the date upon which such Revolving Credit Loan was made, with interest thereon at the rate per annum applicable to such Revolving Credit Loans. If the Borrowers do not make such payment when due, then each of the Banks or the Issuing Bank, as the case may be, severally agrees to repay to the Administrative Agent, forthwith on demand, such amount (up to each Bank's Commitment Percentage of such amount), in immediately available funds with interest thereon, for each day from and including the date such amount was advanced to the Borrowers to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation; provided that in no event shall any Bank be required to fund in excess of such Bank's aggregate Revolving Credit Commitment.

(d) Subject to the terms and conditions hereof, (x) each Bank shall make available to the Administrative Agent, in immediately available funds, no later than 1:00 p.m., Boston, Massachusetts time, on the date upon which any Base Rate Revolving Credit Loan or Eurodollar Rate Loan is to be made, such Bank's Commitment Percentage of the requested Revolving Credit Loan and (y) the Swingline Lender shall make available to the Administrative Agent, in immediately available funds, no later than 4:00 p.m. (Boston, Massachusetts time), on the date upon which any Swingline Loan is to be made, the amount of such Swingline Loan to be made on such date. The Administrative Agent shall, in turn, make each Revolving Credit Loan (including any Swingline Loan) on the effective date specified therefor by crediting the amount of such Revolving Credit Loan (including any Swingline Loan) to the Borrowers' demand deposit account with the Administrative Agent. In no event shall the Administrative Agent (in its capacity as Administrative Agent) have any obligation to make any funding or shall any Bank be obligated to fund more than its Commitment Percentage of the requested Revolving Credit Loan. Revolving Loans to be made for the purpose of refunding Swingline Loans shall be made by the Banks as provided in Section 2.5.10 hereof.

8.3A Delinquent Bank. Notwithstanding anything to the contrary contained in this Agreement, any Bank that fails to make available to the Administrative Agent its share of any Revolving Credit Loan when and to the full extent required by the provisions of this Agreement shall be deemed delinquent (a "Delinquent Bank") and shall be deemed a Delinquent Bank until such time as such delinquency is satisfied. A Delinquent Bank shall be deemed to have assigned any and all payments due to it from the Borrowers, whether on account of outstanding Revolving Credit Loans, interest, fees or otherwise, to the remaining non-delinquent Banks for application to, and reduction of, their respective pro rata shares of all outstanding Revolving Credit Loans. The Delinquent Bank hereby

authorizes the Administrative Agent to distribute such payments to the non-delinquent Banks in proportion to their respective pro rata shares of all outstanding Revolving Credit Loans. A Delinquent Bank shall be deemed to have satisfied in full a delinquency when and if, as a result of application of the assigned payments to all outstanding Revolving Credit Loans of the non-delinquent Banks, the Banks' respective pro rata shares of all outstanding Revolving Credit Loans have returned to those in effect immediately prior to such delinquency and without giving effect to the nonpayment causing such delinquency. No Delinquent Bank shall have a right to participate in any vote taken by the Banks hereunder, which shall be calculated as if the Revolving Credit Commitments of the Delinquent Bank did not exist.

8.4 Payments. All payments and prepayments of principal of Loans received by the Administrative Agent shall be paid to each of the Banks pro rata in accordance with their respective Commitment Percentages. All such payments from the Borrowers received by the Administrative Agent shall be held in trust for the benefit of the Banks. As each such payment is received by the Administrative Agent, the Administrative Agent shall promptly charge or credit each of the Banks to the extent necessary to ensure that as between them, each of the Banks holds its respective Commitment Percentage of outstanding Revolving Credit Loans, based on the then unpaid aggregate principal amounts of the Revolving Credit Loans outstanding.

8.5 Interest, Fees and Other Payments. (i) All payments of interest received by the Administrative Agent in respect of Revolving Credit Loans, except as otherwise provided by the terms of this Agreement, and all other fees and premiums received by the Administrative Agent hereunder or in respect of Revolving Credit Loans shall be shared by the Banks pro rata in accordance with their respective Commitment Percentages. (ii) All payments received by the Administrative Agent pursuant to Section 10.6 of this Agreement shall be applied by the Administrative Agent to reimburse itself, BOA or any Bank as the case may be, on account of the tax, charge or expense in respect of which such payment is made.

8.6 Action by Administrative Agent.

(i) The obligations of the Administrative Agent hereunder are only those expressly set forth herein. The Administrative Agent shall have no duty (except as may be expressly set forth herein) to exercise any right or power or remedy hereunder, under any other Loan Document, or under any other document or instrument executed and delivered in connection with or as contemplated by this Agreement or to take any affirmative action hereunder or thereunder. Without limiting the generality of the foregoing, the Administrative Agent:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether an Event of Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Majority Banks (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law; and

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrowers or any of their Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

(ii) The Administrative Agent shall keep records of the Revolving Credit Loans and payments hereunder, and shall give and receive notices and other communications to be given or received by the Administrative Agent hereunder on behalf of the Banks.

(iii) Upon the occurrence of an Event of Default, the Administrative Agent, with the consent of the Majority Banks, may exercise the option of the Banks pursuant to Section 6.1 hereof to declare all Obligations immediately due and payable and take such action as may appear necessary or desirable to collect the Obligations and enforce the rights and remedies of the Administrative Agent or the Banks with respect to any collateral or otherwise.

(iv) Whether or not an Event of Default shall have occurred, the Administrative Agent may from time to time, with the consent of the Majority Banks, exercise the rights of the Administrative Agent and Banks hereunder, under the other Loan Documents, or under the other documents or instruments executed or delivered in connection with or as contemplated by this Agreement as it may deem necessary or desirable to protect any collateral and the interests of the Administrative Agent and the Banks.

8.7 Consultation with Experts. The Administrative Agent shall be entitled to retain and consult with legal counsel, independent public accountants and other experts selected by it and shall not be liable to the Banks for any action taken, omitted to be taken or suffered in good faith by it in accordance with the advice of such counsel, accountants or experts. The Administrative Agent may employ agents and attorneys-in-fact and shall not be liable to the Banks for the default or misconduct of any such agents or attorneys.

8.8 Liability of Administrative Agent . (a) The Administrative Agent shall exercise the same care to protect the interests of each of the Banks as it does to protect its own interests, so that so long as the Administrative Agent exercises such care it shall not be under any liability to any of the Banks, except for the Administrative Agent's gross negligence or willful misconduct with respect to anything it may do or refrain from doing. Subject to the immediately preceding sentence, neither the Administrative Agent nor any of its directors, officers, agents or employees shall be liable for any action taken or not taken by it in connection herewith in its capacity as Administrative Agent. The Administrative Agent shall not be liable for any action taken or not taken by it with the consent or at the request of the Majority Banks (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 10.7 and 6.2). The Administrative Agent shall be deemed not to have knowledge of any Event of Default unless and until notice describing such Event of Default is given to the Administrative Agent by the Borrowers, a Bank or the Issuing Bank. Without limiting the generality of the foregoing, neither the Administrative Agent nor any of its directors, officers, agents or employees shall be responsible for or have any duty to ascertain, inquire into or verify: (i) any statement, warranty or representation made in connection with this Agreement, any other Loan Document, or any borrowing hereunder; (ii) the performance or observance of any of the covenants or agreements of any Borrower, or other terms or conditions set forth herein or in the other Loan Documents or the occurrence of any Default; (iii) the satisfaction of any condition specified in Sections 4.1 or 4.2 hereof or elsewhere herein, except receipt of items required to be delivered to the Administrative Agent; (iv) the validity, effectiveness, enforceability or genuineness of this Agreement, the Revolving Credit Notes, the other Loan Documents or any other document, agreement or instrument executed and delivered in connection with or as contemplated by this Agreement; or (v) the contents of any certificate, report or other document delivered under or in connection with this Agreement or any of the other Loan Documents.

(b) The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Revolving Credit Loan, or the issuance of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Bank or the Issuing Bank, the Administrative Agent may presume that such condition is satisfactory to such Bank or the Issuing Bank unless the Administrative Agent shall have received notice to the contrary from such Bank or the Issuing Bank prior to the making of such Revolving Credit Loan or the issuance of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be

liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

8.9 Indemnification. Each Bank agrees to indemnify the Administrative Agent, solely in its capacity as Administrative Agent (to the extent the Administrative Agent is not reimbursed by any Borrower), ratably in accordance with its Commitment Percentage, from and against any cost, expense (including attorneys' fees and disbursements), claim, demand, action, loss or liability which the Administrative Agent may suffer or incur in connection with this Agreement or any other Loan Document, or any action taken or omitted by the Administrative Agent hereunder or thereunder, or the Administrative Agent's relationship with the Borrowers hereunder, including, without limitation, the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers and duties hereunder and of taking or refraining from taking any action hereunder, provided that no Bank shall be liable for the payment of any portion of such cost, expense, claim, demand, action, loss or liability resulting from the Administrative Agent's gross negligence or willful misconduct. No payment by a Bank under this Section shall in any way relieve any Borrower of its obligations under this Agreement with respect to the amounts so paid by such Bank, and the Banks shall be subrogated to the rights of the Administrative Agent, if any, in respect thereto.

8.10 Independent Credit Decision. Each of the Banks and the Issuing Bank acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Bank or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Bank and the Issuing Bank also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Bank or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

8.11 Successor Administrative Agent. The Administrative Agent may at any time give notice of its resignation to the Banks, the Issuing Bank and the Borrowers. Upon receipt of any such notice of resignation, the Majority Banks shall have the right, in consultation with the Borrowers, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Majority Banks and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may on behalf of the Banks and the Issuing Bank, appoint a successor Administrative Agent meeting the qualifications set forth above; provided that if the Administrative Agent shall notify the Borrowers and the Banks that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (1) the retiring Administrative Agent shall be discharged from its duties

and obligations hereunder and under the other Loan Documents and (2) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Bank and the Issuing Bank directly, until such time as the Majority Banks appoint a successor Administrative Agent as provided for above in this Section. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Administrative Agent, and the retiring Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Borrowers to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrowers and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Loan Documents, the provisions of this Section and Section 10.6 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

Any resignation by BOA as Administrative Agent pursuant to this Section shall also constitute its resignation as Issuing Bank and Swingline Lender. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Issuing Bank and Swingline Lender, (b) the retiring Issuing Bank and Swingline Lender shall be discharged from all of their respective duties and obligations hereunder or under the other Loan Documents, and (c) the successor Issuing Bank shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangement satisfactory to the retiring Issuing Bank to effectively assume the obligations of the retiring Issuing Bank with respect to such Letters of Credit.

8.12 Other Agents. Anything herein to the contrary notwithstanding, none of the Arranger or the syndication agent and co-documentation agents listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent, a Bank or the Issuing Bank hereunder.

8.13 Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

8.14 Administrative Agent May File Proofs of Claim . In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to any Borrower, the Administrative Agent (irrespective of whether the principal of any Revolving Credit Loan or Letter of Credit shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrowers) shall be entitled and empowered, by intervention in such proceeding or otherwise

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Revolving Credit Loans, Letter of Credit and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Banks, the Issuing Bank and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Banks, the Issuing Bank and the Administrative Agent and their respective agents and counsel and all other amounts due the Banks, the Issuing Bank and the Administrative Agent under this Agreement) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Bank and the Issuing Bank to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Banks and the Issuing Bank, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under this Agreement.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Bank or the Issuing Bank any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Bank or to authorize the Administrative Agent to vote in respect of the claim of any Bank in any such proceeding.

SECTION 9. UNIFIRST AS ADMINISTRATIVE AGENT FOR THE BORROWERS . The Borrowers (other than UniFirst) hereby appoint UniFirst as their agent with respect to the receiving and giving of any notices, requests, instructions, reports, schedules, revisions, financial statements or any other written or oral communications hereunder. The Administrative Agent and each Bank is hereby entitled to rely on any communications given or transmitted by UniFirst as if such communication

were given or transmitted by each and every Borrower; provided, however, that any communication given or transmitted by any Borrower other than UniFirst shall be binding with respect to each Borrower. Any communication given or transmitted by the Administrative Agent or any Bank to UniFirst shall be deemed given and transmitted to each and every Borrower.

SECTION 10. MISCELLANEOUS.

10.1 Written Notices. Any notices, expressly required by this Agreement to be in writing, to any party hereto shall be deemed to have been given when delivered by hand, when sent by telex or facsimile transmission, one (1) day after being delivered to any overnight delivery service freight pre-paid, or three (3) days after deposit in the mails postage prepaid, and addressed to such party at its address given below. Written notices shall be addressed as follows:

(i) If to any or all of the Borrowers, at 68 Jonspin Road, Wilmington, Massachusetts 01887, Attn.: John B. Bartlett, Chief Financial Officer, or such other address for notice as the Borrowers shall last have furnished in writing to the Person giving the notice;

Copy to: Raymond C. Zemlin, P.C.
Goodwin Procter LLP
Exchange Place
Boston, Massachusetts 02109

(ii) If to BOA or the Administrative Agent, at 100 Federal Street, Boston, Massachusetts 02110, Attn.: Christopher S. Allen, Managing Director, or such other address for notice as BOA or the Administrative Agent shall last have furnished in writing to the Person giving the notice;

Copy to: Philip A. Herman, Esq.
Goulston & Storrs, P.C.
400 Atlantic Avenue
Boston, Massachusetts 02110

(iii) If to any Bank, at the address for such Bank set forth on Schedule 1, or such other address for notice as any Bank shall last have furnished in writing to the person giving the notice.

10.2 No Waivers. No failure or delay by the Administrative Agent or any Bank in exercising any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies otherwise provided by law.

10.3 Further Assurances. Each Borrower shall do, make, execute and deliver all such additional and further acts, things, assurances, and instruments as the Administrative Agent or any Bank may reasonably require more completely to vest in and assure to the Administrative Agent and the Banks their rights hereunder and under the other Loan Documents, and to carry into effect the provisions and intent of this Agreement and the other Loan Documents. Without limitation of the foregoing, upon receipt of an affidavit of an officer of any Bank as to the loss, theft, destruction or mutilation of any Revolving Credit Note or any other Loan Document which is not of public record, and, in the case of any such loss, theft, destruction or mutilation, upon cancellation of such Revolving Credit Note or other Loan Document, the Borrowers, subject to an unsecured indemnity by such Bank, will issue, in lieu thereof, a replacement note or other Loan Document in the same principal amount thereof and otherwise of like tenor.

10.4 Governing Law. This Agreement and the other Loan Documents shall be deemed to be contracts made under seal and shall be construed in accordance with and governed by the laws of the Commonwealth of Massachusetts (without regard to principles of conflicts of laws). Any legal action or proceeding arising out of or relating to this Agreement, any Loan Document or any Obligation may be instituted in the courts of the Commonwealth of Massachusetts or of the United States of America for the District of Massachusetts, and the Borrowers hereby irrevocably submit to the jurisdiction of each such court in any such action or proceeding; provided, however, that the foregoing shall not limit the Administrative Agent's or any Bank's rights to bring any legal action or proceeding in any other appropriate jurisdiction in which event, at the Administrative Agent's or any Bank's option, the laws of such jurisdiction or of the Commonwealth of Massachusetts shall apply, notwithstanding any rules regarding conflicts of laws to the contrary.

10.5 Payments in Immediately Available Funds. All payments required of the Borrowers hereunder or under the Revolving Credit Notes shall be made in lawful money of the United States of America in federal or other funds immediately available to the recipient thereof at the prescribed place of payment.

10.6 Expenses, Taxes and Indemnification; Waiver of Consequential Damages.

(a) The Borrowers shall pay all taxes (other than taxes on the income of the Banks), charges and expenses of every kind or description, including without limitation attorneys' fees and expenses, reasonably incurred or expended by the Arranger, the Administrative Agent, the Issuing Bank or the Banks in connection with or in any way related to the Arranger's, the Administrative Agent's, the Issuing Bank's or the Banks' relationship with the Borrowers, whether hereunder or otherwise, including, without limitation, those incurred or expended in connection with the preparation, execution, delivery, interpretation or amendment of this Agreement, the Loan Documents and any related agreement, instrument or document, the making, syndication and/or participation of the Revolving Credit Loans and the protection or enforcement of the Arrangers', the

Administrative Agent's, the Issuing Bank's or the Banks' rights hereunder. Each Borrower authorizes the Arranger, the Administrative Agent, the Issuing Bank and the Banks (i) to treat any of the foregoing as an advance of a Revolving Credit Loan to such Borrower or (ii) to charge any deposit account which such Borrower may maintain with the Administrative Agent or the Banks for any of the foregoing.

(b) The Borrowers, jointly and severally, shall absolutely and unconditionally indemnify and hold harmless the Arranger, the Administrative Agent, the Issuing Bank and each of the Banks, and their respective Affiliates and agents, against any and all claims, demands, suits, actions, causes of action, damages, losses, settlement payments, obligations, costs, expenses and all other liabilities whatsoever which shall at any time or times be incurred or sustained by the Arranger, the Administrative Agent, the Issuing Bank or the Banks or by any of their shareholders, directors, officers, employees, subsidiaries, affiliates or agents (other than as a result of the gross negligence or willful misconduct of such indemnified person) including, without limitation, reasonable fees of attorneys and other professionals and settlement costs, on account of, or in relation to, or in any way in connection with, any of the arrangements or transactions contemplated by, associated with or ancillary to this Agreement, any of the other Loan Documents, any of the Ancillary Documents, any of the other documents executed or delivered in connection herewith, the Revolving Credit Loans or the Borrowers' use thereof or of the Revolving Credit Commitment whether or not all or any of the transactions contemplated by, associated with or ancillary to this Agreement, any of such Loan Documents, any of such Ancillary Documents, or any of such other documents are ultimately consummated. The covenants contained in this Section 10.6(b) shall survive termination of this Agreement and payment or satisfaction in full of all other Obligations.

(c) To the extent that the Borrowers for any reason fail to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by it to the Administrative Agent (or any sub-agent thereof), the Issuing Bank or any Related Party of any of the foregoing, each Bank severally agrees to pay to the Administrative Agent (or any such sub-agent), the Issuing Bank or such Related Party, as the case may be, such Bank's Commitment Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent) or the Issuing Bank in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent) or Issuing Bank in connection with such capacity. The obligations of the Banks under this subsection (c) are subject to the provisions of Sections 2.1.1, 2.4.1 and 8.3.

(d) To the fullest extent permitted by applicable law, none of the Borrowers shall assert, and each of the Borrowers hereby waives, any claim against any indemnified party referred to in Section 10.6(b), on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any

agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Revolving Credit Loan or Letter of Credit or the use of the proceeds thereof. No indemnified party referred to in Section 10.6(b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby (except in the event of gross negligence or willful misconduct of such indemnified party).

(e) Payments; Survival. All amounts due under this Section shall be payable not later than ten Business Days after demand therefor. The agreements in this Section shall survive the resignation of the Administrative Agent and the Issuing Bank, the replacement of any Bank, the termination of the Revolving Credit Commitments and the repayment, satisfaction or discharge of all the other Obligations.

10.7 Amendments, Waivers, Etc. Except as otherwise expressly provided in this Agreement or any of the other Loan Documents: (i) each of the Loan Documents may be modified, amended or supplemented in any respect whatever only with the prior written consent or approval of the Majority Banks and the Borrowers; and (ii) the performance or observance by the Borrowers of any of their covenants, agreements or obligations under any of the Loan Documents may be waived only with the written consent of the Majority Banks; provided, however, that the following changes shall require the written consent, agreement or approval of all of the Banks directly affected thereby (with respect to clause (C)) and of all the Banks (with respect to clauses (A), (B), (D) and (E)): (A) any change in the amount or the due date of any of the Obligations; (B) any reduction in the interest rates prescribed in any of the Notes or in the Commitment Fees payable to the Banks; (C) any change in the Revolving Credit Commitment or Commitment Percentage of any of the Banks, except as permitted by Section 10.9; (D) any change in the definition of Majority Banks; (E) any amendment to Section 5.7 that would result in any material portion of the Borrowers' assets not being subject to a negative pledge (subject to liens, charges or Encumbrances permitted under Section 5.7 hereof) or the release of any material Borrower; and (F) any change in the terms of this Section 10.7. Any change to Section 8 hereof shall not be made and any other provision of this Agreement affecting the rights or obligations of the Administrative Agent shall not be amended or modified without the prior written consent of the Administrative Agent. Any change to Section 2.5.10 hereof shall not be made without the prior written consent of the Swingline Lender.

Without limitation of the foregoing, it is agreed that any requirement in any Loan Document of the consent or waiver of the Banks shall be deemed to require the consent or waiver of the Majority Banks.

10.8 Binding Effect of Agreement. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors in title and assigns; provided, however, that (i) no Borrower may assign or delegate any of its rights or obligations hereunder to any person or persons, and (ii) no Bank may assign or

delegate its rights or obligations hereunder to any person or persons except in accordance with the provisions of Section 10.9 hereof.

10.9 Assignment and Participation.

(i) Assignments by the Banks. From and after the date hereof, any Bank may at any time assign all, or a proportionate part of all, of its rights, interests and duties with respect to its Revolving Credit Commitment and its Revolving Credit Note to one or more banks or other financial institutions (each, an "Assignee") on such terms, as between such Bank and each of its Assignees, as such Bank may think fit, and such Assignee shall assume such rights, interests and duties pursuant to an instrument executed by such Assignee and such Bank, and for this purpose such Bank may make available to each of its potential Assignees such information relating to the Borrowers, this Agreement and the transactions contemplated hereby as such Bank may think necessary or desirable, which information shall be held by each potential Assignee strictly in confidence; provided, however, that (a) prior to assigning any interest to any Assignee hereunder, such Bank shall (x) notify the Borrowers and the Administrative Agent in writing identifying the proposed Assignee and stating the aggregate principal amount of the proposed interest to be assigned, (y) to the extent made available to such Bank by the proposed Assignee, furnish the Borrowers with such material information relating to such proposed Assignee as the Borrowers may reasonably request in order to enable the Borrowers to make their decision (which information shall be held by the Borrowers strictly in confidence), provided that such Bank shall not be bound to ascertain whether any such information delivered to it by such proposed Assignee is true, accurate and complete, and (z) receive the prior written consent of the Administrative Agent and, prior to the occurrence (which is continuing) of an Event of Default, the Borrowers, which consent may not be unreasonably withheld or delayed by the Administrative Agent and the Borrowers; and (b) such Bank shall not assign to any Assignee less than an aggregate amount equal to the lesser of (x) $2,500,000 of its Revolving Credit Commitment and such Bank's interest in its Revolving Credit Note (as such interest may be reduced pursuant to the terms hereof) or (y) the remaining amount of such Bank’s Revolving Credit Commitment. It is understood and agreed that the proviso contained in the immediately preceding sentence shall not be applicable in the case of, and this paragraph (i) shall not restrict, (a) an assignment or other transfer by any Bank to an Affiliate of such Bank or to any other Bank or (b) a collateral assignment or other similar transfer to any of the twelve Federal Reserve Banks organized under Section 4 of the Federal Reserve Act, 12 U.S.C. § 341. Upon execution and delivery of such an instrument and payment by such Assignee to such Bank of an amount equal to the purchase price agreed between such Bank and such Assignee, such Assignee shall be a Bank party to this Agreement and shall have all the rights, interests and duties of a Bank with a Revolving Credit Commitment as set forth in such instrument of assumption, and such assigning Bank shall be released from its obligations hereunder to a corresponding extent, and no further consent or action by any party shall be required. Upon the consummation of any assignment pursuant to this paragraph (i), such assigning Bank and the Borrowers shall make appropriate arrangements so that, if required, new Revolving Credit Notes are

issued to the Assignee. Assignments require a fee payable to the Administrative Agent by the transferor Bank, solely for the account of the Administrative Agent, in the amount of $3,000.

(ii) Participations by the Banks. From and after the date hereof, any Bank shall be at liberty to offer participations in its Revolving Credit Commitment and its Revolving Credit Note to one or more banks or other financial institutions (each, a "Participant") on such terms as such Bank may think fit, and for this purpose such Bank may make available to each of its potential Participants such information relating to the Borrowers, this Agreement and the transactions contemplated hereby as such Bank may think necessary or desirable, which information shall be held by each potential Participant strictly in confidence; provided, however, that (a) the amount of any participation in such Bank's Revolving Credit Commitment and such Bank's Revolving Credit Note participated to each Participant shall be in an aggregate amount equal to not less than $1,000,000 of its Revolving Credit Commitment and its Revolving Credit Note; and (b) such Bank shall retain the sole right to consent to amendments to, or waivers of, the provisions of this Agreement and the Revolving Credit Notes and the sole right and responsibility to enforce the obligations of the Borrowers hereunder and under the Revolving Credit Notes; provided that such Bank may agree with each of its Participants that such Bank will not agree, without the consent of the Participant, to any amendment or waiver of any provision of this Agreement which would increase or otherwise change its Revolving Credit Commitment or reduce the principal of or rate of interest on the Revolving Credit Loans subject to such participation, or postpone the date fixed for any payment of principal or of interest on any Revolving Credit Loans.

(iii) No Assignee, Participant or other transferee of any Bank's rights shall be entitled to receive any greater payment under Sections 2.5.5 through 2.5.7, inclusive, hereof than such Bank would have been entitled to receive with respect to the rights transferred, unless such transfer is made with the Borrowers' prior written consent or at a time when the circumstances giving rise to such greater payment did not exist.

(iv) Notwithstanding anything to the contrary contained herein, any Bank (a “Granting Bank”) may without paying any processing fee therefor grant to a special purpose funding vehicle (an “SPC”), identified as such in writing from time to time by the Granting Bank to the Administrative Agent and the Borrower, the option to provide to the Borrower all or any part of any advance that such Granting Bank would otherwise be obligated to make to the Borrower pursuant to this Agreement; provided that (i) nothing herein shall constitute a commitment by any SPC to make any advance, and (ii) nothing herein shall relieve the Granting Bank of any of its obligations under this Agreement and, if an SPC elects not to exercise such option or otherwise fails to provide all or any part of such advance, the Granting Bank shall be obligated to make such advance pursuant to the terms hereof. An SPC shall not become a Bank hereunder or possess rights to vote, rights to receive notice, or any other rights under this Agreement. The making of an advance by an SPC hereunder shall utilize the Revolving Credit Commitment of the Granting Bank to the same extent, and as if, such advance were made by such Granting Bank. Each party

hereto hereby agrees that no SPC shall be liable for any indemnity or similar payment obligation under this Agreement (all liability for which shall remain with the Granting Bank). In furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior indebtedness of any SPC, it will not institute against, or join any other person instituting against, such SPC any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings under the laws of the United States or any State thereof. In addition, notwithstanding anything to the contrary contained in this Section 10.9(iv), any SPC may (i) with notice to, but without the prior written consent of, the Borrowers and the Administrative Agent and without paying any processing fee therefor, assign all or a portion of its interests in any advances to the Granting Bank, (ii) with the prior written consent of the Borrowers and the Administrative Agent, which consent shall not be unreasonably withheld or delayed, and without paying any processing fee therefor, assign all or a portion of its interests in any advances to any financial institution providing liquidity and/or credit support to or for the account of such SPC to support the funding or maintenance of advances and (iii) disclose on a confidential basis any non-public information relating to its advances to any rating agency, commercial paper dealer or provider of any surety, guarantee or credit or liquidity enhancement to such SPC. This section may not be amended without the written consent of the SPC and any Granting Bank affected thereby.

10.10 Computation of Interest and Fees. Interest payable hereunder on account of Base Rate Revolving Credit Loans shall be computed daily on the basis of a year of 365 days and paid for the actual number of days for which due. Interest payable hereunder on account of Euroloan Rate Amounts and fees and charges payable hereunder shall be computed daily on the basis of a year of 360 days and paid for the actual number of days for which due. If the due date for any payment of principal is extended by operation of law, interest shall be payable for such extended time. If any payment required by this Agreement becomes due on a day on which banks in Boston, Massachusetts are required or permitted by law or an appropriate authority to remain closed, such payment may be made on the next succeeding day on which such banks are open, and such extension shall be included in computing interest in connection with such payment.

10.11 Entire Agreement. This Agreement (including the exhibits hereto) and the other Loan Documents set forth the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein, and supersedes all prior agreements, promises, covenants, arrangements, communications, representations, warranties, whether oral or written, by any officer, employee or representative of any party hereto.

10.12 Captions. The captions for the sections of this Agreement are for ease of reference only and are not an integral part of this Agreement.

10.13 Counterparts. This Agreement and any amendment hereof may be signed in any number of counterparts with the same effect as if the signatures hereto and thereto were upon the same instrument. In proving this Agreement, it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom enforcement is sought.

10.14 Severability. The provisions of this Agreement are severable and if any one clause or provision hereof shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

10.15 WAIVER OF JURY TRIAL. THE BORROWERS HEREBY IRREVOCABLY WAIVE TRIAL BY JURY IN ANY JURISDICTION AND IN ANY COURT WITH RESPECT TO, IN CONNECTION WITH, OR ARISING OUT OF THIS AGREEMENT, THE OBLIGATIONS, OR ANY INSTRUMENT OR DOCUMENT DELIVERED PURSUANT HERETO OR THERETO, OR ANY CLAIM OR DISPUTE HOWSOEVER ARISING, BETWEEN ANY OF THE BORROWERS AND THE ADMINISTRATIVE AGENT OR THE BANKS. THIS WAIVER OF JURY TRIAL SHALL BE EFFECTIVE FOR EACH AND EVERY DOCUMENT EXECUTED BY THE BORROWERS AND THE ADMINISTRATIVE AGENT OR THE BANKS AND DELIVERED TO THE ADMINISTRATIVE AGENT, THE BANKS OR THE BORROWERS, AS THE CASE MAY BE, WHETHER OR NOT SUCH DOCUMENT SHALL CONTAIN A WAIVER OF JURY TRIAL.THE BORROWERS FURTHER ACKNOWLEDGE THAT ALL DOCUMENTS DELIVERED BY THE ADMINISTRATIVE AGENT, THE BANKS OR THE BORROWERS ARE SUBJECT TO THIS WAIVER OF JURY TRIAL AS TOANY ACTION THAT MAY BE BROUGHT AS TO ANY OF SUCH DOCUMENTS, INSTRUMENTS OR LETTERS OR THE LIKE. THE BORROWERS FURTHER CONFIRM THAT THE FOREGOING WAIVERS ARE INFORMED AND FREELY MADE.IN ADDITION, THE BORROWERS (i) CERTIFY THAT NO REPRESENTATIVE, ADMINISTRATIVE AGENT OR ATTORNEY OF THE ADMINISTRATIVE AGENT OR ANY BANK HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT THE ADMINISTRATIVE AGENT OR ANY BANK WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVERS AND (ii) ACKNOWLEDGE THAT THE ADMINISTRATIVE AGENT AND EACH BANK HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS TO WHICH IT IS A PARTY BY, AMONG OTHER THINGS, THE WAIVERS AND CERTIFICATIONS CONTAINED HEREIN.

10.16 Confidentiality. Notwithstanding any confidentiality provisions contained herein, and in accordance with Section 1.6011-4(b)(3)(iii) of the Treasury Regulations, each party to this Agreement (and each employee, representative, or other agent of each party) may disclose to any and all persons, without limitation of any kind, the tax

treatment and tax structure, for federal tax purposes, of the transactions contemplated by this Agreement and all materials of any kind (including opinions or other tax analyses) that are provided to such party relating to such tax treatment and tax structure; provided, however, that, pursuant to Section 1.6011-4(b)(3)(ii) of the Treasury Regulations, such disclosure shall not be permitted to the extent, but only to the extent, such disclosure would reasonably be considered to result in noncompliance with the securities laws of any applicable jurisdiction.

10.17 Market Flex Adjustment. The terms and conditions of the fifth paragraph of the Fee Letter are, effective with the Closing, hereby terminated as of the date first written above.

10.18 Assignment to BOA. Each of the Banks and the Borrowers (1) hereby consents to the assignment in full by Fleet to BOA of all of Fleet's rights, interests and duties in its capacity as a bank, issuing bank and administrative agent under the September 2003 Credit Agreement, and (2) hereby waives any and all requirements with respect to any such assignments as set forth in the September 2003 Credit Agreement.

(Signatures on next page)

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement as a sealed instrument as of the date first set forth above.

The Borrowers:

UNIFIRST CORPORATION
UNITECH SERVICES GROUP, INC.
UNIFIRST CANADA LTD.
UNIFIRST HOLDINGS L.P.
UONE CORPORATION
UTWO CORPORATION
UR CORPORATION
RC AIR, LLC
UNIFIRST-FIRST AID CORPORATION

By: /s/ John B. Bartlett
In his capacity as Senior Vice President or Vice President of each of the above-named corporations and hereunto duly authorized by each of the above-named corporations

UNIFIRST HOLDINGS, L.P.

By: U ONE CORPORATION, as General Partner

By: /s/ John B. Bartlett
In his capacity as Senior Vice President or Vice President

[Signatures Continued on Next Page]

The Banks:

BANK OF AMERICA, N.A.
By: /s/ Representative of Bank of America, N.A.
Title: Senior Vice President

WACHOVIA BANK, NATIONAL ASSOCIATION
By: /s/ Representative of Wachovia Bank, National Association
Title: Director

JP MORGAN CHASE BANK
By: /s/ Representative of JP Morgan Chase Bank
Title: Vice President

SOVEREIGN BANK
By: /s/ Representative of Sovereign Bank
Title: Senior Vice President

BANKNORTH, N.A.
By: /s/ Representative of Banknorth, N.A.
Title: Senior Vice President

CITIZENS BANK OF MASSACHUSETTS
By: /s/ Representative of Citizens bank of Massachusetts
Title: Vice President

The Administrative Agent:

BANK OF AMERICA, N.A. as Administrative Agent
By: /s/ Representative of Bank of America, N.A. as Administrative Agent
Title: Senior Vice President

The Syndication Agent:

WACHOVIA BANK, NATIONAL ASSOCIATION
By: /s/ Representative of Wachovia Bank, National Association
Title: Director

The Co-Documentation Agents:

JP MORGAN CHASE BANK
By: /s/ Representative of JP Morgan Chase Bank

Title: Vice President

SOVEREIGN BANK
By: /s/ Representative of Sovereign Bank
Title: Senior Vice President

The Arranger:

BANC OF AMERICA SECURITIES LLC
By: /s/ Representative of Banc of America Securities LLC
Title: Vice President

Exhibit 10.2

UNIFIRST CORPORATION AND SUBSIDIARIES

Modification No. 1
Dated as of October 31, 2005

to

Amended and Restated Revolving Credit Agreement
Dated as of June 14, 2004

MODIFICATION NO. 1 ("Modification No. 1"), dated as of October 31, 2005, to the Amended and Restated Revolving Credit Agreement, dated as of June 14, 2004 (as amended from time to time, the "Agreement"), by and among UNIFIRST CORPORATION, UNITECH SERVICES GROUP, INC., UNIFIRST CANADA LTD., UNIFIRST HOLDINGS, L.P., UONE CORPORATION, UTWO CORPORATION, UR CORPORATION, RC AIR, LLC, UNIFIRST-FIRST AID CORPORATION, (collectively, the "Borrowers"), BANK OF AMERICA, N.A., WACHOVIA BANK, NATIONAL ASSOCIATION, JP MORGAN CHASE BANK, SOVEREIGN BANK, BANKNORTH, N.A., CITIZENS BANK OF MASSACHUSETTS (collectively, the "Banks"), BANK OF AMERICA, N.A., in the capacity of Administrative Agent for the Banks (the "Administrative Agent"), WACHOVIA BANK, NATIONAL ASSOCIATION in the capacity of Syndication Agent, JP MORGAN CHASE BANK and SOVEREIGN BANK, in the capacity of Co-Documentation Agents, and BANC OF AMERICA SECURITIES LLC, in the capacity of Arranger.

W I T N E S S E T H :

WHEREAS, the Borrowers, the Administrative Agent and the Banks have entered into the Agreement pursuant to which the Banks have, on the terms and subject to the conditions stated therein, made certain loans to the Borrowers as contemplated thereby; and

WHEREAS, the Borrowers, the Administrative Agent and the Banks desire to amend the Agreement to increase the Letters of Credit sublimit, on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

Section 1. Definitions

All capitalized terms used herein which are defined in the Agreement shall have the same meanings herein as therein, except as otherwise specifically provided herein.

Section 2. Modification of the Agreement

Upon the terms and subject to the conditions of this Modification No. 1, Section 2.4.1 of the Agreement is amended as follows: (i) by deleting therefrom the reference to: "$30,000,000"; and (ii) by inserting in place thereof the following: "$40,000,000".

Section 3. Conditions Precedent to Modification No. 1

This Modification No. 1 shall become and be effective as of the date hereof, but only if this Modification No. 1 shall be signed by the Borrowers, the Administrative Agent and the Banks.

Section 4. Representations and Warranties

(a) Representations in Agreement Each of the representations and warranties made by or on behalf of the Borrowers in the Agreement, as amended through this Modification No. 1, was true and correct in all material respects when made and is true and correct in all material respects on and as of the date hereof with the same full force and effect as if each of such representations and warranties had been made by the Borrowers, jointly and severally, on the date hereof and in this Modification No. 1, except to the extent that such representations and warranties relate solely to a prior date.

(b) No Defaults or Events of Default No Event of Default exists on the date hereof (after giving effect to all of the arrangements and transactions contemplated by this Amendment), and no condition exists on the date hereof which would, with notice or the lapse of time, or both, constitute an Event of Default.

(c) Binding Effect of Documents This Modification No. 1 has been duly executed and delivered by the Borrowers and is in full force and effect as of the date hereof, and the agreements and obligations of the Borrowers contained herein and therein constitute legal, valid and binding obligations of the Borrowers enforceable against the Borrowers in accordance with their respective terms.

Section 5. Miscellaneous

This Modification No. 1 may be executed and delivered in any number of counterparts, each of which when executed and delivered shall be deemed an original, but all of which together shall constitute one instrument. In making proof of this Modification No. 1, it shall not be necessary to produce or account for more than one counterpart thereof signed by each of the parties hereto. Except to the extent specifically amended hereby, the provisions of the Agreement shall remain unmodified, and the Agreement, as amended hereby, is hereby confirmed as being in full force and effect, and the Borrowers hereby ratify and confirm all of their joint and several agreements and obligations contained therein.

IN WITNESS WHEREOF, the parties hereto have executed this Modification No. 1 as of the date first above written.

The Borrowers:

UNIFIRST CORPORATION
UNITECH SERVICES GROUP, INC.
UNIFIRST CANADA LTD.
UNIFIRST HOLDINGS, L.P.
UONE CORPORATION
UTWO CORPORATION
UR CORPORATION
RC AIR, LLC
UNIFIRST-FIRST AID CORPORATION

By: /s/ John B. Bartlett
In his capacity as Senior Vice President or Vice President of each of the above-named corporations and hereunto duly authorized by each of the above-named corporations

The Banks:

BANK OF AMERICA, N.A.
By: /s/ Representative of Bank of America, N.A.
Title: Senior Vice President

WACHOVIA BANK, NATIONAL SSOCIATION
By: /s/ Representative of Wachovia Bank, National Association
Title: Director

JP MORGAN CHASE BANK
By: /s/ Representative of JP Morgan Chase Bank
Title: Vice President

SOVEREIGN BANK
By: /s/ Sovereign Bank
Title: Senior Vice President

TD BANKNORTH, N.A.,
formerly known as BANKNORTH, N.A.
By: /s/ Representative of TD Banknorth, N.A., formerly known as Banknorth, N.A.
Title: Senior Vice President

CITIZENS BANK OF MASSACHUSETTS
By: /s/ Representative of Citizens Bank of Massachusetts
Title: Vice President

The Administrative Agent:

BANK OF AMERICA, N.A.
as Administrative Agent
By: /s/ Representative of Bank of America, N.A.
Title: Senior Vice President

Exhibit 10.3

UNIFIRST CORPORATION AND SUBSIDIARIES

Modification No. 2
Dated as of March 22, 2006

to

Amended and Restated Revolving Credit Agreement
Dated as of June 14, 2004

MODIFICATION NO. 2 ("Modification No. 2"), dated as of March 22, 2006, to the Amended and Restated Revolving Credit Agreement, dated as of June 14, 2004 (as amended from time to time, the "Agreement"), by and among UNIFIRST CORPORATION, UNITECH SERVICES GROUP, INC., UNIFIRST CANADA LTD., UNIFIRST HOLDINGS, L.P., UONE CORPORATION, UTWO CORPORATION, UR CORPORATION, RC AIR, LLC, UNIFIRST-FIRST AID CORPORATION, (collectively, the "Borrowers"), BANK OF AMERICA, N.A., WACHOVIA BANK, NATIONAL ASSOCIATION, JP MORGAN CHASE BANK, SOVEREIGN BANK, BANKNORTH, N.A., CITIZENS BANK OF MASSACHUSETTS (collectively, the "Banks"), BANK OF AMERICA, N.A., in the capacity of Administrative Agent for the Banks (the "Administrative Agent"), WACHOVIA BANK, NATIONAL ASSOCIATION in the capacity of Syndication Agent, JP MORGAN CHASE BANK and SOVEREIGN BANK, in the capacity of Co-Documentation Agents, and BANC OF AMERICA SECURITIES LLC, in the capacity of Arranger.

W I T N E S S E T H :

WHEREAS, the Borrowers, the Administrative Agent and the Banks have entered into the Agreement pursuant to which the Banks have, on the terms and subject to the conditions stated therein, made certain loans to the Borrowers as contemplated thereby; and

WHEREAS, the Borrowers, the Administrative Agent and the Banks desire to amend the Agreement on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

Section 1. Definitions

All capitalized terms used herein which are defined in the Agreement shall have the same meanings herein as therein, except as otherwise specifically provided herein.

Section 2. Modification of the Agreement

Upon the terms and subject to the conditions of this Modification No. 2, Section 5.8(iii) of the Agreement is amended as follows: (i) by deleting therefrom the reference to: "$25,000,000", and by inserting in place thereof the following: "$75,000,000"; and (ii) by deleting therefrom the reference to: "$15,000,000" and by inserting in place thereof the following: "$30,000,000".

Section 3. Conditions Precedent to Modification No. 2

This Modification No. 2 shall become and be effective as of the date hereof, but only if this Modification No. 2 shall be signed by the Borrowers, the Administrative Agent and the Banks.

Section 4. Representations and Warranties

(a) Representations in Agreement Each of the representations and warranties made by or on behalf of the Borrowers in the Agreement, as amended through this Modification No. 2, was true and correct in all material respects when made and is true and correct in all material respects on and as of the date hereof with the same full force and effect as if each of such representations and warranties had been made by the Borrowers, jointly and severally, on the date hereof and in this Modification No. 2, except to the extent that such representations and warranties relate solely to a prior date.

(b) No Defaults or Events of Default No Event of Default exists on the date hereof (after giving effect to all of the arrangements and transactions contemplated by this Amendment), and no condition exists on the date hereof which would, with notice or the lapse of time, or both, constitute an Event of Default.

(c) Binding Effect of Documents This Modification No. 2 has been duly executed and delivered by the Borrowers and is in full force and effect as of the date hereof, and the agreements and obligations of the Borrowers contained herein and therein constitute legal, valid and binding obligations of the Borrowers enforceable against the Borrowers in accordance with their respective terms.

Section 5. Miscellaneous

This Modification No. 2 may be executed and delivered in any number of counterparts, each of which when executed and delivered shall be deemed an original, but all of which together shall constitute one instrument. In making proof of this Modification No. 2, it shall not be necessary to produce or account for more than one counterpart thereof signed by each of the parties hereto. Except to the extent specifically amended hereby, the provisions of the Agreement shall remain unmodified, and the Agreement, as amended hereby, is hereby

confirmed as being in full force and effect, and the Borrowers hereby ratify and confirm all of their joint and several agreements and obligations contained therein.

IN WITNESS WHEREOF, the parties hereto have executed this Modification No. 2 as of the date first above written.

The Borrowers:

UNIFIRST CORPORATION
UNITECH SERVICES GROUP, INC.
UNIFIRST CANADA LTD.
UNIFIRST HOLDINGS, L.P.
UONE CORPORATION
UTWO CORPORATION
UR CORPORATION
RC AIR, LLC
UNIFIRST-FIRST AID CORPORATION

By: /s/ John B. Bartlett
In his capacity as Senior Vice President or Vice Presidentof each of the above-named corporations and hereunto duly authorized by each of the above-named corporations

The Banks:

BANK OF AMERICA, N.A.
By: /s/ Representative of Bank of America, N.A
Title: Senior Vice President

WACHOVIA BANK, NATIONAL ASSOCIATION
By: /s/ Representative of Wachovia Bank, National Association
Title: Director

JP MORGAN CHASE BANK
By: /s/ Representative of JP Morgan Chase Bank
Title: Vice President

SOVEREIGN BANK
By: /s/ Representative of Sovereign Bank
Title: Senior Vice President

TD BANKNORTH, N.A.
(formerly known as BANKNORTH, N.A.)
By: /s/ Representative of TD Banknorth, N.A. (formerly known as Banknorth, N.A.

Title: Senior Vice President

CITIZENS BANK OF MASSACHUSETTS
By: /s/ Citizens Bank of Massachusetts
Title: Vice President

The Administrative Agent:

BANK OF AMERICA, N.A.
as Administrative Agent
By: /s/ Representative of Bank of America, N.A.
Title: Senior Vice President

Exhibit 10.4

UNIFIRST CORPORATION AND SUBSIDIARIES

Modification No. 3
Dated as of September 13, 2006

to

Amended and Restated Revolving Credit Agreement
Dated as of June 14, 2004

This MODIFICATION NO. 3 ("Modification No. 3"), dated as of September 13, 2006 (the "Modification Effective Date"), to the Amended and Restated Revolving Credit Agreement, dated as of June 14, 2004 (as amended from time to time, the "Agreement"), is by and among UNIFIRST CORPORATION, UNITECH SERVICES GROUP, INC., UNIFIRST CANADA LTD., UNIFIRST HOLDINGS, L.P., UONE CORPORATION, UTWO CORPORATION, RC AIR, LLC, UNIFIRST-FIRST AID CORPORATION, (collectively, the "Borrowers"), BANK OF AMERICA, N.A., WACHOVIA BANK, NATIONAL ASSOCIATION, JPMORGAN CHASE BANK, N.A., SOVEREIGN BANK, BANKNORTH, N.A., HSBC BANK USA, NATIONAL ASSOCIATION (collectively, the "Banks"), BANK OF AMERICA, N.A., in the capacity of Administrative Agent for the Banks (the "Administrative Agent"), JPMORGAN CHASE BANK, N.A. in the capacity of Syndication Agent, HSBC BANK USA, NATIONAL ASSOCIATION in the capacity of Documentation Agent, WACHOVIA BANK, NATIONAL ASSOCIATION in the capacity of Managing Agent, BANKNORTH, N.A. in the capacity of Managing Agent and BANC OF AMERICA SECURITIES LLC, in the capacity of Arranger.

W I T N E S S E T H :

WHEREAS, the Borrowers, the Administrative Agent and the Banks have entered into the Agreement pursuant to which the Banks have, on the terms and subject to the conditions stated therein, made certain loans to the Borrowers as contemplated thereby; and

WHEREAS, the Borrowers, the Administrative Agent and the Banks desire to amend the Agreement on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

Section 1. Definitions

All capitalized terms used herein which are defined in the Agreement shall have the same meanings herein as therein, except as otherwise specifically provided herein.

Section 2. Modification of the Agreement

(a) Section 1.1.28(a) is hereby amended and restated to read as follows:

"1.1.28(a) 'EBITDA' means, for any period the EBIT of the Borrowers and their Subsidiaries for such period, plus depreciation and amortization expense of the Borrowers and their Subsidiaries for such period and any non-cash accretion expense relating to SFAS 143 for such period. If during any period for which EBITDA is being determined, any Borrower has acquired or disposed of a Subsidiary or substantially all of the assets of a Subsidiary, EBITDA for such period shall be determined to include or exclude, as the case may be, the actual historical results of such Subsidiary or such assets on a pro forma basis.'"

(b) Section 1.1.61 is hereby amended and restated to read as follows:

"1.1.61 'Revolving Credit Loans' means, collectively, the loans (including Swingline Loans) up to a maximum aggregate principal amount of $225,000,000 made or to be made to the Borrowers by the Banks pursuant to this Agreement and subject to the limitations contained herein. The joint and several obligations of the Borrowers to repay the principal of the Revolving Credit Loans shall be evidenced by the Revolving Credit Notes. The amount of the Revolving Credit Loans may be decreased pursuant to Section 2.3 or increased pursuant to Section 2.6."

(c) Section 1.1.62 is hereby amended and restated to read as follows:

"1.1.62 'Revolving Credit Maturity Date' means September 13, 2011, or such earlier date as provided herein."

(d) Section 1.1.63 is hereby amended and restated to read as follows:

"1.1.63 'Revolving Credit Maximum" means $225,000,000, as the same may be increased pursuant to Section 2.6."

(e) Section 1.1.68(a) is hereby amended and restated to read as follows:

"1.1.68(a) 'Senior Notes" means the senior notes issued by UniFirst and the other Borrowers pursuant to the Note Purchase

Agreement in an amount to be outstanding of $75,000,000 as of September 13, 2006, and the additional senior notes to be issued as of September 14, 2006 by UniFirst and the other Borrowers in an amount of $100,000,000, which shall rank pari passu with the Revolving

Credit Loans and all other senior unsecured Indebtedness of the Borrowers and any of their Subsidiaries."

(f) Section 2.2.2(i) is hereby amended by deleting therefrom the reference to "$15,000,000" and by inserting in place thereof the following: "$25,000,000".

(g) Section 2.5.2 is hereby amended by deleting the table therefrom and inserting the following in lieu thereof:

Funded Debt Ratio	Commitment Fee
Greater than or equal to 2.50 to 1.00	0.175%
Less than 2.50 to 1.00 but equal to or greater than 2.00 to 1.00	0.125%
Less than 2.00 to 1.00 but equal to or greater than 1.00 to 1.00	0.100%
Less than 1.00 to 1.00	0.090%

(h) Section 2.5.9 is hereby amended by deleting the table therefrom and inserting the following in lieu thereof:

Funded Debt Ratio	Applicable Eurodollar Rate Marg
Greater than or equal to 2.50 to 1.00	0.750%
Less than 2.50 to 1.00 but equal to or greater than 2.00 to 1.00	0.625%
Less than 2.00 to 1.00 but equal to or greater than 1.00 to 1.00	0.500%
Less than 1.00 to 1.00	0.375%

(i) A new Section 2.6 is hereby added to the Agreement to read as follows:

"2.6. Increase in Revolving Credit Commitment.

2.6.1 Request for Increase. Provided (i) there exists neither an Event of Default nor any condition which would, with notice or the lapse of time, or both, constitute an Event of Default, (ii) the Borrowers have delivered to the Administrative Agent evidence that the increase contemplated by this Section 2.6 has been duly authorized by all necessary corporate action, and (iii) the Borrowers have delivered to the Administrative Agent a legal opinion of in-house or special counsel with respect to the due authorization of the increase contemplated by this Section 2.6, then, upon notice to the Administrative Agent (which shall promptly notify the Banks), the Borrowers may from time to time request an increase in the Revolving Credit Commitments by an amount not exceeding $100,000,000 in the aggregate for all such requests. At the time of sending such notice, the Borrowers (in consultation with the Administrative Agent) shall specify the time period

within which each Bank is requested to respond (which shall in no event be less than ten Business Days from the date of delivery of such notice to the Banks).

2.6.2 Bank Elections to Increase. Each Bank shall notify the Administrative Agent within such time period whether or not it agrees to increase its Revolving Credit Commitment and, if so, whether by an amount equal to, greater than, or less than its Commitment Percentage of such requested increase. Any Bank not responding within such time period shall be deemed to have declined to increase its Revolving Credit Commitment.

2.6.3 Notification by Administrative Agent; Additional Banks. The Administrative Agent shall notify the Borrowers and each Bank of the Banks' responses to each request made hereunder. In the event that the aggregate amount of the increases agreed to by the Banks (including those Banks willing to agree to an increase in their Revolving Credit Commitments in amounts greater than their Commitment Percentages) is less than the amount of increase requested by the Borrowers, then, to achieve the full amount of the requested increase, additional financial institutions approved by the Administrative Agent and the Borrowers may become Banks pursuant to a joinder agreement in form and substance satisfactory to the Administrative Agent and its counsel and by UniFirst and its counsel on behalf of the Borrowers.

2.6.4 Effective Date and Allocations. If the Revolving Credit Commitment is increased in accordance with this Section 2.6, the Administrative Agent and the Borrowers shall determine the effective date (the "Increase Effective Date") and the final allocation of such increase. The Administrative Agent shall promptly notify the Borrowers and the Banks of the final allocation of such increase and the Increase Effective Date.

2.6.5 Conditions to Effectiveness of Increase. As a condition precedent to such increase, each Borrower shall deliver to the Administrative Agent a certificate of such Borrower, dated as of the Increase Effective Date (in sufficient copies for each Bank), signed by the chief financial officer or treasurer of such Borrower, (i) certifying and attaching the resolutions adopted by such entity approving or consenting to such increase, and (ii) certifying that, before and after giving effect to such increase, (A) the representations and warranties contained in Section 3 of the Agreement, and the representations and warranties in each other Loan Document, are true and correct on and as of the Increase Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct as of such earlier date, and (B) neither an Event of Default nor any condition, which would, with notice or the lapse of time, or both, constitute an Event of Default, exists."

(j) Section 5.5(vii)(e) is hereby amended by deleting therefrom the reference to "$10,000,000" and by inserting in place thereof the following: "$20,000,000", and such clause 5.5(vii)(e) is hereby redesignated as 5.5(vii)(d).

(k) Section 5.5(vii)(f) is hereby and restated to read as follows:

"(vii)(f) prior to any such acquisition with respect to which the aggregate consideration (including all assumed debt and equity issuances in connection therewith and all indebtedness used to finance such acquisition) exceeds $20,000,000, the Administrative Agent and the Banks shall have received computations from the Borrowers showing that the Funded Debt Ratio on a pro forma basis based upon the most recently completed Reference Period, but after giving effect to such proposed acquisition (including all Indebtedness assumed or incurred in connection therewith and all other Indebtedness for borrowed money of the Borrowers (including, in any event, the Obligations, the Stated Amount of Letters of Credit, obligations in respect of capital leases and Subordinated Debt, if any) incurred after the last day of such Reference Period), does not exceed a multiple that is .25x less than the ratio then specified for such Reference Period in Section 5.26 hereof."

(l) Section 5.8(ii) is hereby amended by deleting therefrom the reference to "$15,000,000" and by inserting in place thereof the following: "$25,000,000".

(m) Section 5.8(iii) is hereby amended and restated to read as follows:

"(iii) in connection with acquisitions, that are non-hostile in nature, of interests in other corporations or business entities engaged in the same business as that in which the Borrowers are now engaged or in a reasonable extension or expansion thereof (either through the purchase of assets or capital stock or otherwise); provided, that (a) the aggregate amount of any single such acquisition shall not exceed $50,000,000, (b) except to the extent expressly permitted by Section 5.7(vii) hereof, the properties and assets acquired in connection with such acquisitions shall be free from all liens, charges and encumbrances whatsoever, (c) immediately prior to and after giving effect to such acquisition, no Event of Default shall exist, (d) with respect to any such acquisition in which the aggregate consideration (including all assumed debt and equity issuances in connection therewith and all indebtedness used to finance such acquisition) exceeds $20,000,000, any such corporation or business entity shall have realized positive EBITDA for the most recently completed twelve calendar months prior to the consummation of such acquisition, (e) upon consummation of such acquisition, any corporation or business entity acquired shall be a party to such of the Loan Documents as is required by the Administrative Agent, as more fully described in Section 5.2(iii), and (f) prior to any such acquisition with respect to which the aggregate consideration (including all assumed debt and equity issuances in connection therewith) exceeds $20,000,000, the Administrative Agent and the Banks shall have received computations from the Borrowers showing that the Funded Debt Ratio on a pro forma basis for the most recently completed Reference Period, but after giving effect to such proposed acquisition (including all Indebtedness assumed or incurred in connection therewith and all other

Indebtedness for borrowed money of the Borrowers (including, in any event, the Obligations, the Stated Amount of Letters of Credit, obligations in respect of capital leases and Subordinated Debt, if any)), does not exceed a multiple that is .25x less than the ratio specified for such Reference Period in Section 5.26 hereof."

(n) Section 5.22 is hereby amended by deleting therefrom the reference to "$165,000,000" and by inserting in place thereof the following: "$175,000,000 (and the Private Placement Documents are hereby deemed to have been modified, and shall be construed and interpreted, consistently with such amendment)".

(o) Section 5.25 is hereby deleted in its entirety.

(p) Section 5.26 is hereby amended and restated to read as follows:

"5.26 Funded Debt Ratio. The Borrowers shall not permit the Funded Debt Ratio of the Borrowers and their Subsidiaries as at the last day of any fiscal quarter in any fiscal period to be greater than 3.00 to 1.00; provided that if the Borrowers propose any acquisition which, after giving effect thereto, would cause the Funded Debt Ratio on a pro forma basis to be greater than 3.00 to 1.00, the Borrowers may elect to consummate such proposed acquisition, provided that (a) for the period beginning on the date of the closing of such acquisition and ending on the last day of the fifth fiscal quarter following such closing (the "Funded Debt Ratio Adjustment Period"), the Borrowers shall not permit the Funded Debt Ratio of the Borrowers and their Subsidiaries as at the last day of any fiscal quarter during the Funded Debt Ratio Adjustment Period to be greater than 3.50 to 1.00 and (b) during the Funded Debt Ratio Adjustment Period, (i) each margin level of the applicable Commitment Fee set forth in Section 2.5.2 shall be increased by 0.075% and (ii) each margin level of the Applicable Eurodollar Rate Margin set forth in Section 2.5.9 shall be increased by 0.25%. For avoidance of doubt, beginning after the last day of any Funded Debt Ratio Adjustment Period, the Borrowers shall not permit the Funded Debt Ratio of the Borrowers and their Subsidiaries as at the last day of any fiscal quarter in any fiscal period to be greater than 3.00 to 1.00."

(q) Section 5.27 is hereby amended and restated to read as follows:

"5.27 Interest Coverage. The Borrowers shall not cause or permit the Interest Coverage Ratio (as hereinafter defined) of the Borrowers and their Subsidiaries for any Reference Period (as hereinafter defined) as of any fiscal quarter end to be less than 3.00 to 1.

For purposes of this Agreement:

(i) 'Interest Coverage Ratio' means, in relation to any Reference Period, the ratio of (a) EBIT for such Reference Period to (b) the aggregate Interest Charges of the Borrowers and their Subsidiaries for such Reference Period; and

(ii) 'Reference Period' means, with respect to any specified date, the period of four consecutive fiscal quarters of the Borrowers and their Subsidiaries ending on such date. It is intended that a separate Reference Period of four consecutive fiscal quarters of the Borrowers and their Subsidiaries shall end at the last day of each and every fiscal quarter of the Borrowers and their Subsidiaries."

(r) Section 5.28 of the Agreement is amended by deleting the fourth and fifth sentences therefrom and inserting the following in lieu thereof:

"Notwithstanding the foregoing, it is agreed that UniFirst may, on one or more occasions, redeem or repurchase its capital stock or pay dividends other than regular quarterly dividends consistent with past practices (an "Extraordinary Dividend"), provided that (a) unless the Funded Debt Ratio on a pro forma basis for the most recently completed Reference Period, both before and after giving effect to such proposed redemption, repurchase or Extraordinary Dividend is less than 2.00 to 1.00, the aggregate amount of all such redemptions, repurchases and Extraordinary Dividends during the term of this Agreement shall not exceed the sum of (x) $50,000,000 and (y) 50% of the Borrowers' cumulative Net Income from and after the Modification Effective Date; and (b) in each case, neither an Event of Default nor any condition, which would, with notice or the lapse of time, or both, constitute an Event of Default. then exists or would result from such redemption, repurchase or Extraordinary Dividend."

(s) Section 10.9(i) is hereby amended by deleting the last sentence therefrom and inserting the following in lieu thereof:

"The parties to any such assignment shall deliver to the Administrative Agent a copy of such instrument of assumption, together with a processing and recordation fee in the amount of $3,500; provided, however, that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire in a form satisfactory to the Administrative Agent."

(t) Schedule 1 is hereby amended and restated as set forth on Annex 1, which is attached hereto and incorporated herein.

(u) Exhibit A is hereby amended and restated as set forth on Annex 2, which is attached hereto and incorporated herein.

(v) Exhibit B is hereby amended and restated as set forth on Annex 3, which is attached hereto and incorporated herein.

(w) Exhibit C is hereby amended and restated as set forth on Annex 4, which is attached hereto and incorporated herein.

Section 3. Conditions Precedent to Modification No. 3

This Modification No. 3 shall become and be effective as of the Modification Effective Date, but only if this Modification No. 3 shall be signed by the Borrowers, the Administrative Agent and the Banks; provided that the obligations of the Administrative Agent and the Banks to give effect to this Modification No. 3 shall be subject to the satisfaction of the following conditions on or prior to the Modification Effective Date:

(a) Revolving Credit Notes. The Administrative Agent shall have received from the Borrowers separate executed Revolving Credit Notes or Amended and Restated Revolving Credit Notes, as applicable, to each Bank payable to the order of such Bank in the principal amount equal to such Bank's Revolving Credit Commitment, substantially in the form attached hereto as Annex 2, with appropriate insertions.

(b) Proof of Corporate Action. The Administrative Agent shall have received from each Borrower a certificate, certified by a duly authorized officer of such Borrower to be true and complete on the Modification Effective Date, attaching a copy of records of all corporate, limited partnership or limited liability company, as applicable, action taken by such Borrower to authorize (i) its execution and delivery of each of this Modification No. 3, (ii) its performance of all of its agreements and obligations under this Modification No. 3, and (iii) any borrowings and other transactions contemplated by this Modification No. 3.

(c) Legal Opinion Letter. The Administrative Agent shall have received a letter addressed to the Administrative Agent and the Banks from Goodwin Procter LLP, counsel to the Borrowers, in or substantially in the form of the opinion letter previously delivered by Goodwin Procter LLP in connection with the Agreement.

(d) Syndication. The Administrative Agent shall have received commitments from the Banks in an aggregate amount equal to the amount of the Revolving Credit Loans as of the Modification Effective Date.

(e) Fee Letter. The Borrowers shall have complied with their obligations under that certain letter dated August 16, 2006 by and among the Borrowers, the Administrative Agent and the Arranger to pay all fees payable thereunder on the Modification Effective Date.

(f) Fees. The Borrowers shall have complied with their obligations to pay all reasonable fees and expenses incurred by the Administrative Agent, the Arranger and their agents in connection with the preparation, negotiation, execution and delivery of this Modification No. 3, including without limitation all of the reasonable fees and disbursements of Goulston & Storrs, P.C., counsel to the Administrative Agent and BOA.

Section 4. Representations and Warranties

(a) Representations in Agreement Each of the representations and warranties made by or on behalf of the Borrowers in the Agreement, as amended through this Modification No. 3, was true and correct in all material respects when made and is true and correct in all material respects on and as of the date hereof with the same full force and effect as if each of such

representations and warranties had been made by the Borrowers, jointly and severally, on the date hereof and in this Modification No. 3, except to the extent that such representations and warranties relate solely to a prior date.

(b) No Defaults or Events of Default No default or Event of Default exists on the date hereof (after giving effect to all of the arrangements and transactions contemplated by this Amendment), and no condition exists on the date hereof which would, with notice or the lapse of time, or both, constitute a default or an Event of Default.

(c) Binding Effect of Documents This Modification No. 3 has been duly executed and delivered by the Borrowers and is in full force and effect as of the date hereof, and the agreements and obligations of the Borrowers contained herein and therein constitute legal, valid and binding obligations of the Borrowers enforceable against the Borrowers in accordance with their respective terms.

Section 5. Miscellaneous

This Modification No. 3 may be executed and delivered in any number of counterparts, each of which when executed and delivered shall be deemed an original, but all of which together shall constitute one instrument. In making proof of this Modification No. 3, it shall not be necessary to produce or account for more than one counterpart thereof signed by each of the parties hereto. Except to the extent specifically amended hereby, the provisions of the Agreement shall remain unmodified, and the Agreement, as amended hereby, is hereby confirmed as being in full force and effect, and the Borrowers hereby ratify and confirm all of their joint and several agreements and obligations contained therein.

IN WITNESS WHEREOF, the parties hereto have executed this Modification No. 3 as of the date first above written.

The Borrowers:

UNIFIRST CORPORATION
UNITECH SERVICES GROUP, INC.
UNIFIRST CANADA LTD.
UONE CORPORATION
UTWO CORPORATION
UNIFIRST-FIRST AID CORPORATION

By: /s/ John B. Bartlett
In his capacity as Senior Vice President or Vice President of each of the above-named corporations and hereunto duly authorized by each of the above-named corporations

UNIFIRST HOLDINGS, L.P.

By: UONE CORPORATION, as General Partner

By: /s/ John B. Bartlett
In his capacity as Senior Vice President of UOne Corporation and hereunto duly authorized by UOne Corporation

RC AIR LLC

By: UNIFIRST CORPORATION, as Member

By: /s/ John B. Bartlett
In his capacity as Senior Vice President of UniFirst Corporation and hereunto duly authorized by UniFirst Corporation

The Banks:

BANK OF AMERICA, N.A.
By: /s/ Representative of Bank of America, N.A.
Title: Senior Vice President

WACHOVIA BANK, NATIONAL ASSOCIATION
By: /s/ Representative of Wachovia Bank, National Association
Title: Vice President

JPMORGAN CHASE BANK, N.A.
By: /s/ Representative of JPMorgan Chase Bank, N.A.
Title: Underwriter

SOVEREIGN BANK
By: /s/ Representative of Sovereign Bank
Title: Senior Vice President

TD BANKNORTH, N.A.
(formerly known as BANKNORTH, N.A.)
By: /s/ Representative of TD Banknorth, N.A. (formerly known as Banknorth, N.A.
Title: Senior Vice President

HSBC BANK USA, NATIONAL ASSOCIATION
By: /s/ Representative of HSBC Bank USA, National Association
Title: First Vice President, Senior Relationship Manager

The Administrative Agent:

BANK OF AMERICA, N.A.
as Administrative Agent
By: /s/ Representative of Bank of America, N.A.
Title: Vice President

Exhibit 10.5

EXECUTION COPY

UNIFIRST CORPORATION
UNITECH SERVICES GROUP, INC.
UNIFIRST CANADA LTD.
UNIFIRST HOLDINGS, L.P.
UONE CORPORATION
UTWO CORPORATION
UR CORPORATION
RC AIR, LLC
UNIFIRST-FIRST AID CORPORATION

$75,000,000 5.27% Senior Notes, Series A, due June 14, 2011

$75,000,000 Floating Rate Senior Notes, Series B, due June 14, 2014

$15,000,000 Floating Rate Senior Notes, Series C, due June 14, 2014

NOTE PURCHASE AGREEMENT

Dated as of June 1, 2004

(Not a part of the Agreement)

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ATTACHMENTS TO NOTE PURCHASE AGREEMENT:

SCHEDULE B — Defined Terms

UNIFIRST CORPORATION
UNITECH SERVICES GROUP, INC.
UNIFIRST CANADA LTD.
UNIFIRST HOLDINGS, L.P.
UONE CORPORATION
UTWO CORPORATION
UR CORPORATION
RC AIR, LLC
UNIFIRST-FIRST AID CORPORATION

5.27% Senior Notes, Series A, due June 14, 2011

Floating Rate Senior Notes, Series B, due June 14, 2014

Floating Rate Senior Notes, Series C, due June 14, 2014

Dated as of June 1, 2004

TO THE PURCHASERS LISTED IN
THE ATTACHED SCHEDULE A:

Ladies and Gentlemen:

UNIFIRST CORPORATION, a Massachusetts corporation (*"UniFirst"*), UNITECH SERVICES GROUP, INC., a California corporation (*"UniTech"*), UNIFIRST CANADA LTD., a Canadian federal corporation (*"UniFirst Canada"*), UNIFIRST HOLDINGS, L.P., a Texas limited partnership (*"UniFirst Holdings"*), UONE CORPORATION, a Massachusetts corporation (*"UOne"*), UTWO CORPORATION, a Delaware corporation (*"UTwo"*), UR CORPORATION, a Delaware corporation (*"UR"*), RC AIR, LLC, a New Hampshire limited liability company (*"RC Air"*), and UNIFIRST-FIRST AID CORPORATION, a Maryland corporation ("*Unifirst-First Aid"*), (UniFirst, UniTech, UniFirst Canada, UniFirst Holdings, UOne, UTwo, UR, RC Air, Unifirst-First Aid and each other Person required to become an obligor hereunder pursuant to Section 9.6, being sometimes hereinafter referred to individually as an *"Obligor"* and collectively as the *"Obligors"*), jointly and severally, agree with the purchasers listed in the attached Schedule A (the *"Purchasers"*) as follows:

SECTION 1. AUTHORIZATION OF NOTES.

Section 1.1 Authorization of Notes. The Obligors will authorize the issue and sale of $165,000,000 aggregate principal amount of their Senior Notes consisting of (a) $75,000,000 aggregate principal amount of their 5.27% Senior Notes, Series A, due June 14, 2011 (the *"Series A Notes"*), (b) $75,000,000 aggregate principal amount of their Floating Rate Senior Notes, Series B, due June 14, 2014 (the *"Series B Notes"*) and (c) $15,000,000 aggregate principal amount of their Floating Rate Senior Notes, Series C, due June 14, 2014 (the *"Series C Notes"*). The Series A Notes, the Series B Notes and the Series C Notes are collectively referred

to as the *"Notes."* As used herein, the term "Notes" shall mean all notes (irrespective of series unless otherwise specified) originally delivered pursuant to this Agreement and any such notes issued in substitution therefor pursuant to Section 13 of this Agreement. The Series A Notes, the Series B Notes and the Series C Notes shall be substantially in the forms set out in Exhibit 1(a), Exhibit 1(b) and Exhibit 1(c), respectively, with such changes therefrom, if any, as may be approved by the Purchasers and the Obligors. Certain capitalized terms used in this Agreement are defined in Schedule B; references to a "Schedule" or an "Exhibit" are, unless otherwise specified, to a Schedule or an Exhibit attached to this Agreement.

Section 1.2 Provisions Relating to the Series A Notes. The Series A Notes shall bear interest (computed on the basis of a 360-day year of twelve 30-day months) on the unpaid principal thereof from the date of issuance at the rate of 5.27% per annum, payable semiannually in arrears on the 14th day of June and December in each year commencing on December 14, 2004 and, to the extent permitted by applicable law, interest on any overdue payment of principal, any overdue payment of interest and any overdue payment of Make-Whole Amount (as provided herein) from the due date thereof (whether by acceleration or otherwise) at the Default Rate until paid.

Section 1.3 Provisions Relating to the Series B Notes. (a) The Series B Notes shall bear interest (computed on the basis of a 360-day year and the actual number of days elapsed) on the unpaid principal thereof from the date of issuance at a floating rate equal to the Series B Adjusted LIBOR Rate for the Interest Period in effect from time to time, payable quarterly in arrears on each Interest Payment Date and, to the extent permitted by applicable law, interest on any overdue payment of principal, any overdue payment of interest and any overdue payment of Series B Prepayment Premium and Breakage Amount (as provided herein) from the due date thereof (whether by acceleration or otherwise) at the Series B Default Rate until paid.

(b) The Series B Adjusted LIBOR Rate shall be determined by the Obligors, and notice thereof shall be given to the holders of the Series B Notes, within three Business Days after the beginning of each Interest Period, together with a copy of the relevant screen used for the determination of LIBOR, a calculation of the Series B Adjusted LIBOR Rate for such Interest Period, the number of days in such Interest Period, the date on which interest for such Interest Period will be paid and the amount of interest to be paid to each holder of Series B Notes on such date. In the event that the holders of more than 50% in aggregate principal amount of the outstanding Series B Notes do not concur with such determination by the Obligors, as evidenced by a single written notice to the Obligors given by the holders of more than 50% in aggregate principal amount of the outstanding Series B Notes, within 10 Business Days after receipt by such holders of the notice delivered by the Obligors pursuant to the immediately preceding sentence, the determination of the Series B Adjusted LIBOR Rate shall be made by such holders of the Series B Notes, and any such determination made in accordance with the provisions of this Agreement, shall be conclusive and binding absent manifest error.

Section 1.4 Provisions Relating to the Series C Notes. (a) The Series C Notes shall bear interest (computed on the basis of a 360-day year and the actual number of days elapsed) on the unpaid principal thereof from the date of issuance at a floating rate equal to the Series C Adjusted LIBOR Rate for the Interest Period in effect from time to time, payable quarterly in arrears on each Interest Payment Date and, to the extent permitted by applicable law, interest on

any overdue payment of principal, any overdue payment of interest and any overdue payment of Series C Prepayment Premium and Breakage Amount (as provided herein) from the due date thereof (whether by acceleration or otherwise) at the Series C Default Rate until paid.

(b) The Series C Adjusted LIBOR Rate shall be determined by the Obligors, and notice thereof shall be given to the holders of the Series C Notes, within three Business Days after the beginning of each Interest Period, together with a copy of the relevant screen used for the determination of LIBOR, a calculation of the Series C Adjusted LIBOR Rate for such Interest Period, the number of days in such Interest Period, the date on which interest for such Interest Period will be paid and the amount of interest to be paid to each holder of Series C Notes on such date. In the event that the holders of more than 50% in aggregate principal amount of the outstanding Series C Notes do not concur with such determination by the Obligors, as evidenced by a single written notice to the Obligors given by the holders of more than 50% in aggregate principal amount of the outstanding Series C Notes, within 10 Business Days after receipt by such holders of the notice delivered by the Obligors pursuant to the immediately preceding sentence, the determination of the Series C Adjusted LIBOR Rate shall be made by such holders of the Series C Notes, and any such determination made in accordance with the provisions of this Agreement, shall be conclusive and binding absent manifest error.

SECTION 2. SALE AND PURCHASE OF NOTES.

Subject to the terms and conditions of this Agreement, the Obligors will issue and sell to each Purchaser and each Purchaser will purchase from the Obligors, at the Closing provided for in Section 3, Notes of the series and in the principal amount specified opposite such Purchaser's name in Schedule A at the purchase price of 100% of the principal amount thereof. Each Purchaser's obligations hereunder are several and not joint and no Purchaser shall have any obligation or liability to any Person for the performance or nonperformance by any other Purchaser hereunder.

SECTION 3. CLOSING.

The sale and purchase of the Notes to be purchased by the Purchasers shall occur at the offices of Schiff Hardin LLP, 623 Fifth Avenue, 28th Floor, New York, New York 10022, at 11:00 a.m., New York, New York time, at a closing (the*"Closing"*) on June 14, 2004 or such later date as may be agreed upon by the Obligors and the Purchasers. At the Closing, the Obligors will deliver to each Purchaser the Notes of each series to be purchased by such Purchaser in the form of a single Note of such series (or such greater number of Notes of such series in denominations of at least $100,000 as such Purchaser may request) dated the date of the Closing and registered in such Purchaser's name (or in the name of its nominee), against delivery by such Purchaser to the Obligors or their order of immediately available funds in the amount of the purchase price therefor by wire transfer of immediately available funds for the account of the Obligors. If at the Closing the Obligors shall fail to tender such Notes to any Purchaser as provided above in this Section 3, or any of the conditions specified in Section 4 shall not have been fulfilled to any Purchaser's satisfaction, such Purchaser shall, at its election, be relieved of all further obligations under this Agreement, without thereby waiving any rights such Purchaser may have by reason of such failure or such nonfulfillment.

SECTION 4. CONDITIONS TO CLOSING.

Each Purchaser's obligation to purchase and pay for the Notes to be sold to such Purchaser at the Closing is subject to the fulfillment to such Purchaser's satisfaction, prior to or at the Closing, of the following conditions:

Section 4.1 Representations and Warranties. The representations and warranties of each Obligor in this Agreement shall be correct when made and at the time of the Closing.

Section 4.2 Performance; No Default. Each Obligor shall have performed and complied with all agreements and conditions contained in this Agreement required to be performed or complied with by it prior to or at the Closing, and after giving effect to the issue and sale of the Notes (and the application of the proceeds thereof as contemplated by Section 5.14), no Default or Event of Default shall have occurred and be continuing. None of the Obligors nor any Restricted Subsidiary shall have entered into any transaction since the date of the Memorandum that would have been prohibited by Section 10 had such Section applied since such date.

Section 4.3 Compliance Certificates.

(a) *Officer's Certificate.* Each Obligor shall have delivered to such Purchaser an Officer's Certificate, dated the date of the Closing, certifying that the conditions specified in Sections 4.1, 4.2 and 4.9 have been fulfilled.

(b) *Secretary's Certificate.* Each Obligor shall have delivered to such Purchaser a certificate certifying as to the resolutions attached thereto and other corporate or other proceedings relating to the authorization, execution and delivery of the Notes and this Agreement.

Section 4.4 Opinions of Counsel. Such Purchaser shall have received opinions in form and substance satisfactory to such Purchaser, dated the date of the Closing (a) from Goodwin Procter LLP, special counsel for the Obligors, covering the matters set forth in Exhibit 4.4(a) and covering such other matters incident to the transactions contemplated hereby as such Purchaser or special counsel to the Purchasers may reasonably request (and each Obligor hereby instructs its counsel to deliver such opinion to such Purchaser), (b) from Jenkens & Gilchrist, Texas local counsel to UniFirst Holdings, covering the matters set forth in Exhibit 4.4(b) and covering such other matters incident to the transactions contemplated hereby as such Purchaser or special counsel to the Purchasers may reasonably request (and UniFirst Holdings hereby instructs its counsel to deliver such opinion to such Purchaser), and (c) from Schiff Hardin LLP, special counsel to the Purchasers in connection with such transactions, substantially in the form set forth in Exhibit 4.4(c) and covering such other matters incident to such transactions as such Purchaser may reasonably request.

Section 4.5 Purchase Permitted by Applicable Law, Etc. On the date of the Closing, such Purchaser's purchase of Notes shall (a) be permitted by the laws and regulations of each jurisdiction to which such Purchaser is subject, without recourse to provisions (such as Section 1405(a)(8) of the New York Insurance Law) permitting limited investments by insurance companies without restriction as to the character of the particular investment, (b) not violate any

applicable law or regulation (including, without limitation, Regulation T, U or X of the Board of Governors of the Federal Reserve System) and (c) not subject such Purchaser to any tax, penalty or liability under or pursuant to any applicable law or regulation. If requested by any Purchaser, such Purchaser shall have received an Officer's Certificate certifying as to such matters of fact as such Purchaser may reasonably specify to enable it to determine whether such purchase is so permitted.

Section 4.6 Related Transactions. The Obligors shall have consummated the sale of the entire principal amount of the Notes scheduled to be sold on the date of the Closing pursuant to this Agreement.

Section 4.7 Payment of Special Counsel Fees. Without limiting the provisions of Section 15.1, the Obligors shall have paid on or before the Closing the reasonable and documented fees, charges and disbursements of special counsel to the Purchasers referred to in Section 4.4 to the extent reflected in a statement of such counsel rendered to the Obligors at least one Business Day prior to the Closing.

Section 4.8 Private Placement Numbers. A Private Placement Number issued by Standard & Poor's CUSIP Service Bureau (in cooperation with the Securities Valuation Office of the National Association of Insurance Commissioners) shall have been obtained for each series of the Notes.

Section 4.9 Changes in Corporate Structure. Except as specified in Schedule 4.9, no Obligor shall have changed its jurisdiction of organization or been a party to any merger or consolidation nor shall have succeeded to all or any substantial part of the liabilities of any other entity, at any time following the date of the most recent financial statements referred to in Schedule 5.5.

Section 4.10 Funding Instructions. At least two Business Days prior to the date of the Closing, such Purchaser shall have received written instructions executed by an authorized financial officer of each Obligor directing the manner of the payment of funds and setting forth (a) the name of the transferee bank, (b) such transferee bank's ABA number, (c) the account name and number into which the purchase price for the Notes is to be deposited and (d) the name and telephone number of the account representative responsible for verifying receipt of such funds.

Section 4.11 Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated by this Agreement and all documents and instruments incident to such transactions shall be satisfactory to such Purchaser and special counsel to the Purchasers, and such Purchaser and special counsel to the Purchasers shall have received all such counterpart originals or certified or other copies of such documents as such Purchaser or special counsel to the Purchasers may reasonably request.

SECTION 5. REPRESENTATIONS AND WARRANTIES OF THE OBLIGORS.

The Obligors, jointly and severally, represent and warrant to each Purchaser that:

Section 5.1 Organization; Power and Authority. Each Obligor is a corporation, limited partnership or limited liability company, as applicable, duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, and is duly qualified as a foreign corporation or other legal entity and is in good standing in each jurisdiction in which such qualification is required by law, other than those jurisdictions as to which the failure to be so qualified or in good standing could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Each Obligor has the corporate or other organizational power and authority to own or hold under lease the properties it purports to own or hold under lease, to transact the business it transacts and proposes to transact, to execute and deliver this Agreement and the Notes and to perform the provisions hereof and thereof.

Section 5.2 Authorization, Etc. This Agreement and the Notes have been duly authorized by all necessary corporate or other organizational action on the part of each Obligor, and this Agreement constitutes, and upon execution and delivery thereof each Note will constitute, a legal, valid and binding obligation of each Obligor enforceable against such Obligor in accordance with its terms, except as such enforceability may be limited by (a) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (b) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

Section 5.3 Disclosure. The Obligors, through their agent, Banc of America Securities LLC, have delivered to each Purchaser a copy of a Private Placement Memorandum, dated May 2004 (the *"Memorandum"*), relating to the transactions contemplated hereby. The Memorandum fairly describes, in all material respects, the general nature of the business and principal properties of the Obligors and their Subsidiaries. Except as disclosed in Schedule 5.3, this Agreement, the Memorandum, the documents, certificates or other writings delivered to the Purchasers by or on behalf of the Obligors in connection with the transactions contemplated hereby and the financial statements listed in Schedule 5.5, taken as a whole, do not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading in light of the circumstances under which they were made. Except as disclosed in the Memorandum or as described in Schedule 5.3, or in one of the documents, certificates or other writings identified therein, or in the financial statements listed in Schedule 5.5, since August 31, 2003, there has been no change in the financial condition, operations, business or properties of the Obligors and their Subsidiaries, taken as a whole, except changes that, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. There is no fact known to any Obligor that could reasonably be expected to have a Material Adverse Effect that has not been set forth herein or in the Memorandum or in the other documents, certificates and other writings delivered to the Purchasers by or on behalf of the Obligors specifically for use in connection with the transactions contemplated hereby.

Section 5.4 Organization and Ownership of Shares of Subsidiaries; Affiliates.

(a) Schedule 5.4 contains (except as noted therein) complete and correct lists (1) of each Obligor's Subsidiaries, showing, as to each Subsidiary, the correct name thereof, the jurisdiction of its organization, and the percentage of shares of each class of its capital stock or similar equity interests outstanding owned by each Obligor and each

other Subsidiary, and if such Subsidiary is, on the date of Closing, a Restricted Subsidiary, (2) of each Obligor's Affiliates, other than Subsidiaries, and (3) of each Obligor's directors and senior officers.

(b) All of the outstanding shares of capital stock or similar equity interests of each Subsidiary shown in Schedule 5.4 as being owned by any Obligor or any Subsidiary have been validly issued, are fully paid and nonassessable and are owned by such Obligor or such Subsidiaries free and clear of any Lien (except as otherwise disclosed in Schedule 5.4).

(c) Each Subsidiary identified in Schedule 5.4 is a corporation or other legal entity duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, and is duly qualified as a foreign corporation or other legal entity and is in good standing in each jurisdiction in which such qualification is required by law other than those jurisdictions as to which the failure to be so qualified or in good standing could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Each such Subsidiary has the corporate or other power and authority to own or hold under lease the properties it purports to own or hold under lease and to transact the business it transacts and proposes to transact.

(d) No Subsidiary is a party to, or otherwise subject to any legal restriction or any agreement (other than this Agreement, the agreements listed on Schedule 5.4 and customary limitations imposed by corporate or other organizational law statutes) restricting the ability of such Subsidiary to pay dividends out of profits or make any other similar distributions of profits to any Obligor or any Subsidiary that owns outstanding shares of capital stock or similar equity interests of such Subsidiary.

Section 5.5 Financial Statements. The Obligors have delivered to each Purchaser copies of the consolidated financial statements of UniFirst listed on Schedule 5.5. All of said financial statements (including in each case the related schedules and notes) fairly present in all material respects the consolidated financial position of UniFirst and its Subsidiaries as of the respective dates specified in such Schedule and the consolidated results of their operations and cash flows for the respective periods so specified and have been prepared in accordance with GAAP consistently applied throughout the periods involved except as set forth in the notes thereto (subject, in the case of any interim financial statements, to normal year-end adjustments).

Section 5.6 Compliance with Laws, Other Instruments, Etc. The execution, delivery and performance by each Obligor of this Agreement and the Notes will not (a) contravene, result in any breach of, or constitute a default under, or result in the creation of any Lien in respect of any property of such Obligor or any of its Subsidiaries under, any indenture, mortgage, deed of trust, loan, purchase or credit agreement, lease, corporate charter or by-laws, or any other agreement or instrument to which such Obligor or any of its Subsidiaries is bound or by which such Obligor or any of its Subsidiaries or any of their respective properties may be bound or affected, (b) conflict with or result in a breach of any of the terms, conditions or provisions of any order, judgment, decree, or ruling of any court, arbitrator or Governmental Authority applicable to such Obligor or any of its Subsidiaries or (c) violate any provision of any statute or

other rule or regulation of any Governmental Authority applicable to such Obligor or any of its Subsidiaries.

Section 5.7 Governmental Authorizations, Etc. No consent, approval or authorization of, or registration, filing or declaration with, any Governmental Authority is required in connection with the execution, delivery or performance by any Obligor of this Agreement or the Notes.

Section 5.8 Litigation; Observance of Agreements, Statutes and Orders.

(a) Except as disclosed in Schedule 5.8, there are no actions, suits or proceedings pending or, to the knowledge of any Obligor, threatened against or affecting any Obligor or any of its Subsidiaries or any property of any Obligor or any of its Subsidiaries in any court or before any arbitrator of any kind or before or by any Governmental Authority that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

(b) No Obligor and no Subsidiary is in default under any term of any agreement or instrument to which it is a party or by which it is bound, or any order, judgment, decree or ruling of any court, arbitrator or Governmental Authority or is in violation of any applicable law, ordinance, rule or regulation (including, without limitation, Environmental Laws) of any Governmental Authority, which default or violation, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

Section 5.9 Taxes. The Obligors and their Subsidiaries have filed all tax returns that are required to have been filed in any jurisdiction, and have paid all taxes shown to be due and payable on such returns and all other taxes and assessments levied upon them or their properties, assets, income or franchises, to the extent such taxes and assessments have become due and payable and before they have become delinquent, except for any taxes and assessments (a) the amount of which is not, individually or in the aggregate, Material or (b) the amount, applicability or validity of which is currently being contested in good faith by appropriate proceedings and with respect to which an Obligor or a Subsidiary, as the case may be, has established adequate reserves in accordance with GAAP. No Obligor knows of any basis for any other tax or assessment that would reasonably be expected to have a Material Adverse Effect. The federal income tax liabilities of UniFirst and its Subsidiaries have been determined by the Internal Revenue Service and paid for all fiscal years up to and including the fiscal year ended August 29, 1998.

Section 5.10 Title to Property; Leases. The Obligors and their Subsidiaries have good and sufficient title to their respective properties that, individually or in the aggregate, are Material, including all such properties reflected in the most recent audited balance sheet referred to in Section 5.5 or purported to have been acquired by any Obligor or any Subsidiary after said date (except as sold or otherwise disposed of in the ordinary course of business), in each case free and clear of Liens prohibited by this Agreement. All leases that, individually or in the aggregate, are Material are valid and subsisting and are in full force and effect in all material respects.

Section 5.11 *Licenses, Permits, Etc*. Except as disclosed in Schedule 5.11,

(a) the Obligors and their Subsidiaries own or possess all licenses, permits, franchises, authorizations, patents, copyrights, service marks, trademarks, trade names and domain names or rights thereto, that, individually or in the aggregate, are Material, without known conflict with the rights of others;

(b) to the best knowledge of each Obligor, no product of any Obligor or any Subsidiary infringes in any material respect any license, permit, franchise, authorization, patent, copyright, service mark, trademark, trade name, domain name or other right owned by any other Person; and

(c) to the best knowledge of each Obligor, there is no Material violation by any Person of any right of any Obligor or any of its Subsidiaries with respect to any patent, copyright, service mark, trademark, trade name, domain name or other right owned or used by any Obligor or any of its Subsidiaries.

Section 5.12 *Compliance with ERISA; Pension Plans*.

(a) Each Obligor and each ERISA Affiliate have operated and administered each Plan in compliance with all applicable laws except for such instances of noncompliance as have not resulted in and would not reasonably be expected to result in a Material Adverse Effect. No Obligor and no ERISA Affiliate has incurred any liability pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans (as defined in Section 3 of ERISA), and no event, transaction or condition has occurred or exists that would reasonably be expected to result in the incurrence of any such liability by any Obligor or any ERISA Affiliate, or in the imposition of any Lien on any of the rights, properties or assets of any Obligor or any ERISA Affiliate, in either case pursuant to Title I or IV of ERISA or to such penalty or excise tax provisions or to Section 401(a)(29) or 412 of the Code, other than such liabilities or Liens as could not be, individually or in the aggregate, Material.

(b) The present value of the aggregate benefit liabilities under each of the Plans subject to Title IV of ERISA (other than Multiemployer Plans), determined as of the end of such Plan's most recently ended plan year on the basis of the actuarial assumptions specified for funding purposes in such Plan's most recent actuarial valuation report, did not exceed the aggregate current value of the assets of such Plan allocable to such benefit liabilities by more than $1,000,000 in the aggregate for all Plans. The term "benefit liabilities" has the meaning specified in Section 4001 of ERISA and the terms "current value" and "present value" have the meanings specified in Section 3 of ERISA.

(c) The Obligors and their ERISA Affiliates have not incurred withdrawal liabilities (and, to the best knowledge of the Obligors, are not subject to contingent withdrawal liabilities) under Section 4201 or 4204 of ERISA in respect of Multiemployer Plans that, individually or in the aggregate, could result in a Material Adverse Effect.

(d) The expected post-retirement benefit obligation (determined as of the last day of UniFirst's most recently ended fiscal year in accordance with Financial Accounting

Standards Board Statement No. 106, without regard to liabilities attributable to continuation coverage mandated by Section 4980B of the Code) of the Obligors and their Subsidiaries is not Material.

(e) The execution and delivery of this Agreement and the issuance and sale of the Notes hereunder will not involve any transaction that is subject to the prohibitions of Section 406 of ERISA or in connection with which a tax could be imposed pursuant to Section 4975(c)(1)(A)-(D) of the Code. The representation by the Obligors in the first sentence of this Section 5.12(e) is made in reliance upon and subject to the accuracy of each Purchaser's representation in Section 6.2 as to the sources of the funds used to pay the purchase price of the Notes to be purchased by such Purchaser.

(f) All Non-US Pension Plans have been established, operated, administered and maintained in compliance with all laws, regulations and orders applicable thereto except for such failures to comply, in the aggregate for all such failures, that could not reasonably be expected to have a Material Adverse Effect. All premiums, contributions and any other amounts required by applicable Non-US Pension Plan documents or applicable laws have been paid or accrued as required, except for premiums, contributions and amounts that, in the aggregate for all such obligations, could not reasonably be expected to have a Material Adverse Effect.

Section 5.13 Private Offering by the Obligors. No Obligor nor anyone acting on its behalf, has, directly or indirectly, offered the Notes or any similar securities for sale to, or solicited any offer to buy any of the same from, or otherwise approached or negotiated in respect thereof with, any Person other than 37 Institutional Investors (including the Purchasers) of the type described in clause (c) of the definition thereof, each of which has been offered the Notes at a private sale for investment. No Obligor nor anyone acting on its behalf has taken, or will take, any action that would subject the issuance or sale of the Notes to the registration requirements of Section 5 of the Securities Act.

Section 5.14 Use of Proceeds; Margin Regulations. The Obligors will apply the proceeds of the sale of the Notes for general corporate purposes of the Obligors and their Subsidiaries including to repay existing Debt of the Obligors and their Subsidiaries. No part of the proceeds from the sale of the Notes hereunder will be used, directly or indirectly, for the purpose of buying or carrying any margin stock within the meaning of Regulation U of the Board of Governors of the Federal Reserve System (12 CFR 221), or for the purpose of buying or carrying or trading in any securities under such circumstances as to involve any Obligor in a violation of Regulation X of said Board (12 CFR 224) or to involve any broker or dealer in a violation of Regulation T of said Board (12 CFR 220). Margin stock does not constitute more than 1% of the value of the consolidated total assets of any Obligor and its Subsidiaries and no Obligor has any present intention that margin stock will constitute more than 1% of the value of its consolidated total assets. As used in this Section, the terms "margin stock" and "purpose of buying or carrying" shall have the meanings assigned to them in said Regulation U.

Section 5.15 Existing Debt; Future Liens.

(a) Except as described therein, Schedule 5.15 sets forth a complete and correct list of all outstanding Debt of the Obligors and their Subsidiaries as of April 24, 2004 since which date there has been no Material change in the amounts, interest rates, sinking funds, installment payments or maturities of the Debt of the Obligors or their Subsidiaries. No Obligor and no Subsidiary is in default and no waiver of default is currently in effect, in the payment of any principal or interest on any Debt of any Obligor or any Subsidiary and no event or condition exists with respect to any Debt of any Obligor or any Subsidiary that would permit (or that with notice or the lapse of time, or both, would permit) one or more Persons to cause such Debt to become due and payable before its stated maturity or before its regularly scheduled dates of payment.

(b) Except as disclosed in Schedule 5.15, no Obligor and no Subsidiary has agreed or consented to cause or permit in the future (upon the happening of a contingency or otherwise) any of its property, whether now owned or hereafter acquired, to be subject to a Lien not permitted by Section 10.3.

Section 5.16 Foreign Assets Control Regulations, Etc. Neither the sale of the Notes by the Obligors hereunder nor their use of the proceeds thereof will violate the Anti-Terrorism Order, the Patriot Act, the Trading with the Enemy Act, as amended, or any of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto. No Obligor is a "blocked person" under the Patriot Act.

Section 5.17 Status under Certain Statutes. No Obligor and no Subsidiary is subject to regulation under the Investment Company Act of 1940, as amended, the Public Utility Holding Company Act of 1935, as amended, the ICC Termination Act of 1995, as amended, or the Federal Power Act, as amended.

Section 5.18 Environmental Matters. As to each of the real properties owned or leased by each Obligor and each Restricted Subsidiary and any operations thereon, and as to the Business, each such property and operation and the Business is presently in compliance with and has in full force and effect all permits, licenses, or approvals required by all applicable building, zoning, anti pollution, hazardous substance, hazardous material, oil, radioactive or nuclear waste, environmental, health, safety or other laws, ordinances or regulations (collectively, *"Environmental Laws"*), including, without limitation, the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 *et seq.*, and the Energy Reorganization Act of 1974, as amended, 42 U.S.C. 5801 *et seq*., and any judgment, decree or order relating thereto, and no Obligor nor any Restricted Subsidiary has received notification that any of the foregoing properties or operations or the Business is in violation or alleged violation of any of the foregoing, except where the failure to so comply with or have any such permit, license or approval or where the receipt of such notification would not reasonably be expected to have a Material Adverse Effect, it being understood and agreed that any failure to so comply with or have any such permit, license or approval shall be considered to have a Material Adverse Effect only if the cost to the Obligors and/or the Restricted Subsidiaries associated with such failure is and/or is reasonably expected to be equal to or greater than $2,000,000, which calculation shall include any and all attorneys fees

incurred or reasonably expected to be incurred by the Obligors and/or the Restricted Subsidiaries. Except as set forth on Schedule 5.18 attached hereto and except for OHM (as hereinafter defined) that is used in compliance with all Environmental Laws in amounts and methods customary for a business such as the Business (*provided* such use does not result in a release that requires reporting pursuant to any Environmental Law), no Obligor nor any Restricted Subsidiary has ever generated, stored, handled or disposed of any hazardous substances, hazardous materials, oil, or radioactive or nuclear waste (collectively, *"OHM"*) on any of such properties or any portion thereof or in connection with any of such operations or the Business and no Obligor nor any Restricted Subsidiary is aware of the presence, generation, storage, handling, or disposal of any OHM on any of such properties or any portion thereof or in connection with any of such operations or the Business by any Obligor or any prior owner or prior occupant or prior user thereof or by anyone else, nor is any Obligor nor any Restricted Subsidiary aware of any spill or release or threatened release of OHM or other substance, into the environment on or from any of such properties or operations or in connection with the Business. Except as set forth on Schedule 5.18 attached hereto, no inquiry, notice or threat to give notice by any Governmental Authority or any other third party has been received by any Obligor or any Restricted Subsidiary with respect to the generation, storage, handling, or disposal or release or threat of release (collectively, a *"Release"*) or alleged Release thereof, or with respect to any violation or alleged violation of any Environmental Laws or any judgment, decree or order relating thereto. Except as set forth on Schedule 5.18 attached hereto, no underground storage tanks or surface impoundments are on any of the properties owned or leased or operated by any Obligor or any Restricted Subsidiary or used in connection with the Business. Without in any way limiting the foregoing, as to each of the real properties owned or leased by each Obligor and each Restricted Subsidiary and any operations thereon, all as described on Schedule 5.18 attached hereto, and as to the Business, each such property and operation and the Business is presently in compliance with and has in full force and effect all permits, licenses, or approvals required in connection with the licensing of nuclear decontamination facilities, the handling and disposal of radioactive waste, and record keeping and reporting in connection therewith, except where the failure to so comply with or have any such permit, license or approval would not reasonably be expected to have a Material Adverse Effect. Notwithstanding anything to the contrary set forth in any of the immediately preceding six sentences, the Obligors shall not be required to set forth on Schedule 5.18 a description of any set of facts or circumstances or of any inquiry, notice or threat to give notice described above (each individually, an *"Environmental Matter"*) unless the cost to the Obligors and/or the Restricted Subsidiaries to respond to, address, or remediate any individual Environmental Matter shall be and/or shall reasonably be expected to be equal to or greater than $2,000,000. There shall be no deduction from any sum calculated and/or estimated pursuant to the preceding sentence due to any insurance proceeds to which the Obligors and/or the Restricted Subsidiaries may be entitled or which the Obligors and/or the Restricted Subsidiaries may receive, and there shall be included in any such calculation the cost of any and all attorneys fees incurred and/or reasonably expected to be incurred by the Obligors and/or the Restricted Subsidiaries. For the purposes of this Section 5.18, (i) "hazardous substances" shall mean "hazardous substances" as defined in the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C. §9601 *et seq.*, and regulations thereunder or under the provisions of any other applicable federal, state, county or municipal law, ordinance, rule or regulation, (ii) "hazardous material" and "oil" shall mean "hazardous material" and "oil," respectively, as defined in the

Massachusetts Oil and Hazardous Material Release Prevention and Response Act, as amended, M.G.L. Chapter 21E, and regulations thereunder or under the provisions of any other applicable federal, state, county or municipal law, ordinance, rule or regulation, (iii) "release" or "threat of release" shall mean such terms as they are defined in any of the foregoing laws, ordinances, rules or regulations, as applicable and (iv) "Business" shall mean the business of the Obligors as described in UniFirst's annual report for the fiscal year ended August 31, 2003 on Form 10-K.

Section 5.19 Notes Rank Pari Passu. The obligations of the Obligors under this Agreement and the Notes rank at least *pari passu* in right of payment with all other unsecured senior Debt (actual or contingent) of the Obligors.

Section 5.20 Solvency of the Obligors. Each of the Obligors is solvent and has assets having a value both at fair valuation and at present fair salable value greater than the amount required to pay its debts as they become due and greater than the amount that will be required to pay its probable liability on its existing debts as they become due and matured. No Obligor intends to incur, or believes or should have believed that it will incur, debts beyond its ability to pay such debts as they become due. No Obligor will be rendered insolvent by the execution, delivery and performance of its obligations under this Agreement or the Notes. No Obligor intends to or will hinder, delay or defraud its creditors by or through the execution, delivery or performance of its obligations under this Agreement or the Notes.

Section 5.21 Consideration. There will be provided to each Obligor a substantial economic benefit and adequate consideration for the issuance and sale of the Notes and the execution and delivery of this Agreement by reason of, among other reasons, the proceeds of the Notes being used in the manner set forth in Section 5.14 and therefore will enhance the financial position of each Obligor.

SECTION 6. REPRESENTATIONS OF THE PURCHASERS.

Section 6.1 Purchase for Investment. Each Purchaser represents that it is purchasing the Notes for its own account or for one or more separate accounts maintained by such Purchaser or for the account of one or more pension or trust funds and not with a view to the distribution thereof, *provided* that the disposition of such Purchaser's or such pension or trust fund's property shall at all times be within such Purchaser's or such pension or trust fund's control. Each Purchaser understands that the Notes have not been registered under the Securities Act and may be resold only if registered pursuant to the provisions of the Securities Act or if an exemption from registration is available, except under circumstances where neither such registration nor such an exemption is required by law, and that the Obligors are not required to register the Notes.

Section 6.2 Source of Funds. Each Purchaser represents that at least one of the following statements is an accurate representation as to each source of funds (a *"Source"*) to be used by such Purchaser to pay the purchase price of the Notes to be purchased by such Purchaser hereunder:

(a) the Source is an "insurance company general account" within the meaning of Department of Labor Prohibited Transaction Exemption (*"PTE"*) 95-60 (issued July 12,

1995) and there is no employee benefit plan, treating as a single plan, all plans maintained by the same employer or employee organization, with respect to which the amount of the general account reserves and liabilities for all contracts held by or on behalf of such plan, exceeds 10% of the total reserves and liabilities of such general account (exclusive of separate account liabilities) plus surplus, as set forth in the National Association of Insurance Commissioners Annual Statement filed with such Purchaser's state of domicile; or

(b) the Source is either (1) an insurance company pooled separate account, within the meaning of PTE 90-1 (issued January 29, 1990) or (2) a bank collective investment fund, within the meaning of the PTE 91-38 (issued July 12, 1991) and, except as such Purchaser has disclosed to the Obligors in writing pursuant to this paragraph (b), no employee benefit plan or group of plans maintained by the same employer or employee organization beneficially owns more than 10% of all assets allocated to such pooled separate account or collective investment fund; or

(c) the Source constitutes assets of an "investment fund" (within the meaning of Part V of the QPAM Exemption) managed by a "qualified professional asset manager" or *"QPAM"* (within the meaning of Part V of the QPAM Exemption), no employee benefit plan's assets that are included in such investment fund, when combined with the assets of all other employee benefit plans established or maintained by the same employer or by an affiliate (within the meaning of Section V(c)(1) of the QPAM Exemption) of such employer or by the same employee organization and managed by such QPAM, exceed 20% of the total client assets managed by such QPAM, the conditions of Part I(c) and (g) of the QPAM Exemption are satisfied, neither the QPAM nor a Person controlling or controlled by the QPAM (applying the definition of "control" in Section V(e) of the QPAM Exemption) owns a 5% or more interest in any Obligor and (1) the identity of such QPAM and (2) the names of all employee benefit plans whose assets are included in such investment fund have been disclosed to the Obligors in writing pursuant to this paragraph (c); or

(d) the Source is a governmental plan; or

(e) the Source is one or more employee benefit plans, or a separate account or trust fund comprised of one or more employee benefit plans, each of which has been identified to the Obligors in writing pursuant to this paragraph (e); or

(f) the Source does not include assets of any employee benefit plan, other than a plan exempt from the coverage of ERISA.

As used in this Section 6.2, the terms "employee benefit plan," "governmental plan," "party in interest" and "separate account" shall have the respective meanings assigned to such terms in Section 3 of ERISA.

Section 6.3 Accredited Investor. Each Purchaser represents that it is an "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act).

SECTION 7. INFORMATION AS TO THE OBLIGORS.

Section 7.1 *Financial and Business Information*. The Obligors shall deliver to each holder of Notes that is an Institutional Investor:

(a) *Quarterly Statements* — within 60 days after the end of each quarterly fiscal period in each fiscal year of UniFirst (other than the last quarterly fiscal period of each such fiscal year), duplicate copies of:

(1) a consolidated and consolidating balance sheet of UniFirst and its Subsidiaries as at the end of such quarter; and

(2) consolidated and consolidating statements of income, retained earnings and cash flows of UniFirst and its Subsidiaries for such quarter and (in the case of the second and third quarters) for the portion of the fiscal year ending with such quarter;

setting forth in each case in comparative form the figures for the corresponding periods in the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP applicable to interim financial statements generally, and certified by a Senior Financial Officer of each Obligor as fairly presenting, in all material respects, the consolidated financial position of the companies being reported on and their consolidated results of operations and cash flows, subject to changes resulting from normal year-end adjustments, *provided* that delivery within the time period specified above of copies of UniFirst's Quarterly Report on Form 10-Q prepared in compliance with the requirements therefor and filed with the Securities and Exchange Commission shall be deemed to satisfy the requirements of this Section 7.1(a);

(b) *Annual Statements* — within 105 days after the end of each fiscal year of UniFirst, duplicate copies of:

(1) a consolidated and consolidating balance sheet of UniFirst and its Subsidiaries, as at the end of such year; and

(2) consolidated and consolidating statements of income, retained earnings and cash flows of UniFirst and its Subsidiaries for such year;

setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP, and accompanied by an opinion thereon of independent certified public accountants of recognized national standing, which opinion shall state that such financial statements present fairly, in all material respects, the consolidated financial position of the companies being reported upon and their consolidated results of operations and cash flows and have been prepared in conformity with GAAP, and that the examination of such accountants in connection with such financial statements has been made in accordance with generally accepted auditing standards, and that such audit provides a reasonable basis for such opinion, *provided* that the delivery within the time period specified above of UniFirst's Annual Report on Form 10-K for such fiscal year (together with UniFirst's annual report to shareholders, if any,

prepared pursuant to Rule 14a-3 under the Exchange Act) prepared in accordance with the requirements therefor and filed with the Securities and Exchange Commission, shall be deemed to satisfy the requirements of this Section 7.1(b);

(c) *Unrestricted Subsidiaries* — at such time as either (1) the aggregate amount of the total assets of all Unrestricted Subsidiaries of UniFirst exceeds an amount equal to 10% of the consolidated total assets of UniFirst and its Subsidiaries determined in accordance with GAAP or (2) one or more Unrestricted Subsidiaries of UniFirst account for more than 10% of the consolidated total revenues of UniFirst and its Subsidiaries determined in accordance with GAAP, within the respective periods provided in paragraphs (a) and (b) above, then each set of financial statements delivered pursuant to paragraphs (a) and (b) above shall be accompanied by unaudited financial statements of the character and for the dates and periods as in said paragraphs (a) and (b) covering the Unrestricted Subsidiaries of UniFirst on a consolidated basis together with unaudited consolidating statements reflecting eliminations or adjustments required in order to reconcile such financial statements to the corresponding consolidated financial statements of UniFirst and its Subsidiaries delivered pursuant to paragraphs (a) and (b) above;

(d) *SEC and Other Reports* — promptly upon their becoming available, one copy of (1) each financial statement, report, notice or proxy statement sent by any Obligor or any Restricted Subsidiary to public securities holders generally, (2) any regular or periodic report, any registration statement (without exhibits except as expressly requested by such holder), and any prospectus and all amendments thereto filed by any Obligor or any Restricted Subsidiary with the Securities and Exchange Commission or other similar Governmental Authority and (3) of all press releases and other statements made available generally by any Obligor or any Restricted Subsidiary to the public concerning developments that are Material;

(e) *Notice of Default or Event of Default* — promptly, and in any event within five Business Days after a Responsible Officer of any Obligor obtaining actual knowledge of the existence of any Default or Event of Default or that any Person has given any notice or taken any action with respect to a claimed default hereunder or that any Person has given any notice or taken any action with respect to a claimed default of the type referred to in Section 11(f), a written notice specifying the nature and period of existence thereof and what action the Obligors are taking or propose to take with respect thereto;

(f) *ERISA Matters* — promptly, and in any event within five Business Days after a Responsible Officer of any Obligor becoming aware of any of the following, a written notice setting forth the nature thereof and the action, if any, that the Obligors propose to take, or an ERISA Affiliate proposes to take, with respect thereto:

(1) any reportable event, as defined in Section 4043(b) of ERISA and the regulations thereunder, with respect to any Plan for which notice thereof has not been waived pursuant to such regulations as in effect on the date hereof; or

(2) the taking by the PBGC of steps to institute, or the threatening by the PBGC of the institution of, proceedings under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan, or the receipt by any Obligor or any ERISA Affiliate of a notice from a Multiemployer Plan that such action has been taken by the PBGC with respect to such Multiemployer Plan; or

(3) any event, transaction or condition that could result in the incurrence of any liability by any Obligor or any ERISA Affiliate pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans, or in the imposition of any Lien on any of the rights, properties or assets of any Obligor or any ERISA Affiliate pursuant to Title I or IV of ERISA or such penalty or excise tax provisions, if such liability or Lien, taken together with any other such liabilities or Liens then existing, could reasonably be expected to have a Material Adverse Effect;

(g) *Notices from Governmental Authority* — promptly, and in any event within 30 days of receipt thereof, copies of any notice to any Obligor or any Subsidiary from any Governmental Authority relating to any order, ruling, statute or other law or regulation that could reasonably be expected to have a Material Adverse Effect; and

(h) *Requested Information* — with reasonable promptness, such other data and information relating to the business, operations, affairs, financial condition, assets or properties of any Obligor or any Subsidiary or relating to the ability of the Obligors to perform their obligations hereunder and under the Notes as from time to time may be reasonably requested by any such holder of Notes or such information regarding the Obligors required to satisfy the requirements of 17 C.F.R. §230.144A, as amended from time to time, in connection with any contemplated transfer of Notes.

Section 7.2 Officer's Certificate. Each set of financial statements delivered to a holder of Notes pursuant to Section 7.1(a) or Section 7.1(b) hereof shall be accompanied by a certificate of a Senior Financial Officer of each Obligor setting forth:

(a) *Covenant Compliance* — the information (including detailed calculations) required in order to establish whether the Obligors were in compliance with the requirements of Section 10.1, Section 10.2 and Section 10.5 hereof during the quarterly or annual period covered by the financial statements then being furnished (including with respect to each such Section, where applicable, the calculations of the maximum or minimum amount, ratio or percentage, as the case may be, permissible under the terms of such Sections, and the calculation of the amount, ratio or percentage then in existence); and

(b) *Event of Default* — a statement that such officer has reviewed the relevant terms hereof and has made, or caused to be made, under his or her supervision, a review of the transactions and conditions of the Obligors and their Subsidiaries from the beginning of the quarterly or annual period covered by the financial statements then being furnished to the date of the certificate and that such review shall not have disclosed

the existence during such period of any condition or event that constitutes a Default or an Event of Default or, if any such condition or event existed or exists (including, without limitation, any such event or condition resulting from the failure of any Obligor or any Subsidiary to comply with any Environmental Law), specifying the nature and period of existence thereof and what action the Obligors shall have taken or propose to take with respect thereto.

Section 7.3 Inspection. Each Obligor shall permit the representatives of each holder of Notes that is an Institutional Investor:

(a) *No Payment Default or Event of Default* — if no Payment Default or Event of Default then exists, at the expense of such holder, to visit the principal executive office of such Obligor, to discuss the affairs, finances and accounts of such Obligor and its Restricted Subsidiaries with such Obligor's officers, and (with the consent of such Obligor, which consent will not be unreasonably withheld) to visit the other offices and properties of such Obligor and its Restricted Subsidiaries, all at such reasonable times, upon reasonable notice to such Obligor and as reasonably requested in writing to such Obligor; and

(b) *Payment Default or Event of Default* — if a Payment Default or Event of Default then exists, at the expense of the Obligors to visit and inspect any of the offices or properties of such Obligor or any of its Restricted Subsidiaries, to examine all their respective books of account, records, reports and other papers, to make copies and extracts therefrom, and to discuss their respective affairs, finances and accounts with their respective officers and independent public accountants (and by this provision such Obligor authorizes said accountants to discuss the affairs, finances and accounts of such Obligor and its Restricted Subsidiaries), all at such reasonable times and upon reasonable notice as requested in writing to such Obligor.

SECTION 8. PREPAYMENT OF THE NOTES.

Section 8.1 Required Prepayments. The Notes shall not be subject to any required prepayment and the entire unpaid principal amount of the Notes shall be due and payable on the stated maturity thereof.

Section 8.2 Optional Prepayments.

(a) *Optional Prepayments of Series A Notes.* The Obligors may, at their option, upon notice as provided below, prepay at any time all, or from time to time any part of, the Series A Notes, in an amount not less than $2,500,000 in aggregate principal amount of the Series A Notes then outstanding in the case of a partial prepayment, at 100% of the principal amount so prepaid, *plus* accrued and unpaid interest, *plus* the Make-Whole Amount, if any, determined for the prepayment date with respect to such principal amount.

(b) *Optional Prepayments of Series B Notes.* From and after June 9, 2005, the Obligors may, at their option, upon notice as provided below, prepay at any time all, or from time to time any part of, the Series B Notes, in an amount not less than $2,500,000

in aggregate principal amount of the Series B Notes then outstanding in the case of a partial prepayment, at 100% of the principal amount so prepaid, *plus* accrued and unpaid interest, *plus* the Series B Prepayment Premium, if any, determined for the prepayment date with respect to such principal amount and if such prepayment occurs on any date other than an Interest Payment Date, the Breakage Amount, if any.

(c) *Optional Prepayments of Series C Notes.* From and after June 9, 2005, the Obligors may, at their option, upon notice as provided below, prepay at any time all, or from time to time any part of, the Series C Notes, in an amount not less than $2,500,000 in aggregate principal amount of the Series C Notes then outstanding in the case of a partial prepayment, at 100% of the principal amount so prepaid, *plus* accrued and unpaid interest, but with out any make-whole amount or prepayment premium, determined for the prepayment date with respect to such principal amount and if such prepayment occurs on any date other than an Interest Payment Date, the Breakage Amount, if any.

(d) *Optional Prepayment following Default.* Notwithstanding the foregoing paragraphs (a), (b) and (c) of this Section 8.2, if a Default or Event of Default then exists or would be caused by an optional prepayment, the Obligors may, at their option, upon notice as provided below, prepay at any time all, or from time to time any part of, the Notes of each series, in an amount not less than $2,500,000 in aggregate principal amount of the Notes then outstanding in the case of a partial prepayment, at 100% of the principal amount so prepaid, *plus* accrued and unpaid interest, *plus*, in the case of the Series A Notes, the Make-Whole Amount, if any, in the case of the Series B Notes, the Series B Prepayment Premium, if any, and, in the case of the Series C Notes, the Series C Prepayment Premium, if any, and if such prepayment occurs on any date other than an Interest Payment Date, Breakage Amount, if any, in each case, determined for the prepayment date with respect to such principal amount. In no event shall the rights of the Obligors under this Section 8.2(d) extend the date payment is due in respect of any Notes that have become due and payable pursuant to Section 12.1.

(e) *Notice of Optional Prepayments.* The Obligors will give each holder of Notes of the series to be prepaid (with a copy to each other holder of Notes) written notice of each optional prepayment of Notes of such series under this Section 8.2 not less than 30 days and not more than 60 days prior to the date fixed for such prepayment. Each such notice shall specify such date, the aggregate principal amount of the Notes of each series to be prepaid on such date, the principal amount of each Note held by such holder to be prepaid (determined in accordance with Section 8.3), and the interest to be paid on the prepayment date with respect to such principal amount being prepaid, and shall be accompanied by a certificate of a Senior Financial Officer of each Obligor as to the estimated Make-Whole Amount or Series B Prepayment Premium or Series C Prepayment Premium, as applicable, due in connection with such prepayment (calculated as if the date of such notice were the date of the prepayment), setting forth the details of such computation. In the case of prepayments of Series A Notes, two Business Days prior to such prepayment, the Obligors shall deliver to each holder of Series A Notes a certificate of a Senior Financial Officer of each Obligor specifying the calculation of such Make-Whole Amount as of the specified prepayment date.

Section 8.3 Allocation of Partial Prepayments. In the case of each partial prepayment of the Notes of a series pursuant to Section 8.2(a), (b) or (c), the principal amount of the Notes of such series to be prepaid shall be allocated among all of the Notes of such series at the time outstanding in proportion, as nearly as practicable, to the respective unpaid principal amounts thereof not theretofore called for prepayment; *provided* that in the case of any prepayment pursuant to Section 8.2(d), the principal amount of the Notes to be prepaid shall be allocated among all of the Notes of each series at the time outstanding in proportion, as nearly as practicable, to the respective unpaid principal amounts thereof not theretofore called for prepayment.

Section 8.4 Maturity; Surrender, Etc. In the case of each prepayment of Notes pursuant to this Section 8, the principal amount of each Note to be prepaid shall mature and become due and payable on the date fixed for such prepayment, together with interest on such principal amount accrued to such date and the applicable Make-Whole Amount, if any, or applicable Series B Prepayment Premium, if any, or applicable Series C Prepayment Premium, if any, and the Breakage Amount, if any. From and after such date, unless the Obligors shall fail to pay such principal amount when so due and payable, together with the interest and Make-Whole Amount, if any, or Series B Prepayment Premium, if any, or Series C Prepayment Premium, if any, and the Breakage Amount, if any, as aforesaid, interest on such principal amount shall cease to accrue. Any Note paid or prepaid in full shall be promptly surrendered to the Obligors and cancelled and shall not be reissued, and no Note shall be issued in lieu of any prepaid principal amount of any Note.

Section 8.5 Purchase of Notes. The Obligors will not, and will not permit any Affiliate to, purchase, redeem, prepay or otherwise acquire, directly or indirectly, any of the outstanding Notes except (a) upon the payment or prepayment of the Notes in accordance with the terms of this Agreement and the Notes or (b) pursuant to a written offer to purchase any outstanding Notes made by one or more Obligors or their Affiliates pro rata to each holder of Notes of a series at the time outstanding upon the same terms and conditions; *provided*, that in the case of any such offer during any period when a Default or Event of Default then exists or would be caused by such purchase, (1) any such offer shall be made pro rata to all holders of Notes of each series at the time outstanding upon the same terms and conditions and (2) in no event shall the right of the Obligors to make such offer, extend the date payment is due in respect of any Notes that have become due and payable pursuant to Section 12.1. Any such offer shall provide each holder with sufficient information to enable it to make an informed decision with respect to such offer, and shall remain open for at least 15 Business Days. If the holders of 50% or more of the principal amount of the Notes then outstanding and offered for prepayment pursuant to clause (b) of this Section 8.5 accept such offer, the Obligors shall promptly notify the remaining holders of such fact and the expiration date for the acceptance by such holders of such offer shall be extended by the number of days necessary to give each such remaining holder at least 15 Business Days from its receipt of such notice to accept such offer. The Obligors will promptly cancel all Notes acquired by it or any Affiliate pursuant to any payment, prepayment or purchase of Notes pursuant to any provision of this Agreement and no Notes may be issued in substitution or exchange for any such Notes.

Section 8.6 Make-Whole Amount. The term *"Make-Whole Amount"* shall mean, with respect to any Series A Note, an amount equal to the excess, if any, of (x) an amount equal to the

Discounted Value of the Remaining Scheduled Payments with respect to the Called Principal of such Series A Note over (y) the amount of such Called Principal, *provided* that the Make-Whole Amount may in no event be less than zero. For the purposes of determining the Make-Whole Amount, the following terms have the following meanings:

"Called Principal" shall mean, with respect to any Series A Note, the principal of such Series A Note that is to be prepaid pursuant to Section 8.2 or has become or is declared to be immediately due and payable pursuant to Section 12.1, as the context requires.

"Discounted Value" shall mean, with respect to the Called Principal of any Series A Note, the amount obtained by discounting all Remaining Scheduled Payments with respect to such Called Principal from their respective scheduled due dates to the Settlement Date with respect to such Called Principal, in accordance with accepted financial practice and at a discount factor (applied on the same periodic basis as that on which interest on the Series A Notes is payable) equal to the Reinvestment Yield with respect to such Called Principal.

"Reinvestment Yield" shall mean, with respect to the Called Principal of any Series A Note, 0.50% over the yield to maturity implied by (a) the yields reported, as of 10:00 a.m. (New York, New York time) on the second Business Day preceding the Settlement Date with respect to such Called Principal, on the display designated as "Page PX1" on the Bloomberg Financial Services Screen (or such other display as may replace Page PX1 on the Bloomberg Financial Services Screen) for actively traded U.S. Treasury securities having a maturity equal to the Remaining Average Life of such Called Principal as of such Settlement Date, or (b) if such yields are not reported as of such time or the yields reported as of such time are not ascertainable, the Treasury Constant Maturity Series Yields reported, for the latest day for which such yields have been so reported as of the second Business Day preceding the Settlement Date with respect to such Called Principal, in Federal Reserve Statistical Release H.15 (519) (or any comparable successor publication) for actively traded U.S. Treasury securities having a constant maturity equal to the Remaining Average Life of such Called Principal as of such Settlement Date. Such implied yield will be determined, if necessary, by (1) converting U.S. Treasury bill quotations to bond-equivalent yields in accordance with accepted financial practice and (2) interpolating linearly between (i) the actively traded U.S. Treasury security with the maturity closest to and greater than the Remaining Average Life and (ii) the actively traded U.S. Treasury security with the maturity closest to and less than the Remaining Average Life.

"Remaining Average Life" shall mean, with respect to any Called Principal, the number of years (calculated to the nearest one-twelfth year) obtained by dividing (a) such Called Principal into (b) the sum of the products obtained by multiplying (1) the principal component of each Remaining Scheduled Payment with respect to such Called Principal by (2) the number of years (calculated to the nearest one-twelfth year) that will elapse between the Settlement Date with respect to such Called Principal and the scheduled due date of such Remaining Scheduled Payment.

"Remaining Scheduled Payments" shall mean, with respect to the Called Principal of any Series A Note, all payments of such Called Principal and interest thereon that would be due after the Settlement Date with respect to such Called Principal if no payment of such Called Principal were made prior to its scheduled due date, *provided* that if such Settlement Date is not a date on which interest payments are due to be made under the terms of the Series A Notes, then the amount of the next succeeding scheduled interest payment will be reduced by the amount of interest accrued to such Settlement Date and required to be paid on such Settlement Date pursuant to Section 8.2 or 12.1.

"Settlement Date" shall mean, with respect to the Called Principal of any Series A Note, the date on which such Called Principal is to be prepaid pursuant to Section 8.2 or has become or is declared to be immediately due and payable pursuant to Section 12.1, as the context requires.

Section 8.7 Payments Free and Clear of Taxes.

(a) Each Obligor, for the benefit of the holders of the Notes, agrees that in the event payments, if any, made by any Obligor (other than an Obligor organized under the laws of the United States or any State thereof (including the District of Columbia)) hereunder or in respect of the Notes to any holder are subject to any present or future tax, duty, assessment, impost, levy, withholding or other similar charge (a *"Relevant Tax "*) imposed upon such holder by the government of any country or jurisdiction (or any authority therein or thereof) other than any tax based on or measured by net income imposed on any holder of the Notes by the country in which such holder is a resident (the *"Resident Country"*), from or through which payments hereunder or on or in respect of the Notes are actually made (each a *"Taxing Jurisdiction"*), the Obligors will pay to such holder such additional amounts (*"Tax Indemnity Amounts"*) as may be necessary in order that the net amounts paid to such holder pursuant to the terms of this Agreement or the Notes after imposition of any such Relevant Tax shall be not less than the amounts specified in this Agreement or the Notes to be then due and payable (after giving effect to the exclusion for Relevant Taxes imposed by the government of the Resident Country), *provided* that the Obligors shall not be required to pay such Tax Indemnity Amounts to any holder of a Note in respect of Relevant Taxes to the extent such Relevant Taxes exceed the Relevant Taxes that would have been payable:

(1) had such holder not had any connection with such Taxing Jurisdiction or any territory or political subdivision thereof other than the mere holding of a Note (or the receipt of any payments in respect thereof) or activities incidental thereto (including enforcement thereof); *provided* that this exclusion shall not apply with respect to any Tax that would not have been imposed but for an Obligor, after the date of the Closing, opening an office in, moving an office to, reincorporating or reorganizing in, or changing the Taxing Jurisdiction from or through which payments on account of this Agreement or the Notes are made, to the Taxing Jurisdiction imposing the relevant Tax; or

(2) but for the delay or failure by such holder (following a written request by the Obligors) in the filing with an appropriate Governmental Authority

or otherwise of forms, certificates, documents, applications or other reasonably required evidence, that is required to be filed by such holder to avoid or reduce such Relevant Taxes and that in the case of any of the foregoing would not result in any confidential or proprietary income tax return information being revealed, either directly or indirectly, to any Person (collectively, *"Forms"*) and such delay or failure could have been lawfully avoided by such holder, *provided* that such holder shall be deemed to have satisfied the requirements of this clause (2) upon the good faith completion and submission of such Forms as may be specified in a written request of the Obligors no later than 45 days after receipt by such holder of such written request (which written request shall be accompanied by a copy of such Forms and all applicable instructions and, if any such Forms or instructions shall not be in the English language, an English translation thereof).

(b) Within 60 days after the date of any payment by the Obligors of any Relevant Tax in respect of any payment under the Notes or this Agreement, the Obligors shall furnish to each holder of a Note the original tax receipt for the payment of such Relevant Tax (or if such original tax receipt is not available, a duly certified copy of the original tax receipt), together with such other documentary evidence with respect to such payments as may be reasonably requested from time to time by any holder of a Note.

(c) If any Obligor has made a payment to or on account of any holder of a Note pursuant to Section 8.7(a) above and such holder, in such holder's reasonable discretion, determines that it is entitled to a refund of the Relevant Tax to which such payment is attributable from the Governmental Authority to which the payment of the Relevant Tax was made and such refund can be obtained by filing one or more Forms, then (1) such holder shall, as soon as practicable after receiving a written request therefor from the Obligors (which request shall specify in reasonable detail the Forms to be filed), file such Forms and (2) upon receipt of such refund, if any, *provided* no Default or Event of Default then exists, promptly pay over such refund to the relevant Obligor.

For the avoidance of doubt, nothing herein shall (a) restrict the right of any holder to arrange its tax affairs as it shall deem appropriate or (b) require any holder to disclose any information regarding its tax affairs or computations to any Obligor or any other Person other than as shall be necessary to permit the Obligors to determine whether the payment of any Tax Indemnity Amount would be required to be made pursuant to the provisions of this Section 8.7; *provided, however,* no holder shall be obligated to disclose any of its tax returns to any Obligor or any other Person.

SECTION 9. AFFIRMATIVE COVENANTS.

The Obligors, jointly and severally, covenant that so long as any of the Notes are outstanding:

Section 9.1 Compliance with Law. Each Obligor will, and will cause each of its Subsidiaries to, comply with all laws, ordinances or governmental rules or regulations to which each of them is subject, including, without limitation, Environmental Laws, and will obtain and maintain in effect all licenses, certificates, permits, franchises and other governmental

authorizations necessary for the ownership of their respective properties or for the conduct of their respective businesses, in each case to the extent necessary to ensure that non-compliance with such laws, ordinances or governmental rules or regulations or failures to obtain or maintain in effect such licenses, certificates, permits, franchises and other governmental authorizations could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 9.2 Insurance. Each Obligor will, and will cause each of its Restricted Subsidiaries to, maintain, with financially sound and reputable insurers, insurance with respect to their respective properties and businesses against such casualties and contingencies, of such types, on such terms and in such amounts (including deductibles, co-insurance and self-insurance, if adequate reserves are maintained with respect thereto) as is customary in the case of entities of established reputations engaged in the same or a similar business and similarly situated, except for any non-maintenance that could not reasonably be expected to have a Material Adverse Effect.

Section 9.3 Maintenance of Properties. Each Obligor will, and will cause each of its Restricted Subsidiaries to, maintain and keep, or cause to be maintained and kept, their respective properties in good repair, working order and condition (other than ordinary wear and tear), so that the business carried on in connection therewith may be properly conducted at all times, *provided* that this Section shall not prevent any Obligor or any Restricted Subsidiary from discontinuing the operation and the maintenance of any of its properties if such discontinuance is desirable in the conduct of its business and such Obligor or such Restricted Subsidiary, as applicable, has concluded that such discontinuance could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 9.4 Payment of Taxes. Each Obligor will, and will cause each of its Subsidiaries to, file all income tax or similar tax returns required to be filed in any jurisdiction and to pay and discharge all taxes shown to be due and payable on such returns and all other taxes, assessments, governmental charges or levies imposed on them or any of their properties, assets, income or franchises, to the extent such taxes and assessments have become due and payable and before they have become delinquent, *provided* that no Obligor nor any Subsidiary need pay any such tax or assessment if (1) the amount, applicability or validity thereof is contested by such Obligor or such Subsidiary on a timely basis in good faith and in appropriate proceedings, and such Obligor or such Subsidiary has established adequate reserves therefor in accordance with GAAP on the books of such Obligor or such Subsidiary or (2) the nonpayment of all such taxes and assessments in the aggregate (exclusive of those described in clause (1) above) could not reasonably be expected to have a Material Adverse Effect.

Section 9.5 Corporate Existence, Etc. UniFirst will at all times preserve and keep in full force and effect its corporate existence. Subject to Sections 10.4 and 10.5, UniFirst will at all times preserve and keep in full force and effect the corporate or similar existence of each of the other Obligors and each of its and their Restricted Subsidiaries (unless merged into UniFirst or another Obligor) and all rights and franchises of UniFirst, the other Obligors and its and their Restricted Subsidiaries unless, in the good faith judgment of the Obligors, the termination of or failure to preserve and keep in full force and effect such corporate or similar existence, right or franchise could not, individually or in the aggregate, have a Material Adverse Effect.

Section 9.6 Additional Obligors.

(a) Concurrently with any Subsidiary of UniFirst becoming obligated as a co-obligor or guarantor in respect of any obligations existing under the Bank Credit Agreement, each Obligor shall cause such Subsidiary to execute and deliver a joinder to this Agreement in the form attached hereto as Exhibit 2 pursuant to which such Subsidiary becomes an Obligor hereunder and under the Notes (a *"Joinder"*).

(b) Concurrently with the delivery by any Subsidiary of a Joinder pursuant to Section 9.6(a), the Obligors shall cause such Subsidiary to deliver to each holder of Notes (1) such documents and evidence with respect to such Subsidiary as any holder may reasonably request in order to establish the existence and good standing of such Subsidiary and evidence that the Board of Directors of such Subsidiary has adopted resolutions authorizing the execution and delivery of such Joinder, (2) evidence of compliance with such Subsidiary's outstanding Debt instruments in the form of (i) a compliance certificate from such Subsidiary to the effect that such Subsidiary is in compliance with all terms and conditions of its outstanding Debt instruments, (ii) consents or approvals of the holder or holders of any evidence of Debt or security, and/or (iii) amendments of agreements pursuant to which any evidence of Debt or security may have been issued, all as may be reasonably deemed necessary by the holders of Notes to permit the execution and delivery of such Joinder by such Subsidiary, (3) if delivered to the agent or other parties to the Bank Credit Agreement, an opinion of counsel, addressed to each holder of the Notes, with respect to such Subsidiary and such Joinder and matters related thereto as shall be or have been delivered to the agent or other parties to the Bank Credit Agreement and (4) all other documents and showings reasonably requested by the holders of Notes in connection with the execution and delivery of such Joinder, which documents shall be reasonably satisfactory in form and substance to such holders and their special counsel, and each holder of Notes shall have received a copy (executed or certified as may be appropriate) of all of the foregoing legal documents.

Section 9.7 Notes to Rank Pari Passu. The Notes and all other obligations of each Obligor under this Agreement shall rank at least *pari passu* with all other present and future unsecured Debt (actual or contingent) of such Obligor that is not expressed to be subordinate or junior in rank to any other unsecured Debt of such Obligor.

SECTION 10. NEGATIVE COVENANTS.

The Obligors, jointly and severally, covenant that so long as any of the Notes are outstanding:

Section 10.1 Limitation on Consolidated Debt. The Obligors will not, at any time, permit the ratio of Consolidated Debt to Consolidated EBITDA for the then most recently ended period of four consecutive fiscal quarters to be greater than 3.50 to 1.00.

Section 10.2 Limitation on Priority Debt. The Obligors will not, at any time, permit Priority Debt to exceed an amount equal to 20% of Consolidated Net Worth as of the end of the then most recently ended fiscal quarter of UniFirst.

Section 10.3 Liens. The Obligors will not, and will not permit any of their Restricted Subsidiaries to, directly or indirectly create, incur, assume or permit to exist (upon the happening of a contingency or otherwise) any Lien on or with respect to any property or asset (including, without limitation, any document or instrument in respect of goods or accounts receivable) of any Obligor or any Restricted Subsidiary, whether now owned or held or hereafter acquired, or any income or profits therefrom, or assign or otherwise convey any right to receive income or profits (unless it makes, or causes to be made, effective provision whereby the Notes will be equally and ratably secured with any and all other obligations thereby secured, such security to be pursuant to documentation reasonably satisfactory to the Required Holders and, in any such case, the Notes shall have the benefit, to the fullest extent that, and with such priority as, the holders of the Notes may be entitled under applicable law, of an equitable Lien on such property), except:

(a) Liens for taxes, assessments or other governmental charges which are not yet due and payable or the payment of which is not at the time required under this Agreement for the reasons set forth in Section 9.4;

(b) statutory Liens of landlords and Liens of carriers, warehousemen, mechanics, materialmen and other similar Liens, in each case, incurred in the ordinary course of business for sums not yet due and payable;

(c) Liens (other than any Lien imposed by ERISA) incurred or deposits made in the ordinary course of business (1) in connection with workers' compensation, unemployment insurance and other types of social security or retirement benefits, or (2) to secure (or to obtain letters of credit that secure) the performance of tenders, statutory obligations, surety bonds, appeal bonds, bids, leases (other than Capital Leases), performance bonds, purchase, construction or sales contracts and other similar obligations, in each case not incurred or made in connection with the borrowing of money, the obtaining of advances or credit or the payment of the deferred purchase price of property;

(d) any attachment or judgment Lien, unless the judgment it secures shall not, within 60 days after the entry thereof, have been discharged or execution thereof stayed pending appeal, or shall not have been discharged within 60 days after the expiration of any such stay;

(e) leases or subleases granted to others, easements, rights-of-way, restrictions and other similar charges or encumbrances or minor survey exceptions, in each case incidental to the ownership of property or assets or the ordinary conduct of the business of the Obligors or any of their Restricted Subsidiaries, *provided* that such Liens do not, in the aggregate, materially detract from the value of such property;

(f) Liens on property or assets of any Restricted Subsidiary securing Debt owing to an Obligor or to another Restricted Subsidiary;

(g) Liens existing on the date of the Closing and securing the Debt of an Obligor or a Restricted Subsidiary referred to on Schedule 10.3 hereto;

(h) any Lien created to secure all or any part of the purchase price, or to secure Debt incurred or assumed to pay all or any part of the purchase price or cost of construction, of property (or any improvement thereon) acquired or constructed by an Obligor or a Restricted Subsidiary after the date of the Closing, *provided* that:

(1) any such Lien shall extend solely to the item or items of such property (or improvement thereon) so acquired or constructed and, if required by the terms of the instrument originally creating such Lien, other property (or improvement thereon) which is an improvement to or is acquired for specific use in connection with such acquired or constructed property (or improvement thereon) or which is real property being improved by such acquired or constructed property (or improvement thereon);

(2) the principal amount of the Debt secured by any such Lien shall at no time exceed an amount equal to the lesser of (i) the cost to such Obligor or such Restricted Subsidiary of the property (or improvement thereon) so acquired or constructed and (ii) the Fair Market Value (as determined in good faith by one or more officers of such Obligor or such Restricted Subsidiary to whom authority to enter into the subject transaction has been delegated by the board of directors of such Obligor or such Restricted Subsidiary) of such property (or improvement thereon) at the time of such acquisition or construction;

(3) any such Lien shall be created contemporaneously with, or within 365 days after, the acquisition or construction of such property; and

(4) the aggregate principal amount of all Debt secured by such Liens shall be permitted by the limitation set forth in Section 10.1;

(i) any Lien existing on property of a Person immediately prior to its being consolidated with or merged into an Obligor or a Restricted Subsidiary or its becoming a Subsidiary, or any Lien existing on any property acquired by an Obligor or a Restricted Subsidiary at the time such property is so acquired (whether or not the Debt secured thereby shall have been assumed), *provided* that (1) no such Lien shall have been created or assumed in contemplation of such consolidation or merger or such Person becoming a Subsidiary or such acquisition of property, (2) each such Lien shall extend solely to the item or items of property so acquired and, if required by the terms of the instrument originally creating such Lien (A) other property which is an improvement to or is acquired for specific use in connection with such acquired property or (B) other property that does not constitute property or assets of an Obligor or a Restricted Subsidiary and (3) the aggregate amount of all Debt secured by such Liens shall be permitted by the limitation set forth in Section 10.1;

(j) any Lien renewing, extending or refunding any Lien permitted by paragraphs (g), (h) or (i) of this Section 10.3, *provided* that (1) the principal amount of Debt secured by such Lien immediately prior to such extension, renewal or refunding is not increased or the maturity thereof reduced, (2) such Lien is not extended to any other property and

(3) immediately after such extension, renewal or refunding no Default or Event of Default would exist; and

(k) other Liens not otherwise permitted by paragraphs (a) through (j), inclusive, of this Section 10.3 securing Debt, *provided* that, the Debt secured by such Liens shall have been permitted by the limitations set forth in Sections 10.1 and 10.2 at the time the Lien securing such Debt is created.

Section 10.4 Merger, Consolidation, Etc. The Obligors will not, and will not permit any of their Restricted Subsidiaries to, consolidate with or merge with any other corporation or convey, transfer or lease substantially all of its assets in a single transaction or series of transactions to any Person (except that (i) a Restricted Subsidiary (that is not an Obligor) may (x) consolidate with or merge with, or convey, transfer or lease substantially all of its assets in a single transaction or series of transactions to, (1) an Obligor or a Wholly-Owned Restricted Subsidiary of an Obligor or (2) any other Person so long as the survivor of such merger or the Person that acquires by conveyance, transfer or lease substantially all of the assets of such Restricted Subsidiary as an entirety, as the case may be, is a Restricted Subsidiary and (y) convey, transfer or lease all of its assets in compliance with the provisions of Section 10.5 and (ii) an Obligor (other than UniFirst) may consolidate with or merge with, or convey, transfer or lease substantially all of its assets in a single transaction or series of transactions to another Obligor), *provided* that the foregoing restriction does not apply to the consolidation or merger of an Obligor with, or the conveyance, transfer or lease of substantially all of the assets of such Obligor in a single transaction or series of transactions to, any Person so long as:

(a) the successor formed by such consolidation or the survivor of such merger or the Person that acquires by conveyance, transfer or lease substantially all of the assets of such Obligor as an entirety, as the case may be (the *"Successor Corporation"*), shall be (1) such Obligor or (2) a solvent corporation organized and existing under the laws of the United States or any State thereof (including the District of Columbia);

(b) if such Obligor is not the Successor Corporation, (1) the Successor Corporation shall have executed and delivered to each holder of the Notes its assumption of the due and punctual performance and observance of each covenant and condition of this Agreement and the Notes (pursuant to such agreements and instruments as shall be reasonably satisfactory to the Required Holders), (2) the Successor Corporation shall have caused to be delivered to each holder of any Notes an opinion of nationally recognized independent counsel, or other independent counsel reasonably satisfactory to the Required Holders, to the effect that all agreements or instruments effecting such assumption are enforceable in accordance with their terms and comply with the terms hereof and (3) each other Obligor shall have reaffirmed in writing its obligations under this Agreement; and

(c) immediately after giving effect to such transaction, no Default or Event of Default would exist.

No such conveyance, transfer or lease of substantially all of the assets of an Obligor shall have the effect of releasing such Obligor or any Successor Corporation from its liability under this

Agreement or the Notes, unless such Successor Corporation has complied with this Section 10.4 or is an Obligor; *provided* that, in no event, shall UniFirst be so released.

Section 10.5 Sale of Assets, Etc. Except as permitted by Section 10.4, the Obligors will not, and will not permit any Restricted Subsidiary to, sell, lease, transfer or otherwise dispose of, including by way of merger (collectively, a *"Disposition"*), any property, including capital stock of Subsidiaries (but excluding the sale or other disposition of capital stock of UniFirst by UniFirst), in one transaction or a series of transactions, to any Person, other than (a) Dispositions in the ordinary course of business, (b) Dispositions by an Obligor to another Obligor or a Wholly-Owned Restricted Subsidiary or by a Restricted Subsidiary to an Obligor or to a Wholly-Owned Restricted Subsidiary or (c) other Dispositions not otherwise permitted by this Section 10.5, *provided* that (i) after giving effect thereto, no Default or Event of Default exists and (ii) the aggregate net book value of all property so disposed of in any fiscal year of UniFirst pursuant to this Section 10.5(c) does not exceed 10% of Consolidated Total Assets as of the end of the immediately preceding fiscal year of UniFirst.

Notwithstanding the foregoing, the Obligors may, or may permit any Restricted Subsidiary to, make a Disposition of property acquired or constructed by the Obligors or any Restricted Subsidiary and such property shall not be subject to or included in the foregoing limitation and computation contained in Section 10.5(c) of the preceding sentence to the extent that (i) such property is leased back by an Obligor or a Restricted Subsidiary, as lessee, within 365 days of the acquisition or construction thereof, or (ii) the net proceeds from such Disposition are, within 365 days of such Disposition, either (A) reinvested in operating assets by an Obligor or a Restricted Subsidiary to be used in the principal business of such Obligor or such Restricted Subsidiary or (B) applied to the payment or prepayment of any outstanding Debt of an Obligor or a Restricted Subsidiary which Debt is not subordinated to the Notes. Any prepayment of Notes pursuant to this Section 10.5 shall be in accordance with Sections 8.2 and 8.3, but without regard to the minimum prepayment requirements of Section 8.2 if such net proceeds are less than such minimum.

Section 10.6 Nature of Business. The Obligors will not, and will not permit any Restricted Subsidiary to, engage in any business if, as a result thereof, the general nature of the business, which would then be engaged in by the Obligors and their Restricted Subsidiaries taken as a whole would be substantially changed from the general nature of the business engaged in by the Obligors and their Restricted Subsidiaries on the date of the Closing as described in the Memorandum.

Section 10.7 Transactions with Affiliates. The Obligors will not, and will not, permit any Restricted Subsidiary to, enter into, directly or indirectly, any Material transaction or Material group of related transactions (including, without limitation, the purchase, lease, sale or exchange of properties of any kind or the rendering of any service) with any Affiliate (other than an Obligor or another Restricted Subsidiary), except in the ordinary course and pursuant to the reasonable requirements of such Obligor's or such Restricted Subsidiary's business and upon fair and reasonable terms which are not less favorable to such Obligor or such Restricted Subsidiary than would be obtainable in a comparable arm's-length transaction with a Person not an Affiliate.

Section 10.8 Redesignation of Restricted and Unrestricted Subsidiaries. The Obligors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary and may designate any Restricted Subsidiary (that is not an Obligor) to be an Unrestricted Subsidiary by giving written notice to each holder of Notes that the Obligors have made such designation, *provided, however,* that no Unrestricted Subsidiary may be designated a Restricted Subsidiary and no Restricted Subsidiary may be designated an Unrestricted Subsidiary unless, at the time of such designation and after giving effect thereto, no Default or Event of Default shall exist. Any Restricted Subsidiary that has been designated an Unrestricted Subsidiary and that has then been redesignated a Restricted Subsidiary, in each case in accordance with the provisions of the first sentence of this Section 10.8, shall not at any time thereafter be redesignated an Unrestricted Subsidiary without the prior written consent of the Required Holders. Any Unrestricted Subsidiary that has been designated a Restricted Subsidiary and that has then been redesignated an Unrestricted Subsidiary, in each case in accordance with the provisions of the first sentence of this Section 10.8, shall not at any time thereafter be redesignated a Restricted Subsidiary without the prior written consent of the Required Holders.

SECTION 11. EVENTS OF DEFAULT.

An *"Event of Default"* shall exist if any of the following conditions or events shall occur and be continuing:

(a) the Obligors default in the payment of any principal, Make-Whole Amount, Series B Prepayment Premium, Series C Prepayment Premium or Breakage Amount on any Note when the same becomes due and payable, whether at maturity or at a date fixed for prepayment or by declaration or otherwise; or

(b) the Obligors default in the payment of any interest on any Note for more than five Business Days after the same becomes due and payable; or

(c) the Obligors default in the performance of or compliance with any term contained in Section 10.1 through Section 10.5 hereof, inclusive; or

(d) the Obligors default in the performance of or compliance with any term contained herein (other than those referred to in paragraphs (a), (b) and (c) of this Section 11) and such default is not remedied within 30 days after the earlier of (1) a Responsible Officer of any Obligor obtaining actual knowledge of such default and (2) UniFirst receiving written notice of such default from any holder of a Note (any such written notice to be identified as a "notice of default" and to refer specifically to this paragraph (d) of Section 11); or

(e) any representation or warranty made in writing by or on behalf of any Obligor or by any officer of any Obligor in this Agreement or in any writing furnished in connection with the transactions contemplated hereby proves to have been false or incorrect in any Material respect on the date as of which made; or

(f) (1) any Obligor or any Restricted Subsidiary is in default (which default has not been cured or waived) (as principal or as guarantor or other surety) in the payment of any principal of or premium or make-whole amount or interest (in the payment amount of

at least $500,000) on any Debt that is outstanding in an aggregate principal amount of at least $10,000,000 beyond any period of grace provided with respect thereto, or (2) any Obligor or any Restricted Subsidiary is in default (which default has not been cured or waived) in the performance of or compliance with any term of any evidence of any Debt that is outstanding in an aggregate principal amount of at least $10,000,000 or of any mortgage, indenture or other agreement relating thereto or any other condition exists, and, in either such case, as a consequence of such default or condition such Debt has become, or has been declared, or one or more Persons has the right to declare such Debt to be due and payable before its stated maturity or before its regularly scheduled dates of payment or (3) as a consequence of the occurrence or continuation of any event or condition (which event or condition has not been cured or waived) (other than the passage of time or the right of the holder of Debt to convert such Debt into equity interests), any Obligor or any Restricted Subsidiary has become obligated to purchase or repay Debt before its regular maturity or before its regularly scheduled dates of payment in an aggregate outstanding principal amount of at least $10,000,000 or one or more Persons have the rights to require any Obligor or any Restricted Subsidiary so to purchase or repay such Debt; or

(g) any Obligor or any Material Subsidiary (1) is generally not paying, or admits in writing its inability to pay, its debts as they become due, (2) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy, for liquidation or to take advantage of any bankruptcy, insolvency, reorganization, moratorium or other similar law of any jurisdiction, (3) makes an assignment for the benefit of its creditors, (4) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property, (5) is adjudicated as insolvent or to be liquidated or (6) takes corporate action for the purpose of any of the foregoing; or

(h) a court or governmental authority of competent jurisdiction enters an order appointing, without consent by any Obligor or any Material Subsidiary, a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property, or constituting an order for relief or approving a petition for relief or reorganization or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy or insolvency law of any jurisdiction, or ordering the dissolution, winding-up or liquidation of any Obligor or any Material Subsidiary, or any such petition shall be filed against any Obligor or any Material Subsidiary and such petition shall not be dismissed within 60 days; or

(i) a final judgment or judgments for the payment of money aggregating in excess of $10,000,000 are rendered against one or more of the Obligors and their Restricted Subsidiaries and which judgments are not, within 60 days after entry thereof, bonded, discharged or stayed pending appeal, or are not discharged within 60 days after the expiration of such stay; or

(j) if (1) any Plan (other than a Multiemployer Plan) shall fail to satisfy the minimum funding standards of ERISA or the Code for any plan year or part thereof or a

waiver of such standards or extension of any amortization period is sought or granted under Section 412 of the Code, (2) a notice of intent to terminate any Plan (other than a Multiemployer Plan) shall have been or is reasonably expected to be filed with the PBGC or the PBGC shall have instituted proceedings under Section 4042 of ERISA to terminate or appoint a trustee to administer any Plan or the PBGC shall have notified any Obligor or any ERISA Affiliate that a Plan (other than a Multiemployer Plan) may become a subject of any such proceedings, (3) the aggregate "amount of unfunded benefit liabilities" (within the meaning of Section 4001(a)(18) of ERISA) under all Plans, determined in accordance with Title IV of ERISA, shall exceed $10,000,000, (4) any Obligor or any ERISA Affiliate shall have incurred or is reasonably expected to incur any liability pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans, (5) any Obligor or any ERISA Affiliate withdraws from any Multiemployer Plan or (6) any Obligor or any ERISA Affiliate establishes or amends any employee welfare benefit plan which is subject to ERISA that provides post-employment welfare benefits in a manner that would increase the liability of any Obligor or any ERISA Affiliate thereunder; and any such event or events described in clauses (1) through (6) above, either individually or together with any other such event or events, could reasonably be expected to have a Material Adverse Effect.

As used in Section 11(j), the terms "employee benefit plan" and "employee welfare benefit plan" shall have the respective meanings assigned to such terms in Section 3 of ERISA.

SECTION 12. REMEDIES ON DEFAULT,ETC.

Section 12.1 Acceleration.

(a) If an Event of Default with respect to any Obligor described in paragraph (g) or (h) of Section 11 (other than an Event of Default described in clause (1) of paragraph (g) or described in clause (6) of paragraph (g) by virtue of the fact that such clause encompasses clause (1) of paragraph (g)) has occurred, all the Notes then outstanding shall automatically become immediately due and payable.

(b) If any Event of Default other than as described in paragraph (g) or (h) of Section 11 (other than an Event of Default described in clause (1) of paragraph (g) or described in clause (6) of paragraph (g) by virtue of the fact that such clause encompasses clause (1) of paragraph (g)) has occurred and is continuing, the Required Holders may at any time at its or their option, by notice or notices to UniFirst, declare all the Notes then outstanding to be immediately due and payable.

(c) If any Event of Default described in paragraph (a) or (b) of Section 11 has occurred and is continuing, any holder or holders of Notes at the time outstanding affected by such Event of Default may at any time, at its or their option, by notice or notices to UniFirst, declare all the Notes held by it or them to be immediately due and payable.

Upon any Note's becoming due and payable under this Section 12.1, whether automatically or by declaration, such Note will forthwith mature and the entire unpaid principal

amount of such Note, plus (1) all accrued and unpaid interest thereon, (2) the Make-Whole Amount, if any, or the Series B Prepayment Premium, if any, or the Series C Prepayment Premium, if any, determined in respect of such principal amount (to the full extent permitted by applicable law) and (3) with respect to the Series B Notes and the Series C Notes, the Breakage Amount, if any, shall all be immediately due and payable, in each and every case without presentment, demand, protest or further notice, all of which are hereby waived. Each Obligor acknowledges, and the parties hereto agree, that each holder of a Note has the right to maintain its investment in the Notes free from repayment by the Obligors (except as herein specifically provided for), and that the provision for payment of the Make-Whole Amount, if any, or the Series B Prepayment Premium, if any, or the Series C Prepayment Premium, if any, by the Obligors in the event that the Notes are prepaid or are accelerated as a result of an Event of Default, is intended to provide compensation for the deprivation of such right under such circumstances.

Section 12.2 Other Remedies. If any Default or Event of Default has occurred and is continuing, and irrespective of whether any Notes have become or have been declared immediately due and payable under Section 12.1, the holder of any Note at the time outstanding may proceed to protect and enforce the rights of such holder by an action at law, suit in equity or other appropriate proceeding, whether for the specific performance of any agreement contained herein or in any Note, or for an injunction against a violation of any of the terms hereof or thereof, or in aid of the exercise of any power granted hereby or thereby or by law or otherwise.

Section 12.3 Rescission. At any time after any Notes have been declared due and payable pursuant to clause (b) or (c) of Section 12.1, the Required Holders, by written notice to the Obligors, may rescind and annul any such declaration and its consequences if (a) the Obligors have paid all overdue interest on the Notes, all principal of, Make-Whole Amount, if any, Series B Prepayment Premium, if any, Series C Prepayment Premium, if any, and Breakage Amount, if any, on any Notes that are due and payable and are unpaid other than by reason of such declaration, and all interest on such overdue principal, Make-Whole Amount, if any, Series B Prepayment Premium, if any, Series C Prepayment Premium, if any, and Breakage Amount, if any, and (to the extent permitted by applicable law) any overdue interest in respect of the Notes, at the Default Rate, (b) all Events of Default and Defaults, other than non-payment of amounts that have become due solely by reason of such declaration, have been cured or have been waived pursuant to Section 17 and (c) no judgment or decree has been entered for the payment of any monies due pursuant hereto or to the Notes. No rescission and annulment under this Section 12.3 will extend to or affect any subsequent Event of Default or Default or impair any right consequent thereon.

Section 12.4 No Waivers or Election of Remedies, Expenses, Etc. No course of dealing and no delay on the part of any holder of any Note in exercising any right, power or remedy shall operate as a waiver thereof or otherwise prejudice such holder's rights, powers or remedies. No right, power or remedy conferred by this Agreement or by any Note upon any holder thereof shall be exclusive of any other right, power or remedy referred to herein or therein or now or hereafter available at law, in equity, by statute or otherwise. Without limiting the obligations of the Obligors under Section 15, the Obligors will pay to the holder of each Note on demand such further amount as shall be sufficient to cover all costs and expenses of such holder incurred in

any enforcement or collection under this Section 12, including, without limitation, reasonable attorneys' fees, expenses and disbursements.

SECTION 13. REGISTRATION; EXCHANGE; SUBSTITUTION OF NOTES.

Section 13.1 Registration of Notes. The Obligors shall keep at the principal executive office of UniFirst a register for the registration and registration of transfers of Notes. The name and address of each holder of one or more Notes, each transfer thereof and the name and address of each transferee of one or more Notes shall be registered in such register. Prior to due presentment for registration of transfer, the Person in whose name any Note shall be registered shall be deemed and treated as the owner and holder thereof for all purposes hereof, and the Obligors shall not be affected by any notice or knowledge to the contrary. The Obligors shall give to any holder of a Note that is an Institutional Investor promptly upon request therefor, a complete and correct copy of the names and addresses of all registered holders of Notes.

Section 13.2 Transfer and Exchange of Notes. Upon surrender of any Note at the principal executive office of UniFirst for registration of transfer or exchange (and in the case of a surrender for registration of transfer, duly endorsed or accompanied by a written instrument of transfer duly executed by the registered holder of such Note or its attorney duly authorized in writing and accompanied by the address for notices of each transferee of such Note or part thereof), the Obligors shall execute and deliver not more than five Business Days following surrender of such Note, at the Obligors' expense (except as provided below), one or more new Notes of the same series (as requested by the holder thereof) in exchange therefor, in an aggregate principal amount equal to the unpaid principal amount of the surrendered Note. Each such new Note shall be payable to such Person as such holder may request and shall be substantially in the form of Exhibit 1(a), Exhibit 1(b) or Exhibit 1(c), as applicable. Each such new Note shall be dated and bear interest from the date to which interest shall have been paid on the surrendered Note or dated the date of the surrendered Note if no interest shall have been paid thereon. The Obligors may require payment of a sum sufficient to cover any stamp tax or similar governmental charge imposed in respect of any such transfer of Notes. Notes shall not be transferred (a) to any Competitor, *provided* that the limitation contained in this clause (a) shall not apply during any period when an Event of Default has occurred and is continuing, or (b) in denominations of less than $100,000, *provided* that if necessary to enable the registration of transfer by a holder of its entire holding of Notes of a series, one Note of such series may be in a denomination of less than $100,000. Any transferee, by its acceptance of a Note registered in its name (or the name of its nominee), shall be deemed to have made the representations set forth in Section 6.

Section 13.3 Replacement of Notes. Upon receipt by the Obligors of evidence reasonably satisfactory to them of the ownership of and the loss, theft, destruction or mutilation of any Note (which evidence shall be, in the case of an Institutional Investor, notice from such Institutional Investor of such ownership and such loss, theft, destruction or mutilation): and

(a) in the case of loss, theft or destruction, of indemnity reasonably satisfactory to it (*provided* that if the holder of such Note is, or is a nominee for, an original Purchaser or another holder of a Note with a minimum net worth of at least $50,000,000, such Person's own unsecured agreement of indemnity shall be deemed to be satisfactory); or

(b) in the case of mutilation, upon surrender and cancellation thereof;

the Obligors at their own expense shall execute and deliver, in lieu thereof, a new Note of the same series, dated and bearing interest from the date to which interest shall have been paid on such lost, stolen, destroyed or mutilated Note or dated the date of such lost, stolen, destroyed or mutilated Note if no interest shall have been paid thereon.

SECTION 14. PAYMENTS ON NOTES.

Section 14.1 Place of Payment. Subject to Section 14.2, payments of principal, Make-Whole Amount, if any, Series B Prepayment Premium, if any, Series C Prepayment Premium, if any, Breakage Amount, if any, and interest becoming due and payable on the Notes shall be made in New York, New York at the principal office of Bank of America, N.A., in such jurisdiction. The Obligors may at any time, by notice to each holder of a Note, change the place of payment of the Notes so long as such place of payment shall be either the principal office of an Obligor in such jurisdiction or the principal office of a bank or trust company in such jurisdiction.

Section 14.2 Home Office Payment. So long as any Purchaser or its nominee shall be the holder of any Note, and notwithstanding anything contained in Section 14.1 or in such Note to the contrary, the Obligors will pay all sums becoming due on such Note for principal, Make-Whole Amount, if any, Series B Prepayment Premium, if any, Series C Prepayment Premium, if any, Breakage Amount, if any, and interest by the method and at the address specified for such purpose below such Purchaser's name in Schedule A, or by such other method or at such other address as such Purchaser shall have from time to time specified to the Obligors in writing for such purpose, without the presentation or surrender of such Note or the making of any notation thereon, except that upon written request of the Obligors made concurrently with or reasonably promptly after payment or prepayment in full of any Note, such Purchaser shall surrender such Note for cancellation, reasonably promptly after any such request, to UniFirst at its principal executive office or at the place of payment most recently designated by the Obligors pursuant to Section 14.1. Prior to any sale or other disposition of any Note held by any Purchaser or its nominee such Purchaser will, at its election, either endorse thereon the amount of principal paid thereon and the last date to which interest has been paid thereon or surrender such Note to the Obligors in exchange for a new Note or Notes pursuant to Section 13.2. The Obligors will afford the benefits of this Section 14.2 to any Institutional Investor that is the direct or indirect transferee of any Note purchased by any Purchaser under this Agreement and that has made the same agreement relating to such Note as such Purchaser has made in this Section 14.2.

SECTION 15. EXPENSES, ETC.

Section 15.1 Transaction Expenses. Whether or not the transactions contemplated hereby are consummated, the Obligors will pay all costs and expenses incurred in connection with the initial filing of this Agreement and all related documents and financial information with the Securities Valuation Office of the National Association of Insurance Commissioners, all reasonable and documented costs and expenses (including reasonable attorneys' fees of a special counsel and, if reasonably required, local or other counsel) incurred by the Purchasers or any other holder of a Note in connection with such transactions and in connection with any

amendments, waivers or consents under or in respect of this Agreement or the Notes (whether or not such amendment, waiver or consent becomes effective), including, without limitation: (a) the costs and expenses incurred in enforcing or defending (or determining whether or how to enforce or defend) any rights under this Agreement or the Notes or in responding to any subpoena or other legal process or informal investigative demand issued in connection with this Agreement or the Notes, or by reason of being a holder of any Note and (b) the costs and expenses, including financial advisors' fees, incurred in connection with the insolvency or bankruptcy of any Obligor or any Restricted Subsidiary or in connection with any work-out or restructuring of the transactions contemplated hereby and by the Notes. The Obligors will pay, and will save the Purchasers and each other holder of a Note harmless from, all claims in respect of any fees, costs or expenses, if any, of brokers and finders (other than those retained by such Person).

Section 15.2 Survival. The obligations of the Obligors under this Section 15 will survive the payment or transfer of any Note, the enforcement, amendment or waiver of any provision of this Agreement or the Notes, and the termination of this Agreement.

SECTION 16. SURVIVAL OF REPRESENTATIONS AND WARRANTIES; ENTIRE AGREEMENT.

All representations and warranties contained herein shall survive the execution and delivery of this Agreement and the Notes, the purchase or transfer by any Purchaser of any Note or portion thereof or interest therein and the payment of any Note, and may be relied upon by any subsequent holder of a Note, regardless of any investigation made at any time by or on behalf of any Purchaser or any other holder of a Note. All statements contained in any certificate or other instrument delivered by or on behalf of any Obligor pursuant to this Agreement shall be deemed representations and warranties of such Obligor under this Agreement. Subject to the preceding sentence, this Agreement and the Notes embody the entire agreement and understanding between the Purchasers and the Obligors and supersede all prior agreements and understandings relating to the subject matter hereof.

SECTION 17. AMENDMENT AND WAIVER.

Section 17.1 Requirements. This Agreement and the Notes may be amended, and the observance of any term hereof or of the Notes may be waived (either retroactively or prospectively), with (and only with) the written consent of the Obligors and the Required Holders, except that (a) no amendment or waiver of any of the provisions of Section 1, 2, 3, 4, 5, 6 or 21 hereof, or any defined term (as it is used therein), will be effective as to any holder of a Note unless consented to by such holder in writing and (b) no such amendment or waiver may, without the written consent of the holder of each Note at the time outstanding affected thereby, (1) subject to the provisions of Section 12 relating to acceleration or rescission, change the amount or time of any prepayment or payment of principal of, or decrease the rate or change the time of payment or method of computation of interest or of the Make-Whole Amount, Series B Prepayment Premium, Series C Prepayment Premium or Breakage Amount on, the Notes, (2) change the percentage of the principal amount of the Notes the holders of which are required to consent to any such amendment or waiver or (3) amend any of Sections 8, 11(a), 11(b), 12, 17 or 20.

Section 17.2 Solicitation of Holders of Notes.

(a) *Solicitation*. The Obligors will provide each holder of the Notes (irrespective of the amount of Notes then owned by it) with sufficient information, sufficiently far in advance of the date a decision is required, to enable such holder to make an informed and considered decision with respect to any proposed amendment, waiver or consent in respect of any of the provisions hereof or of the Notes. The Obligors will deliver executed or true and correct copies of each amendment, waiver or consent effected pursuant to the provisions of this Section 17 to each holder of outstanding Notes promptly following the date on which it is executed and delivered by, or receives the consent or approval of, the requisite holders of Notes.

(b) *Payment*. The Obligors will not, directly or indirectly, pay or cause to be paid any remuneration, whether by way of supplemental or additional interest, fee or otherwise, or grant any security, to any holder of Notes as consideration for or as an inducement to the entering into by any holder of Notes or any waiver or amendment of any of the terms and provisions hereof unless such remuneration is concurrently paid, or security is concurrently granted, on the same terms, ratably to each holder of Notes then outstanding even if such holder did not consent to such waiver or amendment.

(c) *Consent in Contemplation of Transfer.* Any consent made pursuant to this Section 17 by a holder of Notes that has transferred or has agreed to transfer its Notes to any Obligor, any Subsidiary or any Affiliate and has provided or has agreed to provide such written consent as a condition to such transfer shall be void and of no force or effect except solely as to such holder, and any amendments effected or waivers granted or to be effected or granted that would not have been or would not be so effected or granted but for such consent (and the consents of all other holders of Notes that were acquired under the same or similar conditions) shall be void and of no force or effect except solely as to such holder.

Section 17.3 Binding Effect, Etc. Any amendment or waiver consented to as provided in this Section 17 applies equally to all holders of Notes and is binding upon them and upon each future holder of any Note and upon the Obligors without regard to whether such Note has been marked to indicate such amendment or waiver. No such amendment or waiver will extend to or affect any obligation, covenant, agreement, Default or Event of Default not expressly amended or waived or impair any right consequent thereon. No course of dealing between the Obligors and the holder of any Note nor any delay in exercising any rights hereunder or under any Note shall operate as a waiver of any rights of any holder of such Note. As used herein, the term "this Agreement" and references thereto shall mean this Agreement as it may from time to time be amended or supplemented.

Section 17.4 Notes Held by Obligors, Etc. Solely for the purpose of determining whether the holders of the requisite percentage of the aggregate principal amount of Notes then outstanding approved or consented to any amendment, waiver or consent to be given under this Agreement or the Notes, or have directed the taking of any action provided herein or in the Notes to be taken upon the direction of the holders of a specified percentage of the aggregate principal amount of Notes then outstanding, Notes directly or indirectly owned by any Obligor or any of their Affiliates shall be deemed not to be outstanding.

SECTION 18. NOTICES.

All notices and communications provided for hereunder shall be in writing and sent (a) by telefacsimile if the sender on the same day sends a confirming copy of such notice by a recognized overnight delivery service (charges prepaid), or (b) by registered or certified mail with return receipt requested (postage prepaid) or (c) by a recognized overnight delivery service (charges prepaid). Any such notice must be sent:

(1) if to any Purchaser or its nominee, to such Purchaser or its nominee at the address specified for such communications in Schedule A, or at such other address as such Purchaser or its nominee shall have specified to the Obligors in writing,

(2) if to any other holder of any Note, to such holder at such address as such other holder shall have specified to the Obligors in writing, or

(3) if to the Obligors, to the Obligors c/o UniFirst, 68 Jonspin Road, Wilmington, Massachusetts 01887 to the attention of the Chief Financial Officer, or at such other address as the Obligors shall have specified to the holder of each Note in writing.

Notices under this Section 18 will be deemed given only when actually received.

SECTION 19. REPRODUCTION OF DOCUMENTS.

This Agreement and all documents relating hereto, including, without limitation, (a) consents, waivers and modifications that may hereafter be executed, (b) documents received by the Purchasers at the Closing (except the Notes themselves), and (c) financial statements, certificates and other information previously or hereafter furnished to any holder of the Notes, may be reproduced by such holder by any photographic, photostatic, microfilm, microcard, miniature photographic or other similar process and such holder may destroy any original document so reproduced. The Obligors agree and stipulate that, to the extent permitted by applicable law, any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made by any holder of the Notes in the regular course of business) and any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence. This Section 19 shall not prohibit the Obligors or any other holder of Notes from contesting any such reproduction to the same extent that it could contest the original, or from introducing evidence to demonstrate the inaccuracy of any such reproduction.

SECTION 20. CONFIDENTIAL INFORMATION.

For the purposes of this Section 20, *"Confidential Information"* shall mean information delivered to any Purchaser by or on behalf of the Obligors or any Restricted Subsidiary in connection with the transactions contemplated by or otherwise pursuant to this Agreement that was clearly marked or labeled or otherwise adequately identified when received by such Purchaser as being confidential information of an Obligor or such Restricted Subsidiary, *provided* that such term does not include information that (a) was publicly known or otherwise

known to such Purchaser prior to the time of such disclosure, (b) subsequently becomes publicly known through no act or omission by such Purchaser or any Person acting on such Purchaser's behalf, (c) otherwise becomes known to such Purchaser other than through disclosure by any Obligor or any Restricted Subsidiary or (d) constitutes financial statements delivered to such Purchaser under Section 7.1 that are otherwise publicly available. Each Purchaser will maintain the confidentiality of such Confidential Information in accordance with procedures adopted by such Purchaser in good faith to protect confidential information of third parties delivered to such Purchaser, *provided* that such Purchaser may deliver or disclose Confidential Information to (1) its directors, officers, trustees, employees, agents, attorneys and affiliates (to the extent such disclosure reasonably relates to the administration of the investment represented by its Notes), (2) its financial advisors and other professional advisors who agree to hold confidential the Confidential Information substantially in accordance with the terms of this Section 20, (3) any other holder of any Note, (4) any Institutional Investor to which such Purchaser sells or offers to sell such Note or any part thereof or any participation therein (if such Person has agreed in writing prior to its receipt of such Confidential Information to be bound by the provisions of this Section 20), (5) any Person from which such Purchaser offers to purchase any security of an Obligor (if such Person has agreed in writing prior to its receipt of such Confidential Information to be bound by the provisions of this Section 20), (6) any federal or state regulatory authority having jurisdiction over such Purchaser, (7) the National Association of Insurance Commissioners or any similar organization, or any nationally recognized rating agency that requires access to information about such Purchaser's investment portfolio or (8) any other Person to which such delivery or disclosure may be necessary or appropriate (i) to effect compliance with any law, rule, regulation or order applicable to such Purchaser (and, if not prohibited by applicable law, such Purchaser shall use commercially reasonable efforts to give notice to UniFirst thereof in order to permit UniFirst, at its discretion, to act to protect such information), (ii) in response to any subpoena or other legal process, (iii) in connection with any litigation to which such Purchaser is a party (and, subject to clause (iv) below, if not prohibited by applicable law, such Purchaser shall use commercially reasonable efforts to give notice to UniFirst thereof in order to permit UniFirst, at its discretion, to act to protect such information) or (iv) if an Event of Default has occurred and is continuing, to the extent such Purchaser may reasonably determine such delivery and disclosure to be necessary or appropriate in the enforcement or for the protection of the rights and remedies under such Purchaser's Notes and this Agreement. Each holder of a Note, by its acceptance of a Note, will be deemed to have agreed to be bound by and to be entitled to the benefits of this Section 20 as though it were a party to this Agreement. On reasonable request by the Obligors in connection with the delivery to any holder of a Note of information required to be delivered to such holder under this Agreement or requested by such holder (other than a holder that is a party to this Agreement or its nominee), such holder will enter into an agreement with the Obligors embodying the provisions of this Section 20.

SECTION 21. SUBSTITUTION OF PURCHASER.

Each Purchaser shall have the right to substitute any one of its Affiliates as the purchaser of the Notes that such Purchaser has agreed to purchase hereunder, by written notice to the Obligors, which notice shall be signed by both such Purchaser and such Affiliate, shall contain such Affiliate's agreement to be bound by this Agreement and shall contain a confirmation by such Affiliate of the accuracy with respect to it of the representations set forth in Section 6.

Upon receipt of such notice, wherever the word "Purchaser" is used in this Agreement (other than in this Section 21), such word shall be deemed to refer to such Affiliate in lieu of such Purchaser. In the event that such Affiliate is so substituted as a purchaser hereunder and such Affiliate thereafter transfers to such Purchaser all of the Notes then held by such Affiliate, upon receipt by the Obligors of notice of such transfer, wherever the word "Purchaser" is used in this Agreement (other than in this Section 21), such word shall no longer be deemed to refer to such Affiliate, but shall refer to such Purchaser, and such Purchaser shall have all the rights of an original holder of the Notes under this Agreement.

SECTION 22. LIMITATION ON INTEREST.

It is expressly stipulated and agreed to be the intent of the Obligors and the holders of Notes at all times to comply strictly with the applicable state law governing the maximum rate or amount of interest payable on the Debt evidenced by the Notes (or the applicable federal law to the extent that it permits the holders of Notes to contract for, charge, take, reserve or receive a greater amount of interest than under the applicable state law). If the applicable law is ever judicially interpreted so as to render usurious any amount (a) contracted for, charged, taken, reserved or received pursuant to this Agreement or the Notes or any other communication or writing by or between any Obligor and any holder of Notes related to the transaction or transactions that are the subject matter of this Agreement, (b) contracted for, charged, taken, reserved or received by reason of any holder of Notes exercise of the option to accelerate the maturity of its Notes, or (c) the Obligors will have paid, or any holder of Notes will have received, by reason of any voluntary prepayment of the Notes, then it is the Obligors' and the holders of Notes express intent that all amounts charged in excess of the Maximum Lawful Rate shall be automatically canceled, *ab initio*, and all amounts in excess of the Maximum Lawful Rate theretofore collected by any holder of Notes shall be credited on the principal balance of its Notes (or, if its Notes have been or would thereby be paid in full, refunded to the Obligors), and the provisions of this Agreement and the Notes shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder and thereunder; *provided*, *however*, if such holder's Notes have been paid in full before the end of the stated term thereof, then the Obligors and such holder agree that the Obligors shall, with reasonable promptness after such holder discovers or is advised by the Obligors that interest was received in an amount in excess of the Maximum Lawful Rate, either refund such excess interest to the Obligors and/or credit such excess interest against its Notes then owing by the Obligors to such holder The Obligors hereby agree that as a condition precedent to any claim seeking usury penalties against any holder of Notes, the Obligors will provide written notice to such holder, advising such holder in reasonable detail of the nature and amount of the violation, and such holder shall have 60 days after receipt of such notice in which to correct such usury violation, if any, by either refunding such excess interest to the Obligors or crediting such excess interest against its Notes then owing by the Obligors to such holder. All sums contracted for, charged, taken, reserved or received by any holder of Notes for the use, forbearance or detention of any Debt evidenced by its Notes shall, to the extent permitted by applicable law, be amortized or spread, using the actuarial method, throughout the stated term of its Notes (including any and all renewal and extension periods) until payment in full so that the rate or amount of interest on account of its Notes does not exceed the Maximum Lawful Rate from time to time in effect and applicable to its Notes for

so long as such Debt is outstanding. In no event shall the provisions of any applicable state law which regulates consumer revolving credit loan accounts and revolving triparty accounts (*e.g.*, Chapter 346 of the Texas Finance Code) apply to this Agreement or the Notes. Notwithstanding anything to the contrary contained herein or in the Notes, it is not the intention of the holders of the Notes to accelerate the maturity of any interest that has not accrued at the time of such acceleration or to collect unearned interest at the time of such acceleration.

As used in this Section 22, the following terms shall have the following meanings:

(1) *"Maximum Lawful Rate*" shall mean the maximum lawful rate of interest which may be contracted for, charged, taken, received or reserved by the holders of Notes in accordance with the applicable state law (or the applicable federal law to the extent that such law permits the holders of Notes to contract for, charge, take, receive or reserve a greater amount of interest than under applicable state law), taking into account all Charges made in connection with the transaction evidenced by this Agreement and the Notes.

(2) "*Charges*" shall mean all fees, charges and/or any other things of value, if any, contracted for, charged, taken, received or reserved by any holder of Notes in connection with the transactions relating to this Agreement and the Notes, which are treated as interest under applicable law.

SECTION 23. SUBMISSION TO JURISDICTION.

The Obligors hereby irrevocably consent and submit to the jurisdiction of any court located within the State of New York sitting in the Borough of Manhattan and the United States District Court for the Southern District of New York and irrevocably agree that all actions or proceedings relating to this Agreement or the Notes may be litigated in such courts, and the Obligors irrevocably waive any objection which they may have based on improper venue or *forum non conveniens* to the conduct of any proceeding in any such court. The Obligors hereby irrevocably appoint The Prentice-Hall Corporation System, Inc., as the Obligors' agent for the purpose of accepting service of process within the State of New York and agree to retain and consent that all such service of process be made by mail or messenger directed to The Prentice-Hall Corporation System, Inc., at its office located at 80 State Street, Albany, New York 12207 or at such other address of The Prentice-Hall Corporation System, Inc., located in the State of New York, as may be designated by the Obligors by notice to each holder of Notes and that service so made shall be deemed to be completed upon the earlier of actual receipt or three Business Days after the same shall have been posted to the Obligors. Nothing contained in this Section 23 shall affect the right of any holder of Notes to serve legal process in any other manner permitted by law or to bring any action or proceeding in the courts of any jurisdiction against any Obligor to enforce a judgment obtained in the courts of any other jurisdiction.

SECTION 24. MISCELLANEOUS.

Section 24.1 Successors and Assigns. All covenants and other agreements contained in this Agreement by or on behalf of any of the parties hereto bind and inure to the benefit of their

respective successors and assigns (including, without limitation, any subsequent holder of a Note) whether so expressed or not.

Section 24.2 UniFirst as Agent for the Obligors. Each Obligor (other than UniFirst) hereby appoints UniFirst as its agent with respect to the receiving and giving of any notices, requests, instructions, reports, schedules, revisions, financial statements or any other written or oral communications hereunder. Each Purchaser or other holder of a Note is hereby entitled to rely on any communications given or transmitted by UniFirst as if such communication were given or transmitted by each and every Obligor; *provided, however,* that any communication given or transmitted by any Obligor other than UniFirst shall be binding with respect to such Obligor. Any communication given or transmitted by any Purchaser or other holder of a Note to UniFirst shall be deemed given and transmitted to each and every Obligor.

Section 24.3 Judgments. Any payment made by the Obligors to any holder of the Notes or for the account of any such holder in respect of any amount payable by the Obligors in lawful currency of the United States of America, which payment is made in a foreign currency, whether pursuant to any judgment or order of a court or tribunal or otherwise, shall constitute a discharge of the obligations of the Obligors only to the extent of the amount of lawful currency of the United States of America which may be purchased with such other foreign currency, on the day of payment. The Obligors, jointly and severally, covenant and agree that they shall, as a separate and independent obligation, which shall not be merged in any such judgment or order, pay or cause to be paid the amount payable in lawful currency of the United States of America and not so discharged in accordance with the foregoing.

Section 24.4 Currency. All moneys referred to in this Agreement and the Notes shall mean money which at the time is lawful money of the United States of America.

Section 24.5 Payments Due on Non-Business Days. Anything in this Agreement or the Notes to the contrary notwithstanding, any payment of principal of or Make-Whole Amount, if any, or Series B Prepayment Premium, if any, or Series C Prepayment Premium, or Breakage Amount, if any, or interest on any Note that is due on a date other than a Business Day shall be made on the next succeeding Business Day.

Section 24.6 Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall (to the full extent permitted by law) not invalidate or render unenforceable such provision in any other jurisdiction.

Section 24.7 Construction.

(a) Each covenant contained herein shall be construed (absent express provision to the contrary) as being independent of each other covenant contained herein, so that compliance with any one covenant shall not (absent such an express contrary provision) be deemed to excuse compliance with any other covenant. Where any provision herein refers to action to be taken by any Person, or which such Person is prohibited from

taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person.

(b) Where the character or amount of any asset or liability or item of income or expense is required to be determined or any consolidation or other accounting computation is required to be made by the Obligors for the purposes of this Agreement, the same shall be done by the Obligors in accordance with GAAP, to the extent applicable, except where such principles are inconsistent with the requirements of this Agreement.

Section 24.8 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto.

Section 24.9 Governing Law. This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York (without regard to the conflicts of law provisions thereof other than Section 5-1401 of New York's General Obligations Law).

The execution hereof by the Purchasers shall constitute a contract among the Obligors and the Purchasers for the uses and purposes hereinabove set forth.

UNIFIRST CORPORATION
UNITECH SERVICES GROUP, INC.
UNIFIRST CANADA LTD.
UONE CORPORATION
UTWO CORPORATION
UR CORPORATION
RC AIR, LLC
UNIFIRST-FIRST AID CORPORATION

By: /s/ John B. Bartlett
Title: Senior Vice President

UNIFIRST HOLDINGS, L.P.

By: UONE CORPORATION, as General Partner

By: /s/ John B. Bartlett
Title: Senior Vice President

The foregoing is hereby agreed to as of the date thereof.

SUNAMERICA LIFE INSURANCE COMPANY
By: AIG Global Investment Corp., Investment Adviser
By: /s/ Representative of AIG Global Investment Corp.
Title: Vice President

ALLSTATE LIFE INSURANCE COMPANY
By: /s/ Representative of Allstate Life Insurance Company

By: /s/ Representative of Allstate Life Insurance Company
Title: Authorized Signatories

CONNECTICUT GENERAL LIFE INSURANCE COMPANY
By: CIGNA Investments, Inc. (Authorized Agent)
By: /s/ Representative of CIGNA Investments, Inc.
Title: Managing Director

NEW YORK LIFE INSURANCE COMPANY
By: /s/ Representative of New York Life Insurance company
Title: Investment Vice President

NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION
By: New York Life Investment Management, LLC, Its Investment Manager
By: /s/ Representative of New York Life Investment Management, LLC
Title: Vice President

NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION INSTITUTIONALLY OWNED LIFE INSURANCE SEPARATE ACCOUNT
By: New York Life Investment Management, LLC, Its Investment Manager
By: /s/ Representative of New York Life Investment Management, LLC
Title: Vice President

PACIFIC LIFE INSURANCE COMPANY
By: /s/ Representative of Pacific Life Insurance Company
Title: Assistant Vice President

By: /s/ Representative of Pacific Life Insurance Company
Title: Assistant Secretary

HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY
By: Harford Investment Services, Inc., Its agent and attorney-in-fact
By: /s/ Representative of Hartford Investment Services, Inc.
Title: Managing Director

THE LINCOLN NATIONAL LIFE INSURANCE COMPANY

By: Delaware Investment Advisers, a series of Delaware Management Business Trust, Attorney-In-Fact
By: /s/ Representative of Delaware Investment Advisers, a series of Delaware Management Business Trust
Title: Vice President

FIRST PENN-PACIFIC LIFE INSURANCE COMPANY
By: Delaware Investment Advisers, a series of Delaware Management Business Trust, Attorney-In-Fact
By: /s/ Representative of Delaware Investment Advisers, a series of Delaware Management Business Trust
Title: Vice President

GREAT-WEST LIFE & ANNUITY INSURANCE COMPANY
By: /s/ Representative of Great-West Life & Annuity Insurance Company
Title: Vice President Investments

By: /s/ Representative of Great-West Life & Annuity Insurance Company
Title: Manager Investments

LONDON LIFE AND CASUALTY REINSURANCE CORPORATION
By: Orchard Capital Management, LLC, As Investment Adviser
By: /s/ Representative of Orchard Capital Management, LLC
Title: Senior Vice President Investments

By: /s/ Representative of Orchard Capital Management, LLC
Title: Assistant Vice President Investments

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
By: David L. Babson & Company Inc., as Investment Adviser
By: /s/ Representative of David L. Babson & Company Inc.
Title: Managing Director

C.M. LIFE INSURANCE COMPANY
By: David L. Babson & Company Inc., as Investment Sub-Adviser
By: /s/ Representative of David L. Babson & Company Inc.
Title: Managing Director

GENERAL ELECTRIC CAPITAL ASSURANCE COMPANY
By: /s/ Representative of General Electric Capital Assurance Company
Title: Investment Officer

Employers Reinsurance Corporation
By: GE Asset Management Incorporated
By: /s/ Representative of GE Asset Management Incorporated
Title: SVP-Senior Portfolio Manager

UNITED OF OMAHA LIFE INSURANCE COMPANY
By: /s/ Representative of United of Omaha Life Insurance Company
Title: First Vice President

AMERITAS LIFE INSURANCE CORP.
By: Ameritas Investment Advisors, Inc., as Agent
By: /s/ Representative of Ameritas Investment Advisors, Inc.
Title: Vice President – Fixed Income Securities

DEFINED TERMS

As used herein, the following terms have the respective meanings set forth below or set forth in the Section hereof following such term:

"Affiliate" shall mean, at any time, and with respect to any Person, (a) any other Person that at such time directly or indirectly through one or more intermediaries Controls, or is Controlled by, or is under common Control with, such first Person, and (b) any Person beneficially owning or holding, directly or indirectly, 10% or more of any class of voting or equity interests of such first Person or any Person of which such first Person and its Subsidiaries beneficially own or hold, in the aggregate, directly or indirectly, 10% or more of any class of voting or equity interests. As used in this definition, *"Control"* means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise. Unless the context otherwise clearly requires, any reference to an *"Affiliate"* is a reference to an Affiliate of the Obligors.

"Anti-Terrorism Order" shall mean Executive Order No. 13,224 66 Fed Reg. 49,079 (2001) issued by the President of the United States of America (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism).

"Bank Credit Agreement" shall mean that certain Revolving Credit Agreement dated as of September 2, 2003 among the Obligors, Fleet National Bank, as Administrative Agent, SunTrust Bank, as Syndication Agent, HSBC Bank USA and Sovereign Bank, as Co-Documentation Agents and the other financial institutions from time to time party thereto, as the same may from time to time be amended, amended and restated, supplemented, restated, otherwise modified from time to time, refunded or refinanced.

"Breakage Amount" shall mean any loss, cost or expense reasonably incurred by any holder of a Series B Note or Series C Note as a result of any payment or prepayment of any Series B Note or Series C Note on a day other than an Interest Payment Date for such Series B Note or Series C Note or at scheduled maturity thereof (whether voluntary, mandatory, automatic, by reason of acceleration or otherwise), and any loss or expense arising from the liquidation or reemployment of funds obtained by such holder or from fees payable to terminate the deposits from which such funds were obtained; *provided* that any such loss, cost or expense shall be limited to the time period from the date of such prepayment through the earlier of (a) the next Interest Payment Date and (b) the maturity date of the Series B Notes or the Series C Notes, as the case may be. Each holder shall determine the Breakage Amount with respect to the principal amount of its Series B Notes or Series C Notes then being paid or prepaid (or required to be paid or prepaid) by written notice to the Obligors setting forth such determination in reasonable detail not less than two Business Days prior to the date of prepayment in the case of any prepayment pursuant to Section 8.2(b) or Section 8.2(c) or any payment required by Section 12. Each such determination shall be conclusive absent manifest error.

"Business Day" shall mean (a) for purposes of determining the Series B Adjusted LIBOR Rate and the Series C Adjusted LIBOR Rate only, any day other than a Saturday, a Sunday or a day on which dealings in U.S. Dollars are not carried on in the London interbank market, (b) for purposes of Section 8.6 only, any day other than a Saturday, a Sunday or a day on which commercial banks in New York, New York are required or authorized to be closed and (c) for the purposes of any other provision of this Agreement, any day other than a Saturday, a Sunday or a day on which commercial banks in Boston, Massachusetts or New York, New York are required or authorized to be closed.

"Capital Lease" shall mean, at any time, a lease with respect to which the lessee is required concurrently to recognize the acquisition of an asset and the incurrence of a liability in accordance with GAAP.

"Capital Lease Obligation" shall mean, with respect to any Person and a Capital Lease, the amount of the obligation of such Person as the lessee under such Capital Lease which would, in accordance with GAAP, appear as a liability on a balance sheet of such Person.

"Closing" is defined in Section 3.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, and the rules and regulations promulgated thereunder from time to time.

"Competitor" shall mean any Person (including any Subsidiary or Affiliate thereof) primarily engaged in the uniform rental business; *provided, however,* that the term "Competitor" shall not include any Person that is a bank, trust company, savings and loan association or other financial institution, pension plan, pension trust, investment company, insurance company, broker-dealer, mutual fund, "CDO" or any other similar financial institution or entity, regardless of legal form.

"Confidential Information" is defined in Section 20.

"Consolidated Debt" shall mean, as of any date of determination, the total of all Debt of UniFirst and its Restricted Subsidiaries outstanding on such date, after eliminating all offsetting debits and credits between UniFirst and its Restricted Subsidiaries and all other items required to be eliminated in the course of the preparation of consolidated financial statements of UniFirst and its Restricted Subsidiaries in accordance with GAAP.

"Consolidated EBITDA" for UniFirst and its Restricted Subsidiaries shall mean, with respect to any period, the sum of, without duplication, (a) Consolidated Net Income, (b) Interest Expense, (c) taxes on income, (d) depreciation and amortization and (e) other non-cash charges, all determined on a consolidated basis in accordance with GAAP. If, during any period for which Consolidated EBITDA is being determined, UniFirst or a Restricted Subsidiary has acquired or disposed of a Restricted Subsidiary or substantially all of the assets of a Restricted Subsidiary, Consolidated EBITDA for such period shall be determined to include or exclude, as the case may be, the actual historical results of such Restricted Subsidiary or assets on a pro forma basis.

"Consolidated Net Income" shall mean, with respect to any period, the net income (or loss) of UniFirst and its Restricted Subsidiaries for such period (taken as a cumulative whole), as determined in accordance with GAAP, after eliminating all offsetting debits and credits between UniFirst and its Restricted Subsidiaries and all other items required to be eliminated in the course of the preparation of consolidated financial statements of UniFirst and its Restricted Subsidiaries in accordance with GAAP.

"Consolidated Net Worth" shall mean, as of the date of any determination thereof,

(a) the total stockholders' equity of UniFirst and its Restricted Subsidiaries that would be shown as stockholders' equity on a balance sheet of UniFirst and its Restricted Subsidiaries prepared in accordance with GAAP at such time, *minus*

(b) to the extent included in clause (a), all amounts properly attributable to minority interests, if any, in the stock and surplus of Restricted Subsidiaries of UniFirst.

"Consolidated Total Assets" shall mean, as of the date of any determination thereof, the total assets of UniFirst and its Restricted Subsidiaries that would be shown as assets on a consolidated balance sheet of UniFirst and its Restricted Subsidiaries as of such time prepared in accordance with GAAP.

"Debt" shall mean, with respect to any Person, without duplication:

(a) its liabilities for borrowed money;

(b) its liabilities for the deferred purchase price of property acquired by such Person (excluding accounts payable and other similar accrued liabilities arising in the ordinary course of business but including, without limitation, all liabilities created or arising under any conditional sale or other title retention agreement with respect to any such property);

(c) its Capital Lease Obligations;

(d) all liabilities for borrowed money secured by any Lien with respect to any property owned by such Person (whether or not it has assumed or otherwise become liable for such liabilities); and

(e) any Guaranty of such Person with respect to liabilities of a type described in any of clauses (a) through (d) hereof in an amount equal to the amount guaranteed.

Debt of any Person shall include all obligations of such Person of the character described in clauses (a) through (e) to the extent such Person remains legally liable in respect thereof notwithstanding that any such obligation is deemed to be extinguished under GAAP.

"Default" shall mean an event or condition the occurrence or existence of which would, with the lapse of time or the giving of notice or both, become an Event of Default.

"Default Rate" shall mean (a) in the case of the Series A Notes, that rate of interest that is the greater of (1) 7.27% per annum or (2) 2.00% over the rate of interest publicly announced by Bank of America N.A. in New York, New York as its "reference" rate, (b) in the case of the Series B Notes, the Series B Default Rate and (c) in the case of the Series C Notes, the Series C Default Rate.

"Disposition" is defined in Section 10.5.

"Environmental Laws" is defined in Section 5.18.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder from time to time in effect.

"ERISA Affiliate" shall mean any trade or business (whether or not incorporated) that is treated as a single employer together with any Obligor under Section 414 of the Code.

"Event of Default" is defined in Section 11.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

"Fair Market Value" shall mean, as of any date of determination and with respect to any property, the sale value of such property that would be realized in an arm's-length sale at such time between an informed and willing buyer and an informed and willing seller (neither being under a compulsion to buy or sell).

"Forms" is defined in Section 8.7(a)(2).

"GAAP" shall mean generally accepted accounting principles as in effect from time to time in the United States of America.

"Governmental Authority" shall mean:

(a) the government of:

(1) the United States of America or any State or other political subdivision thereof; or

(2) any jurisdiction in which any Obligor or any Restricted Subsidiary conducts all or any part of its business, or which asserts jurisdiction over any properties of any Obligor or any Restricted Subsidiary; or

(b) any entity exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, any such government.

"Guaranty" shall mean, with respect to any Person, any obligation (except the endorsement in the ordinary course of business of negotiable instruments for deposit or collection) of such Person guaranteeing or in effect guaranteeing any Debt, dividend or other

obligation of any other Person in any manner, whether directly or indirectly, including, without limitation, obligations incurred through an agreement, contingent or otherwise, by such Person:

(a) to purchase such Debt or obligation or any property constituting security therefor;

(b) to advance or supply funds (1) for the purchase or payment of such Debt or obligation or (2) to maintain any working capital or other balance sheet condition or any income statement condition of any other Person or otherwise to advance or make available funds for the purchase or payment of such Debt or obligation;

(c) to lease properties or to purchase properties or services primarily for the purpose of assuring the owner of such Debt or obligation of the ability of any other Person to make payment of the Debt or obligation; or

(d) otherwise to assure the owner of such Debt or obligation against loss in respect thereof.

In any computation of the Debt or other liabilities of the obligor under any Guaranty, the Debt or other obligations that are the subject of such Guaranty shall be assumed to be direct obligations of such obligor.

"holder" shall mean, with respect to any Note, the Person in whose name such Note is registered in the register maintained by UniFirst pursuant to Section 13.1.

"Institutional Investor" shall mean (a) any original purchaser of a Note, (b) any holder of a Note holding more than $2,000,000 in aggregate principal amount of the Notes then outstanding, and (c) any bank, trust company, savings and loan association or other financial institution, any pension plan, any investment company, any insurance company, any broker or dealer, or any other similar financial institution or entity, regardless of legal form.

"Interest Expense" shall mean, with respect to any period, the sum (without duplication) of the following determined on a consolidated basis in accordance with GAAP: all interest in respect of Debt of UniFirst and its Restricted Subsidiaries (including imputed interest on Capital Lease Obligations) deducted in determining Consolidated Net Income for such period.

"Interest Payment Dates" shall mean the 14th day of each March, June, September and December in each year, commencing September 14, 2004 until such principal sum shall have become due and payable (whether at maturity, upon notice of prepayment or otherwise); *provided* that if an Interest Payment Date shall fall on a day which is not a Business Day, such Interest Payment Date shall be deemed to be the first Business Day following such Interest Payment Date.

"Interest Period" shall mean each period commencing on the date of the Closing and continuing up to, but not including September 14, 2004 thereafter, commencing on an Interest Payment Date and continuing, in each case, up to, but not including, the next Interest Payment Date.

"Joinder" is defined in Section 9.6(a).

"LIBOR" shall mean, for any Interest Period, the rate per annum (rounded upwards, if necessary, to the next higher one hundred-thousandth of a percentage point) for deposits in U.S. Dollars for a 90-day period which appears on the Bloomberg Financial Markets Service Page BBAM-1 (or if such page is not available, the Reuters Screen LIBO Page) as of 11:00 a.m. (London, England time) on the date two Business Days before the commencement of such Interest Period (or three Business Days prior to the beginning of the first Interest Period). *"Reuters Screen LIBO Page"* means the display designated as the "LIBO" page on the Reuters Monitory Money Rates Service (or such other page as may replace the LIBO page on that service or such other service as may be nominated by the British Bankers' Association as the information vendor for the purpose of displaying British Bankers' Association Interest Settlement Rates for U.S. Dollar deposits).

"Lien" shall mean, with respect to any Person, any mortgage, lien, pledge, charge, security interest or other encumbrance, or any interest or title of any vendor, lessor, lender or other secured party to or of such Person under any conditional sale or other title retention agreement or Capital Lease, upon or with respect to any property or asset of such Person (including in the case of stock, stockholder agreements, voting trust agreements and all similar arrangements).

"Make-Whole Amount" is defined in Section 8.6.

"Material" shall mean material in relation to the business, operations, affairs, financial condition, assets or properties of UniFirst and its Restricted Subsidiaries, taken as a whole.

"Material Adverse Effect" shall mean a material adverse effect on (a) the business, operations, affairs, financial condition, assets or properties of UniFirst and its Restricted Subsidiaries, taken as a whole, or (b) the ability of the Obligors, taken as a whole, to perform their obligations under this Agreement and the Notes or (c) the validity or enforceability of this Agreement or the Notes.

"Material Subsidiary" shall mean any Restricted Subsidiary which accounts for more than (a) 5% of the Consolidated Total Assets or (b) 5% of the consolidated total revenue of UniFirst and its Restricted Subsidiaries.

"Memorandum" is defined in Section 5.3.

"Multiemployer Plan" shall mean any Plan that is a "multiemployer plan" (as such term is defined in Section 4001(a)(3) of ERISA).

"Non-US Pension Plan" shall mean any plan, fund or other similar program (a) established or maintained outside of the United States of America by any one or more of the Obligors and their Subsidiaries primarily for the benefit of employees (substantially all of whom are not citizens of, and do not reside within, the United States of America) of such Obligor or such Subsidiary which plan, fund or other similar program provides for retirement income for such employees or results in a deferral of income for such employees in contemplation of retirement, and (b) which is not subject to ERISA.

"Notes" is defined in Section 1.

"Officer's Certificate" shall mean, with respect to any Obligor, a certificate of a Senior Financial Officer or of any other officer of such Obligor whose responsibilities extend to the subject matter of such certificate.

"Patriot Act" shall mean Public Law 107-56 of the United States of America, United and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT Act) Act of 2001.

"Payment Default" shall mean a Default under Section 11(a) or Section 11(b).

"PBGC" shall mean the Pension Benefit Guaranty Corporation referred to and defined in ERISA or any successor thereto.

"Person" shall mean an individual, partnership, corporation, limited liability company, association, trust, unincorporated organization, or a government or agency or political subdivision thereof.

"Plan" shall mean an "employee benefit plan" (as defined in Section 3(3) of ERISA) that is or, within the preceding five years, has been established or maintained, or to which contributions are or, within the preceding five years, have been made or required to be made, by any Obligor or any ERISA Affiliate or with respect to which any Obligor or any ERISA Affiliate may have any liability.

"*Priority Debt"* shall mean (without duplication) the sum of (a) unsecured Debt of Restricted Subsidiaries (that are not Obligors) other than (1) Debt outstanding on the date of Closing and set forth on Schedule 5.15, (2) Debt owed to an Obligor or any Wholly-Owned Restricted Subsidiary, (3) any Guaranty of the Notes, and (4) Debt outstanding at the time such Person became a Restricted Subsidiary (other than an Unrestricted Subsidiary which has been redesignated as a Restricted Subsidiary), *provided*, that such Debt shall not have been incurred in contemplation of such Person becoming a Restricted Subsidiary and (b) Debt of the Obligors and their Restricted Subsidiaries secured by a Lien other than a Lien permitted by paragraphs (a) through (j), inclusive, of Section 10.3.

"property" or *"properties"* shall mean, unless otherwise specifically limited, real or personal property of any kind, tangible or intangible, choate or inchoate.

"PTE" is defined in Section 6.2(a).

"QPAM Exemption" shall mean Prohibited Transaction Class Exemption 84-14 issued by the United States Department of Labor.

"Relevant Tax" is defined in Section 8.7(a).

"Required Holders" shall mean, at any time, the holders of more than 50% in principal amount of the Notes at the time outstanding (exclusive of Notes then owned by any Obligor or any of their Affiliates).

"Resident Country" is defined in Section 8.7(a).

"Responsible Officer" shall mean, with respect to any Obligor, any Senior Financial Officer and any other officer of such Obligor with responsibility for the administration of the relevant portion of this Agreement.

"Restricted Subsidiary" shall mean (a) any Subsidiary which is an Obligor and (b) any Subsidiary (1) of which at least a majority of the voting securities are owned by UniFirst and/or one or more of UniFirst's Wholly-Owned Restricted Subsidiaries and (2) that the Obligors have designated as a Restricted Subsidiary on the date of the Closing or which has been redesignated as a Restricted Subsidiary in accordance with the provisions of Section 10.8.

"Securities Act" shall mean the Securities Act of 1933, as amended from time to time.

"Senior Financial Officer" shall mean, with respect to any Obligor, the chief financial officer, principal accounting officer, treasurer or comptroller of such Obligor.

"Series A Notes" is defined in Section 1.

"Series B Adjusted LIBOR Rate" for each Interest Period shall mean a rate per annum equal to 0.70% *plus* LIBOR for such Interest Period.

"Series B Default Rate" as of any date shall mean that rate of interest that is the greater of (1) 2.0% per annum above the then applicable Series B Adjusted LIBOR Rate or (2) 2.0% per annum over the rate of interest publicly announced by Bank of America, N.A. in New York, New York as its "reference" rate.

"Series B Notes" is defined in Section 1.

"Series B Prepayment Premium" shall mean, in connection with any optional prepayment of the Series B Notes pursuant to Section 8.2(b) or Section 8.2(c) or acceleration of the Series B Notes pursuant to Section 12.1, an amount equal to the applicable percentage of the principal amount of the Series B Notes so prepaid or accelerated as follows:

PERIOD	APPLICABLE PERCENTAGE
For the period from the date of Closing until June 14, 2006	1%
Thereafter	0%

"Series C Adjusted LIBOR Rate" for each Interest Period shall mean a rate per annum equal to 0.75% *plus* LIBOR for such Interest Period.

"Series C Default Rate" as of any date shall mean that rate of interest that is the greater of (1) 2.0% per annum above the then applicable Series C Adjusted LIBOR Rate or (2) 2.0% per

annum over the rate of interest publicly announced by Bank of America, N.A. in New York, New York as its "reference" rate.

"Series C Notes" is defined in Section 1.

"Series C Prepayment Premium" shall mean, in connection with any optional prepayment of the Series C Notes pursuant to Section 8.2(c) or acceleration of the Series C Notes pursuant to Section 12.1, an amount equal to the applicable percentage of the principal amount of the Series C Notes so prepaid or accelerated as follows:

PERIOD	APPLICABLE PERCENTAGE
For the period from the date of Closing until June 14, 2005	1%
Thereafter	0%

"Source" is defined in Section 6.2.

"Subsidiary" shall mean, as to any Person, any corporation, association or other business entity in which such Person or one or more of its Subsidiaries or such Person and one or more of its Subsidiaries owns sufficient equity or voting interests to enable it or them (as a group) ordinarily, in the absence of contingencies, to elect a majority of the directors (or Persons performing similar functions) of such entity, and any partnership or joint venture if more than a 50% interest in the profits or capital thereof is owned by such Person or one or more of its Subsidiaries or such Person and one or more of its Subsidiaries (unless such partnership can and does ordinarily take major business actions without the prior approval of such Person or one or more of its Subsidiaries). Unless the context otherwise clearly requires, any reference to a "Subsidiary" is a reference to a Subsidiary of the Obligors.

"Tax Indemnity Amounts" is defined in Section 8.7(a).

"Taxing Jurisdiction" is defined in Section 8.7(a).

"Unrestricted Subsidiary" shall mean any Subsidiary that is not designated as a Restricted Subsidiary by the Obligors.

"U.S. Dollars" shall mean lawful money of the United States of America.

"Wholly-Owned Restricted Subsidiary" shall mean, at any time, any Restricted Subsidiary 100% of all of the equity interests (except directors' qualifying shares) and voting interests of which are owned by any one or more of an Obligor and such Obligor's other Wholly-Owned Restricted Subsidiaries at such time.

Exhibit 10.6

EXECUTION COPY

UNIFIRST CORPORATION
UNITECH SERVICES GROUP, INC.
UNIFIRST CANADA LTD.
UNIFIRST HOLDINGS, L.P.
UONE CORPORATION
UTWO CORPORATION
RC AIR LLC
UNIFIRST-FIRST AID CORPORATION

$100,000,000 Floating Rate Senior Notes, Series D, due September 14, 2013

NOTE PURCHASE AGREEMENT

Dated as of September 14, 2006

(Not a part of the Agreement)

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ATTACHMENTS TO NOTE PURCHASE AGREEMENT:

SCHEDULE B — Defined Terms

UNIFIRST CORPORATION
UNITECH SERVICES GROUP, INC.
UNIFIRST CANADA LTD.
UNIFIRST HOLDINGS, L.P.
UONE CORPORATION
UTWO CORPORATION
RC AIR LLC
UNIFIRST-FIRST AID CORPORATION

Floating Rate Senior Notes, Series D, due September 14, 2013

Dated as of September 14, 2006

TO THE PURCHASERS LISTED IN
THE ATTACHED SCHEDULE A:

Ladies and Gentlemen:

UNIFIRST CORPORATION, a Massachusetts corporation (*"UniFirst"*), UNITECH SERVICES GROUP, INC., a California corporation (*"UniTech"*), UNIFIRST CANADA LTD., a Canadian federal corporation (*"UniFirst Canada"*), UNIFIRST HOLDINGS, L.P., a Texas limited partnership (*"UniFirst Holdings"*), UONE CORPORATION, a Massachusetts corporation (*"UOne"*), UTWO CORPORATION, a Delaware corporation (*"UTwo"*), RC AIR LLC, a New Hampshire limited liability company (*"RC Air"*), and UNIFIRST-FIRST AID CORPORATION, a Maryland corporation ("*Unifirst-First Aid"*), (UniFirst, UniTech, UniFirst Canada, UniFirst Holdings, UOne, UTwo, RC Air, Unifirst-First Aid and each other Person required to become an obligor hereunder pursuant to Section 9.6, being sometimes hereinafter referred to individually as an *"Obligor"* and collectively as the *"Obligors"*), jointly and severally, agree with the purchasers listed in the attached Schedule A (the *"Purchasers"*) as follows:

SECTION 1. AUTHORIZATION OF NOTES.

Section 1.1 Authorization of Notes. The Obligors will authorize the issue and sale of $100,000,000 aggregate principal amount of their Floating Rate Senior Notes, Series D, due September 14, 2013 (the *"Notes"*). As used herein, the term "Notes" shall mean all notes originally delivered pursuant to this Agreement and any such notes issued in substitution therefor pursuant to Section 13 of this Agreement. The Notes shall be substantially in the form set out in Exhibit 1, with such changes therefrom, if any, as may be approved by the Purchasers and the Obligors. Certain capitalized terms used in this Agreement are defined in Schedule B; references to a "Schedule" or an "Exhibit" are, unless otherwise specified, to a Schedule or an Exhibit attached to this Agreement.

Section 1.2 Provisions Relating to the Notes.

(a) The Notes shall bear interest (computed on the basis of a 360-day year and the actual number of days elapsed) on the unpaid principal thereof from the date of issuance

at a floating rate equal to the Adjusted LIBOR Rate for the Interest Period in effect from time to time, payable quarterly in arrears on each Interest Payment Date and, to the extent permitted by applicable law, interest on any overdue payment of principal, any overdue payment of interest and any overdue payment of Prepayment Premium and Breakage Amount (as provided herein) from the due date thereof (whether by acceleration or otherwise) at the Default Rate until paid.

(b) The Adjusted LIBOR Rate shall be determined by the Obligors, and notice thereof shall be given to the holders of the Notes, within three Business Days after the beginning of each Interest Period, together with a copy of the relevant screen used for the determination of LIBOR, a calculation of the Adjusted LIBOR Rate for such Interest Period, the number of days in such Interest Period, the date on which interest for such Interest Period will be paid and the amount of interest to be paid to each holder of Notes on such date. In the event that the Required Holders do not concur with such determination by the Obligors, as evidenced by a single written notice to the Obligors given by the Required Holders within 10 Business Days after receipt by such holders of the notice delivered by the Obligors pursuant to the immediately preceding sentence, the determination of the Adjusted LIBOR Rate shall be made by such the Required Holders, and any such determination made in accordance with the provisions of this Agreement, shall be conclusive and binding absent manifest error.

SECTION 2. SALE AND PURCHASE OF NOTES.

Subject to the terms and conditions of this Agreement, the Obligors will issue and sell to each Purchaser and each Purchaser will purchase from the Obligors, at the Closing provided for in Section 3, Notes in the principal amount specified opposite such Purchaser's name in Schedule A at the purchase price of 100% of the principal amount thereof. Each Purchaser's obligations hereunder are several and not joint and no Purchaser shall have any obligation or liability to any Person for the performance or nonperformance by any other Purchaser hereunder.

SECTION 3. CLOSING.

The sale and purchase of the Notes to be purchased by the Purchasers shall occur at the offices of Schiff Hardin LLP, 623 Fifth Avenue, 28th Floor, New York, New York 10022, at 11:00 a.m., New York, New York time, at a closing (the*"Closing"*) on September 14, 2006 or such later date as may be agreed upon by the Obligors and the Purchasers. At the Closing, the Obligors will deliver to each Purchaser the Notes to be purchased by such Purchaser in the form of a single Note (or such greater number of Notes in denominations of at least $100,000 as such Purchaser may request) dated the date of the Closing and registered in such Purchaser's name (or in the name of its nominee), against delivery by such Purchaser to the Obligors or their order of immediately available funds in the amount of the purchase price therefor by wire transfer of immediately available funds for the account of the Obligors. If at the Closing the Obligors shall fail to tender such Notes to any Purchaser as provided above in this Section 3, or any of the conditions specified in Section 4 shall not have been fulfilled to any Purchaser's satisfaction, such Purchaser shall, at its election, be relieved of all further obligations under this Agreement, without thereby waiving any rights such Purchaser may have by reason of such failure or such nonfulfillment.

SECTION 4. CONDITIONS TO CLOSING.

Each Purchaser's obligation to purchase and pay for the Notes to be sold to such Purchaser at the Closing is subject to the fulfillment to such Purchaser's satisfaction, prior to or at the Closing, of the following conditions:

Section 4.1 Representations and Warranties. The representations and warranties of each Obligor in this Agreement shall be correct when made and at the time of the Closing.

Section 4.2 Performance; No Default. Each Obligor shall have performed and complied with all agreements and conditions contained in this Agreement required to be performed or complied with by it prior to or at the Closing, and after giving effect to the issue and sale of the Notes (and the application of the proceeds thereof as contemplated by Section 5.14), no Default or Event of Default shall have occurred and be continuing. None of the Obligors nor any Restricted Subsidiary shall have entered into any transaction since the date of the Memorandum that would have been prohibited by Section 10 had such Section applied since such date.

Section 4.3 Compliance Certificates.

(a) *Officer's Certificate.* Each Obligor shall have delivered to such Purchaser an Officer's Certificate, dated the date of the Closing, certifying that the conditions specified in Sections 4.1, 4.2 and 4.9 have been fulfilled.

(b) *Secretary's Certificate.* Each Obligor shall have delivered to such Purchaser a certificate certifying as to the resolutions attached thereto and other corporate or other proceedings relating to the authorization, execution and delivery of the Notes and this Agreement.

Section 4.4 Opinions of Counsel. Such Purchaser shall have received opinions in form and substance satisfactory to such Purchaser, dated the date of the Closing (a) from Goodwin Procter LLP, special counsel for the Obligors, covering the matters set forth in Exhibit 4.4(a) and covering such other matters incident to the transactions contemplated hereby as such Purchaser or special counsel to the Purchasers may reasonably request (and each Obligor hereby instructs its counsel to deliver such opinion to such Purchaser), (b) from Jenkens & Gilchrist, Texas local counsel to UniFirst Holdings, covering the matters set forth in Exhibit 4.4(b) and covering such other matters incident to the transactions contemplated hereby as such Purchaser or special counsel to the Purchasers may reasonably request (and UniFirst Holdings hereby instructs its counsel to deliver such opinion to such Purchaser), and (c) from Schiff Hardin LLP, special counsel to the Purchasers in connection with such transactions, substantially in the form set forth in Exhibit 4.4(c) and covering such other matters incident to such transactions as such Purchaser may reasonably request.

Section 4.5 Purchase Permitted by Applicable Law, Etc. On the date of the Closing, such Purchaser's purchase of Notes shall (a) be permitted by the laws and regulations of each jurisdiction to which such Purchaser is subject, without recourse to provisions (such as Section 1405(a)(8) of the New York Insurance Law) permitting limited investments by insurance companies without restriction as to the character of the particular investment, (b) not violate any

applicable law or regulation (including, without limitation, Regulation T, U or X of the Board of Governors of the Federal Reserve System) and (c) not subject such Purchaser to any tax, penalty or liability under or pursuant to any applicable law or regulation. If requested by any Purchaser, such Purchaser shall have received an Officer's Certificate certifying as to such matters of fact as such Purchaser may reasonably specify to enable it to determine whether such purchase is so permitted.

Section 4.6 Related Transactions. The Obligors shall have consummated the sale of the entire principal amount of the Notes scheduled to be sold on the date of the Closing pursuant to this Agreement.

Section 4.7 Payment of Special Counsel Fees. Without limiting the provisions of Section 15.1, the Obligors shall have paid on or before the Closing the reasonable and documented fees, charges and disbursements of special counsel to the Purchasers referred to in Section 4.4 to the extent reflected in a statement of such counsel rendered to the Obligors at least one Business Day prior to the Closing.

Section 4.8 Private Placement Number. A Private Placement Number issued by Standard & Poor's CUSIP Service Bureau (in cooperation with the Securities Valuation Office of the National Association of Insurance Commissioners) shall have been obtained for the Notes.

Section 4.9 Changes in Corporate Structure. Except as specified in Schedule 4.9, no Obligor shall have changed its jurisdiction of organization or been a party to any merger or consolidation nor shall have succeeded to all or any substantial part of the liabilities of any other entity, at any time following the date of the most recent financial statements referred to in Schedule 5.5.

Section 4.10 Funding Instructions. At least two Business Days prior to the date of the Closing, such Purchaser shall have received written instructions executed by an authorized financial officer of each Obligor directing the manner of the payment of funds and setting forth (a) the name of the transferee bank, (b) such transferee bank's ABA number, (c) the account name and number into which the purchase price for the Notes is to be deposited and (d) the name and telephone number of the account representative responsible for verifying receipt of such funds.

Section 4.11 Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated by this Agreement and all documents and instruments incident to such transactions shall be satisfactory to such Purchaser and special counsel to the Purchasers, and such Purchaser and special counsel to the Purchasers shall have received all such counterpart originals or certified or other copies of such documents as such Purchaser or special counsel to the Purchasers may reasonably request.

SECTION 5. REPRESENTATIONS AND WARRANTIES OF THE OBLIGORS.

The Obligors, jointly and severally, represent and warrant to each Purchaser that:

Section 5.1 Organization; Power and Authority. Each Obligor is a corporation, limited partnership or limited liability company, as applicable, duly organized, validly existing

and in good standing under the laws of its jurisdiction of organization, and is duly qualified as a foreign corporation or other legal entity and is in good standing in each jurisdiction in which such qualification is required by law, other than those jurisdictions as to which the failure to be so qualified or in good standing could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Each Obligor has the corporate or other organizational power and authority to own or hold under lease the properties it purports to own or hold under lease, to transact the business it transacts and proposes to transact, to execute and deliver this Agreement and the Notes and to perform the provisions hereof and thereof.

Section 5.2 Authorization, Etc. This Agreement and the Notes have been duly authorized by all necessary corporate or other organizational action on the part of each Obligor, and this Agreement constitutes, and upon execution and delivery thereof each Note will constitute, a legal, valid and binding obligation of each Obligor enforceable against such Obligor in accordance with its terms, except as such enforceability may be limited by (a) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and (b) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

Section 5.3 Disclosure. The Obligors, through their agent, Banc of America Securities LLC, have delivered to each Purchaser a copy of a Private Placement Memorandum, dated August 2006 (the *"Memorandum"*), relating to the transactions contemplated hereby. The Memorandum fairly describes, in all material respects, the general nature of the business and principal properties of the Obligors and their Subsidiaries. Except as disclosed in Schedule 5.3, this Agreement, the Memorandum, the documents, certificates or other writings delivered to the Purchasers by or on behalf of the Obligors in connection with the transactions contemplated hereby and the financial statements listed in Schedule 5.5, taken as a whole, do not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading in light of the circumstances under which they were made. Except as disclosed in the Memorandum or as described in Schedule 5.3, or in one of the documents, certificates or other writings identified therein, or in the financial statements listed in Schedule 5.5, since August 31, 2005, there has been no change in the financial condition, operations, business or properties of the Obligors and their Subsidiaries, taken as a whole, except changes that, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. There is no fact known to any Obligor that could reasonably be expected to have a Material Adverse Effect that has not been set forth herein or in the Memorandum or in the other documents, certificates and other writings delivered to the Purchasers by or on behalf of the Obligors specifically for use in connection with the transactions contemplated hereby.

Section 5.4 Organization and Ownership of Shares of Subsidiaries; Affiliates.

(a) Schedule 5.4 contains (except as noted therein) complete and correct lists (1) of each Obligor's Subsidiaries, showing, as to each Subsidiary, the correct name thereof, the jurisdiction of its organization, and the percentage of shares of each class of its capital stock or similar equity interests outstanding owned by each Obligor and each other Subsidiary, and if such Subsidiary is, on the date of Closing, a Restricted

Subsidiary, (2) of each Obligor's Affiliates, other than Subsidiaries, and (3) of each Obligor's directors and senior officers.

(b) All of the outstanding shares of capital stock or similar equity interests of each Subsidiary shown in Schedule 5.4 as being owned by any Obligor or any Subsidiary have been validly issued, are fully paid and nonassessable and are owned by such Obligor or such Subsidiaries free and clear of any Lien (except as otherwise disclosed in Schedule 5.4).

(c) Each Subsidiary identified in Schedule 5.4 is a corporation or other legal entity duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, and is duly qualified as a foreign corporation or other legal entity and is in good standing in each jurisdiction in which such qualification is required by law other than those jurisdictions as to which the failure to be so qualified or in good standing could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Each such Subsidiary has the corporate or other power and authority to own or hold under lease the properties it purports to own or hold under lease and to transact the business it transacts and proposes to transact.

(d) No Subsidiary is a party to, or otherwise subject to any legal restriction or any agreement (other than this Agreement, the agreements listed on Schedule 5.4 and customary limitations imposed by corporate or other organizational law statutes) restricting the ability of such Subsidiary to pay dividends out of profits or make any other similar distributions of profits to any Obligor or any Subsidiary that owns outstanding shares of capital stock or similar equity interests of such Subsidiary.

Section 5.5 Financial Statements. The Obligors have delivered to each Purchaser copies of the consolidated financial statements of UniFirst listed on Schedule 5.5. All of said financial statements (including in each case the related schedules and notes) fairly present in all material respects the consolidated financial position of UniFirst and its Subsidiaries as of the respective dates specified in such Schedule and the consolidated results of their operations and cash flows for the respective periods so specified and have been prepared in accordance with GAAP consistently applied throughout the periods involved except as set forth in the notes thereto (subject, in the case of any interim financial statements, to normal year-end adjustments).

Section 5.6 Compliance with Laws, Other Instruments, Etc. The execution, delivery and performance by each Obligor of this Agreement and the Notes will not (a) contravene, result in any breach of, or constitute a default under, or result in the creation of any Lien in respect of any property of such Obligor or any of its Subsidiaries under, any indenture, mortgage, deed of trust, loan, purchase or credit agreement, lease, corporate charter or by-laws, or any other agreement or instrument to which such Obligor or any of its Subsidiaries is bound or by which such Obligor or any of its Subsidiaries or any of their respective properties may be bound or affected, (b) conflict with or result in a breach of any of the terms, conditions or provisions of any order, judgment, decree, or ruling of any court, arbitrator or Governmental Authority applicable to such Obligor or any of its Subsidiaries or (c) violate any provision of any statute or other rule or regulation of any Governmental Authority applicable to such Obligor or any of its Subsidiaries.

Section 5.7 Governmental Authorizations, Etc. No consent, approval or authorization of, or registration, filing or declaration with, any Governmental Authority is required in connection with the execution, delivery or performance by any Obligor of this Agreement or the Notes.

Section 5.8 Litigation; Observance of Agreements, Statutes and Orders.

(a) (1) Schedule 5.8 sets forth all significant actions, suits or proceedings pending or, to the knowledge of any Obligor, threatened against or affecting any Obligor or any of its Subsidiaries or any property of any Obligor or any of its Subsidiaries in any court or before any arbitrator of any kind or before or by any Governmental Authority. Nothing set forth on Schedule 5.8, individually, after taking into account amounts accrued on the balance sheet of UniFirst and amounts covered by insurance, could reasonably be expected to have a Material Adverse Effect.

(2) The Obligors believe that the aggregate amount of liabilities, if any, in excess of amounts accrued or covered by insurance, with respect to items set forth on Schedule 5.8 will not have a Material Adverse Effect. It is possible, however, that future financial position or results of operations for any particular future period could be materially affected by changes in the Company's assumptions or strategies related to these contingencies or changes out of the Company's control.

(b) No Obligor and no Subsidiary is in default under any term of any agreement or instrument to which it is a party or by which it is bound, or any order, judgment, decree or ruling of any court, arbitrator or Governmental Authority or is in violation of any applicable law, ordinance, rule or regulation (including, without limitation, Environmental Laws or the Patriot Act) of any Governmental Authority, which default or violation, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

Section 5.9 Taxes. The Obligors and their Subsidiaries have filed all tax returns that are required to have been filed in any jurisdiction, and have paid all taxes shown to be due and payable on such returns and all other taxes and assessments levied upon them or their properties, assets, income or franchises, to the extent such taxes and assessments have become due and payable and before they have become delinquent, except for any taxes and assessments (a) the amount of which is not, individually or in the aggregate, Material or (b) the amount, applicability or validity of which is currently being contested in good faith by appropriate proceedings and with respect to which an Obligor or a Subsidiary, as the case may be, has established adequate reserves in accordance with GAAP. No Obligor knows of any basis for any other tax or assessment that would reasonably be expected to have a Material Adverse Effect. The federal income tax liabilities of UniFirst and its Subsidiaries have been determined by the Internal Revenue Service and paid for all fiscal years up to and including the fiscal year ended August 29, 1998.

Section 5.10 Title to Property; Leases. The Obligors and their Subsidiaries have good and sufficient title to their respective properties that, individually or in the aggregate, are

Material, including all such properties reflected in the most recent audited balance sheet referred to in Section 5.5 or purported to have been acquired by any Obligor or any Subsidiary after said date (except as sold or otherwise disposed of in the ordinary course of business), in each case free and clear of Liens prohibited by this Agreement. All leases that, individually or in the aggregate, are Material are valid and subsisting and are in full force and effect in all material respects.

Section 5.11 *Licenses, Permits, Etc*. Except as disclosed in Schedule 5.11,

(a) the Obligors and their Subsidiaries own or possess all licenses, permits, franchises, authorizations, patents, copyrights, service marks, trademarks, trade names and domain names or rights thereto, that, individually or in the aggregate, are Material, without known conflict with the rights of others;

(b) to the best knowledge of each Obligor, no product of any Obligor or any Subsidiary infringes in any material respect any license, permit, franchise, authorization, patent, copyright, service mark, trademark, trade name, domain name or other right owned by any other Person; and

(c) to the best knowledge of each Obligor, there is no Material violation by any Person of any right of any Obligor or any of its Subsidiaries with respect to any patent, copyright, service mark, trademark, trade name, domain name or other right owned or used by any Obligor or any of its Subsidiaries.

Section 5.12 *Compliance with ERISA; Pension Plans*.

(a) Each Obligor and each ERISA Affiliate have operated and administered each Plan in compliance with all applicable laws except for such instances of noncompliance as have not resulted in and would not reasonably be expected to result in a Material Adverse Effect. No Obligor and no ERISA Affiliate has incurred any liability pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans (as defined in Section 3 of ERISA), and no event, transaction or condition has occurred or exists that would reasonably be expected to result in the incurrence of any such liability by any Obligor or any ERISA Affiliate, or in the imposition of any Lien on any of the rights, properties or assets of any Obligor or any ERISA Affiliate, in either case pursuant to Title I or IV of ERISA or to such penalty or excise tax provisions or to Section 401(a)(29) or 412 of the Code, other than such liabilities or Liens as could not be, individually or in the aggregate, Material.

(b) The present value of the aggregate benefit liabilities under each of the Plans subject to Title IV of ERISA (other than Multiemployer Plans), determined as of the end of such Plan's most recently ended plan year on the basis of the actuarial assumptions specified for funding purposes in such Plan's most recent actuarial valuation report, did not exceed the aggregate current value of the assets of such Plan allocable to such benefit liabilities by more than $1,000,000 in the aggregate for all Plans. The term "benefit liabilities" has the meaning specified in Section 4001 of ERISA and the terms "current value" and "present value" have the meanings specified in Section 3 of ERISA.

(c) The Obligors and their ERISA Affiliates have not incurred withdrawal liabilities (and, to the best knowledge of the Obligors, are not subject to contingent withdrawal liabilities) under Section 4201 or 4204 of ERISA in respect of Multiemployer Plans that, individually or in the aggregate, could result in a Material Adverse Effect.

(d) The expected post-retirement benefit obligation (determined as of the last day of UniFirst's most recently ended fiscal year in accordance with Financial Accounting Standards Board Statement No. 106, without regard to liabilities attributable to continuation coverage mandated by Section 4980B of the Code) of the Obligors and their Subsidiaries is not Material.

(e) The execution and delivery of this Agreement and the issuance and sale of the Notes hereunder will not involve any transaction that is subject to the prohibitions of Section 406 of ERISA or in connection with which a tax could be imposed pursuant to Section 4975(c)(1)(A)-(D) of the Code. The representation by the Obligors to each Purchaser in the first sentence of this Section 5.12(e) is made in reliance upon and subject to the accuracy of such Purchaser's representation in Section 6.2 as to the sources of the funds used to pay the purchase price of the Notes to be purchased by such Purchaser.

(f) All Non-US Pension Plans have been established, operated, administered and maintained in compliance with all laws, regulations and orders applicable thereto except for such failures to comply, in the aggregate for all such failures, that could not reasonably be expected to have a Material Adverse Effect. All premiums, contributions and any other amounts required by applicable Non-US Pension Plan documents or applicable laws have been paid or accrued as required, except for premiums, contributions and amounts that, in the aggregate for all such obligations, could not reasonably be expected to have a Material Adverse Effect.

Section 5.13 Private Offering by the Obligors. No Obligor nor anyone acting on its behalf, has, directly or indirectly, offered the Notes or any similar securities for sale to, or solicited any offer to buy any of the same from, or otherwise approached or negotiated in respect thereof with, any Person other than 20 Institutional Investors (including the Purchasers) of the type described in clause (c) of the definition thereof, each of which has been offered the Notes at a private sale for investment. No Obligor nor anyone acting on its behalf has taken, or will take, any action that would subject the issuance or sale of the Notes to the registration requirements of Section 5 of the Securities Act.

Section 5.14 Use of Proceeds; Margin Regulations. The Obligors will apply the proceeds of the sale of the Notes for general corporate purposes of the Obligors and their Subsidiaries including to repay existing Debt of the Obligors and their Subsidiaries. No part of the proceeds from the sale of the Notes hereunder will be used, directly or indirectly, for the purpose of buying or carrying any margin stock within the meaning of Regulation U of the Board of Governors of the Federal Reserve System (12 CFR 221), or for the purpose of buying or carrying or trading in any securities under such circumstances as to involve any Obligor in a violation of Regulation X of said Board (12 CFR 224) or to involve any broker or dealer in a violation of Regulation T of said Board (12 CFR 220). Margin stock does not constitute more than 1% of the value of the consolidated total assets of any Obligor and its Subsidiaries and no

Obligor has any present intention that margin stock will constitute more than 1% of the value of its consolidated total assets. As used in this Section, the terms "margin stock" and "purpose of buying or carrying" shall have the meanings assigned to them in said Regulation U.

Section 5.15 *Existing Debt; Future Liens*.

(a) Except as described therein, Schedule 5.15 sets forth a complete and correct list of all outstanding Debt of the Obligors and their Subsidiaries as of July 22, 2006 since which date there has been no Material change in the amounts, interest rates, sinking funds, installment payments or maturities of the Debt of the Obligors or their Subsidiaries. No Obligor and no Subsidiary is in default and no waiver of default is currently in effect, in the payment of any principal or interest on any Debt of any Obligor or any Subsidiary and no event or condition exists with respect to any Debt of any Obligor or any Subsidiary that would permit (or that with notice or the lapse of time, or both, would permit) one or more Persons to cause such Debt to become due and payable before its stated maturity or before its regularly scheduled dates of payment.

(b) Except as disclosed in Schedule 5.15, no Obligor and no Subsidiary has agreed or consented to cause or permit in the future (upon the happening of a contingency or otherwise) any of its property, whether now owned or hereafter acquired, to be subject to a Lien not permitted by Section 10.3.

Section 5.16 *Foreign Assets Control Regulations, Etc*.

(a) Neither the sale of the Notes by the Obligors hereunder nor their use of the proceeds thereof will violate the Trading with the Enemy Act, as amended, or any of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto.

(b) No Obligor nor any Subsidiary (1) is a Person described or designated in the Specially Designated Nationals and Blocked Persons List of the Office of Foreign Assets Control or in Section 1 of the Anti-Terrorism Order or (2) engages in any dealings or transactions with any such Person. The Obligors and their Subsidiaries are in compliance, in all material respects, with the Patriot Act.

(c) No part of the proceeds from the sale of the Notes hereunder will be used, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended, assuming in all cases that such Act applies to the Obligors.

Section 5.17 *Status under Certain Statutes*. No Obligor and no Subsidiary is subject to regulation under the Investment Company Act of 1940, as amended, the Public Utility Holding Company Act of 2005, as amended, the ICC Termination Act of 1995, as amended, or the Federal Power Act, as amended.

Section 5.18 Environmental Matters. As to each of the real properties owned or leased by each Obligor and each Restricted Subsidiary and any operations thereon, and as to the Business, each such property and operation and the Business is presently in compliance with and has in full force and effect all permits, licenses, or approvals required by all applicable building, zoning, anti-pollution, hazardous substance, hazardous material, oil, radioactive or nuclear waste, environmental, health, safety or other laws, ordinances or regulations (collectively, *"Environmental Laws"*), including, without limitation, the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 *et seq.*, and the Energy Reorganization Act of 1974, as amended, 42 U.S.C. 5801 *et seq*., and any judgment, decree or order relating thereto, and no Obligor nor any Restricted Subsidiary has received notification that any of the foregoing properties or operations or the Business is in violation or alleged violation of any of the foregoing, except where the failure to so comply with or have any such permit, license or approval or where the receipt of such notification would not reasonably be expected to have a Material Adverse Effect, it being understood and agreed that any failure to so comply with or have any such permit, license or approval shall be considered to have a Material Adverse Effect only if the cost to the Obligors and/or the Restricted Subsidiaries associated with such failure is and/or is reasonably expected to be equal to or greater than $2,000,000, which calculation shall include any and all attorneys fees incurred or reasonably expected to be incurred by the Obligors and/or the Restricted Subsidiaries. Except as set forth on Schedule 5.18 attached hereto and except for OHM (as hereinafter defined) that is used in compliance with all Environmental Laws in amounts and methods customary for a business such as the Business (*provided* such use does not result in a release that requires reporting pursuant to any Environmental Law), no Obligor nor any Restricted Subsidiary has ever generated, stored, handled or disposed of any hazardous substances, hazardous materials, oil, or radioactive or nuclear waste (collectively, *"OHM"*) on any of such properties or any portion thereof or in connection with any of such operations or the Business and no Obligor nor any Restricted Subsidiary is aware of the presence, generation, storage, handling, or disposal of any OHM on any of such properties or any portion thereof or in connection with any of such operations or the Business by any Obligor or any prior owner or prior occupant or prior user thereof or by anyone else, nor is any Obligor nor any Restricted Subsidiary aware of any spill or release or threatened release of OHM or other substance, into the environment on or from any of such properties or operations or in connection with the Business. Except as set forth on Schedule 5.18 attached hereto, no inquiry, notice or threat to give notice by any Governmental Authority or any other third party has been received by any Obligor or any Restricted Subsidiary with respect to the generation, storage, handling, or disposal or release or threat of release (collectively, a *"Release"*) or alleged Release thereof, or with respect to any violation or alleged violation of any Environmental Laws or any judgment, decree or order relating thereto. Except as set forth on Schedule 5.18 attached hereto, no underground storage tanks or surface impoundments are on any of the properties owned or leased or operated by any Obligor or any Restricted Subsidiary or used in connection with the Business. Without in any way limiting the foregoing, as to each of the real properties owned or leased by each Obligor and each Restricted Subsidiary and any operations thereon, all as described on Schedule 5.18 attached hereto, and as to the Business, each such property and operation and the Business is presently in compliance with and has in full force and effect all permits, licenses, or approvals required in connection with the licensing of nuclear decontamination facilities, the handling and disposal of radioactive waste, and record keeping and reporting in connection therewith, except where the failure to so comply with or have any such permit, license or

approval would not reasonably be expected to have a Material Adverse Effect. Notwithstanding anything to the contrary set forth in any of the immediately preceding six sentences, the Obligors shall not be required to set forth on Schedule 5.18 a description of any set of facts or circumstances or of any inquiry, notice or threat to give notice described above (each individually, an *"Environmental Matter"*) unless the cost to the Obligors and/or the Restricted Subsidiaries to respond to, address, or remediate any individual Environmental Matter shall be and/or shall reasonably be expected to be equal to or greater than $2,000,000. There shall be no deduction from any sum calculated and/or estimated pursuant to the preceding sentence due to any insurance proceeds to which the Obligors and/or the Restricted Subsidiaries may be entitled or which the Obligors and/or the Restricted Subsidiaries may receive, and there shall be included in any such calculation the cost of any and all attorneys fees incurred and/or reasonably expected to be incurred by the Obligors and/or the Restricted Subsidiaries. For the purposes of this Section 5.18, (i) "hazardous substances" shall mean "hazardous substances" as defined in the Comprehensive Environmental Response, Compensation and Liability Act, as amended, 42 U.S.C. §9601 *et seq.*, and regulations thereunder or under the provisions of any other applicable federal, state, county or municipal law, ordinance, rule or regulation, (ii) "hazardous material" and "oil" shall mean "hazardous material" and "oil," respectively, as defined in the Massachusetts Oil and Hazardous Material Release Prevention and Response Act, as amended, M.G.L. Chapter 21E, and regulations thereunder or under the provisions of any other applicable federal, state, county or municipal law, ordinance, rule or regulation, (iii) "release" or "threat of release" shall mean such terms as they are defined in any of the foregoing laws, ordinances, rules or regulations, as applicable and (iv) "Business" shall mean the business of the Obligors as described in UniFirst's annual report for the fiscal year ended August 31, 2005 on Form 10-K.

Section 5.19 Notes Rank Pari Passu. The obligations of the Obligors under this Agreement and the Notes rank at least *pari passu* in right of payment with all other unsecured senior Debt (actual or contingent) of the Obligors.

Section 5.20 Solvency of the Obligors. Each of the Obligors is solvent and has assets having a value both at fair valuation and at present fair salable value greater than the amount required to pay its debts as they become due and greater than the amount that will be required to pay its probable liability on its existing debts as they become due and matured. No Obligor intends to incur, or believes or should have believed that it will incur, debts beyond its ability to pay such debts as they become due. No Obligor will be rendered insolvent by the execution, delivery and performance of its obligations under this Agreement or the Notes. No Obligor intends to or will hinder, delay or defraud its creditors by or through the execution, delivery or performance of its obligations under this Agreement or the Notes.

Section 5.21 Consideration. There will be provided to each Obligor a substantial economic benefit and adequate consideration for the issuance and sale of the Notes and the execution and delivery of this Agreement by reason of, among other reasons, the proceeds of the Notes being used in the manner set forth in Section 5.14 and therefore will enhance the financial position of each Obligor.

SECTION 6. REPRESENTATIONS OF THE PURCHASERS.

Section 6.1 Purchase for Investment. Each Purchaser represents that it is purchasing the Notes for its own account or for one or more separate accounts maintained by such Purchaser or for the account of one or more pension or trust funds and not with a view to the distribution thereof, *provided* that the disposition of such Purchaser's or such pension or trust fund's property shall at all times be within such Purchaser's or such pension or trust fund's control. Each Purchaser understands that the Notes have not been registered under the Securities Act and may be resold only if registered pursuant to the provisions of the Securities Act or if an exemption from registration is available, except under circumstances where neither such registration nor such an exemption is required by law, and that the Obligors are not required to register the Notes.

Section 6.2 Source of Funds. Each Purchaser represents that at least one of the following statements is an accurate representation as to each source of funds (a *"Source"*) to be used by such Purchaser to pay the purchase price of the Notes to be purchased by such Purchaser hereunder:

(a) the Source is an "insurance company general account" (as the term is defined in the United States Department of Labor's Prohibited Transaction Exemption ("*PTE*") 95-60) in respect of which the reserves and liabilities (as defined by the annual statement for life insurance companies approved by the National Association of Insurance Commissioners (the " *NAIC Annual Statement*")) for the general account contract(s) held by or on behalf of any employee benefit plan together with the amount of the reserves and liabilities for the general account contract(s) held by or on behalf of any other employee benefit plans maintained by the same employer (or affiliate thereof as defined in PTE 95-60) or by the same employee organization in the general account do not exceed 10% of the total reserves and liabilities of the general account (exclusive of separate account liabilities) plus surplus as set forth in the NAIC Annual Statement filed with such Purchaser's state of domicile; or

(b) the Source is a separate account that is maintained solely in connection with such Purchaser's fixed contractual obligations under which the amounts payable, or credited, to any employee benefit plan (or its related trust) that has any interest in such separate account (or to any participant or beneficiary of such plan (including any annuitant)) are not affected in any manner by the investment performance of the separate account; or

(c) the Source is either (1) an insurance company pooled separate account, within the meaning of PTE 90-1 or (2) a bank collective investment fund, within the meaning of the PTE 91-38 and, except as disclosed by such Purchaser to the Company in writing pursuant to this clause (c), no employee benefit plan or group of plans maintained by the same employer or employee organization beneficially owns more than 10% of all assets allocated to such pooled separate account or collective investment fund; or

(d) the Source constitutes assets of an "investment fund" (within the meaning of Part V of PTE 84-14 (the " *QPAM Exemption*") managed by a "qualified professional

asset manager" or "QPAM" (within the meaning of Part V of the QPAM Exemption), no employee benefit plan's assets that are included in such investment fund, when combined with the assets of all other employee benefit plans established or maintained by the same employer or by an affiliate (within the meaning of Section V(c)(1) of the QPAM Exemption) of such employer or by the same employee organization and managed by such QPAM, exceed 20% of the total client assets managed by such QPAM, the conditions of Part I(c) and (g) of the QPAM Exemption are satisfied, neither the QPAM nor a Person controlling or controlled by the QPAM (applying the definition of "control" in Section V(e) of the QPAM Exemption) owns a 5% or more interest in the Company and (1) the identity of such QPAM and (2) the names of all employee benefit plans whose assets are included in such investment fund have been disclosed to the Company in writing pursuant to this paragraph (d); or

(e) the Source constitutes assets of a "plan(s)" (within the meaning of Section IV of PTE 96-23 (the " *INHAM Exemption*")) managed by an "in-house asset manager" or "INHAM" (within the meaning of Part IV of the INHAM exemption), the conditions of Part I(a), (g) and (h) of the INHAM Exemption are satisfied, neither the INHAM nor a person controlling or controlled by the INHAM (applying the definition of "control" in Section IV(d) of the INHAM Exemption) owns a 5% or more interest in the Company and (1) the identity of such INHAM and (2) the name(s) of the employee benefit plan(s) whose assets constitute the Source have been disclosed to the Company in writing pursuant to this clause (e); or

(f) the Source is a governmental plan; or

(g) the Source is one or more employee benefit plans, or a separate account or trust fund comprised of one or more employee benefit plans, each of which has been identified to the Company in writing pursuant to this paragraph (g); or

(h) the Source does not include assets of any employee benefit plan, other than a plan exempt from the coverage of ERISA.

As used in this Section 6.2, the terms "employee benefit plan," "governmental plan" and "separate account" shall have the respective meanings assigned to such terms in Section 3 of ERISA.

Section 6.3 Accredited Investor. Each Purchaser represents that it is an "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act).

SECTION 7. INFORMATION AS TO THE OBLIGORS.

Section 7.1 Financial and Business Information. The Obligors shall deliver to each holder of Notes that is an Institutional Investor:

(a) *Quarterly Statements* — within 60 days after the end of each quarterly fiscal period in each fiscal year of UniFirst (other than the last quarterly fiscal period of each such fiscal year), duplicate copies of:

(1) a consolidated and consolidating balance sheet of UniFirst and its Subsidiaries as at the end of such quarter; and

(2) consolidated and consolidating statements of income, retained earnings and cash flows of UniFirst and its Subsidiaries for such quarter and (in the case of the second and third quarters) for the portion of the fiscal year ending with such quarter;

setting forth in each case in comparative form the figures for the corresponding periods in the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP applicable to interim financial statements generally, and certified by a Senior Financial Officer of each Obligor as fairly presenting, in all material respects, the consolidated financial position of the companies being reported on and their consolidated results of operations and cash flows, subject to changes resulting from normal year-end adjustments, *provided* that delivery within the time period specified above of copies of UniFirst's Quarterly Report on Form 10-Q prepared in compliance with the requirements therefor and filed with the Securities and Exchange Commission shall be deemed to satisfy the requirements of this Section 7.1(a);

(b) *Annual Statements* — within 105 days after the end of each fiscal year of UniFirst, duplicate copies of:

(1) a consolidated and consolidating balance sheet of UniFirst and its Subsidiaries, as at the end of such year; and

(2) consolidated and consolidating statements of income, retained earnings and cash flows of UniFirst and its Subsidiaries for such year;

setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP, and accompanied by an opinion thereon of independent certified public accountants of recognized national standing, which opinion shall state that such financial statements present fairly, in all material respects, the consolidated financial position of the companies being reported upon and their consolidated results of operations and cash flows and have been prepared in conformity with GAAP, and that the examination of such accountants in connection with such financial statements has been made in accordance with generally accepted auditing standards, and that such audit provides a reasonable basis for such opinion, *provided* that the delivery within the time period specified above of UniFirst's Annual Report on Form 10-K for such fiscal year (together with UniFirst's annual report to shareholders, if any, prepared pursuant to Rule 14a-3 under the Exchange Act) prepared in accordance with the requirements therefor and filed with the Securities and Exchange Commission, shall be deemed to satisfy the requirements of this Section 7.1(b);

(c) *Unrestricted Subsidiaries* — at such time as either (1) the aggregate amount of the total assets of all Unrestricted Subsidiaries of UniFirst exceeds an amount equal to 10% of the consolidated total assets of UniFirst and its Subsidiaries determined in accordance with GAAP or (2) one or more Unrestricted Subsidiaries of UniFirst account

for more than 10% of the consolidated total revenues of UniFirst and its Subsidiaries determined in accordance with GAAP, within the respective periods provided in paragraphs (a) and (b) above, then each set of financial statements delivered pursuant to paragraphs (a) and (b) above shall be accompanied by unaudited financial statements of the character and for the dates and periods as in said paragraphs (a) and (b) covering the Unrestricted Subsidiaries of UniFirst on a consolidated basis together with unaudited consolidating statements reflecting eliminations or adjustments required in order to reconcile such financial statements to the corresponding consolidated financial statements of UniFirst and its Subsidiaries delivered pursuant to paragraphs (a) and (b) above;

(d) *SEC and Other Reports* — promptly upon their becoming available, one copy of (1) each financial statement, report, notice or proxy statement sent by any Obligor or any Restricted Subsidiary to public securities holders generally, (2) any regular or periodic report, any registration statement (without exhibits except as expressly requested by such holder), and any prospectus and all amendments thereto filed by any Obligor or any Restricted Subsidiary with the Securities and Exchange Commission or other similar Governmental Authority and (3) of all press releases and other statements made available generally by any Obligor or any Restricted Subsidiary to the public concerning developments that are Material;

(e) *Notice of Default or Event of Default* — promptly, and in any event within five Business Days after a Responsible Officer of any Obligor obtaining actual knowledge of the existence of any Default or Event of Default or that any Person has given any notice or taken any action with respect to a claimed default hereunder or that any Person has given any notice or taken any action with respect to a claimed default of the type referred to in Section 11(f), a written notice specifying the nature and period of existence thereof and what action the Obligors are taking or propose to take with respect thereto;

(f) *ERISA Matters* — promptly, and in any event within five Business Days after a Responsible Officer of any Obligor becoming aware of any of the following, a written notice setting forth the nature thereof and the action, if any, that the Obligors propose to take, or an ERISA Affiliate proposes to take, with respect thereto:

(1) any reportable event, as defined in Section 4043(b) of ERISA and the regulations thereunder, with respect to any Plan for which notice thereof has not been waived pursuant to such regulations as in effect on the date hereof; or

(2) the taking by the PBGC of steps to institute, or the threatening by the PBGC of the institution of, proceedings under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan, or the receipt by any Obligor or any ERISA Affiliate of a notice from a Multiemployer Plan that such action has been taken by the PBGC with respect to such Multiemployer Plan; or

(3) any event, transaction or condition that could result in the incurrence of any liability by any Obligor or any ERISA Affiliate pursuant to

Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans, or in the imposition of any Lien on any of the rights, properties or assets of any Obligor or any ERISA Affiliate pursuant to Title I or IV of ERISA or such penalty or excise tax provisions, if such liability or Lien, taken together with any other such liabilities or Liens then existing, could reasonably be expected to have a Material Adverse Effect;

(g) *Notices from Governmental Authority* — promptly, and in any event within 30 days of receipt thereof, copies of any notice to any Obligor or any Subsidiary from any Governmental Authority relating to any order, ruling, statute or other law or regulation that could reasonably be expected to have a Material Adverse Effect; and

(h) *Requested Information* — with reasonable promptness, such other data and information relating to the business, operations, affairs, financial condition, assets or properties of any Obligor or any Subsidiary or relating to the ability of the Obligors to perform their obligations hereunder and under the Notes as from time to time may be reasonably requested by any such holder of Notes or such information regarding the Obligors required to satisfy the requirements of 17 C.F.R. §230.144A, as amended from time to time, in connection with any contemplated transfer of Notes.

Section 7.2 Officer's Certificate. Each set of financial statements delivered to a holder of Notes pursuant to Section 7.1(a) or Section 7.1(b) hereof shall be accompanied by a certificate of a Senior Financial Officer of each Obligor setting forth:

(a) *Covenant Compliance* — the information (including detailed calculations) required in order to establish whether the Obligors were in compliance with the requirements of Section 10.1, Section 10.2 and Section 10.5 hereof during the quarterly or annual period covered by the financial statements then being furnished (including with respect to each such Section, where applicable, the calculations of the maximum or minimum amount, ratio or percentage, as the case may be, permissible under the terms of such Sections, and the calculation of the amount, ratio or percentage then in existence); and

(b) *Event of Default* — a statement that such officer has reviewed the relevant terms hereof and has made, or caused to be made, under his or her supervision, a review of the transactions and conditions of the Obligors and their Subsidiaries from the beginning of the quarterly or annual period covered by the financial statements then being furnished to the date of the certificate and that such review shall not have disclosed the existence during such period of any condition or event that constitutes a Default or an Event of Default or, if any such condition or event existed or exists (including, without limitation, any such event or condition resulting from the failure of any Obligor or any Subsidiary to comply with any Environmental Law), specifying the nature and period of existence thereof and what action the Obligors shall have taken or propose to take with respect thereto.

Section 7.3 Inspection. Each Obligor shall permit the representatives of each holder of Notes that is an Institutional Investor:

(a) *No Payment Default or Event of Default* — if no Payment Default or Event of Default then exists, at the expense of such holder, to visit the principal executive office of such Obligor, to discuss the affairs, finances and accounts of such Obligor and its Restricted Subsidiaries with such Obligor's officers, and (with the consent of such Obligor, which consent will not be unreasonably withheld) to visit the other offices and properties of such Obligor and its Restricted Subsidiaries, all at such reasonable times, upon reasonable notice to such Obligor and as reasonably requested in writing to such Obligor; and

(b) *Payment Default or Event of Default* — if a Payment Default or Event of Default then exists, at the expense of the Obligors to visit and inspect any of the offices or properties of such Obligor or any of its Restricted Subsidiaries, to examine all their respective books of account, records, reports and other papers, to make copies and extracts therefrom, and to discuss their respective affairs, finances and accounts with their respective officers and independent public accountants (and by this provision such Obligor authorizes said accountants to discuss the affairs, finances and accounts of such Obligor and its Restricted Subsidiaries), all at such reasonable times and upon reasonable notice as requested in writing to such Obligor.

SECTION 8. PREPAYMENT OF THE NOTES.

Section 8.1 Required Prepayments. The Notes shall not be subject to any required prepayment and the entire unpaid principal amount of the Notes shall be due and payable on the stated maturity thereof.

Section 8.2 Optional Prepayments. The Obligors may, at their option, upon notice as provided below, prepay at any time all, or from time to time any part of, the Notes, in an amount not less than $2,500,000 in aggregate principal amount of the Notes then outstanding in the case of a partial prepayment, at 100% of the principal amount so prepaid, *plus* accrued and unpaid interest, *plus* the Prepayment Premium, if any, determined for the prepayment date with respect to such principal amount and if such prepayment occurs on any date other than an Interest Payment Date, the Breakage Amount, if any. The Obligors will give each holder of Notes written notice of each optional prepayment of Notes under this Section 8.2 not less than 30 days and not more than 60 days prior to the date fixed for such prepayment. Each such notice shall specify such date, the aggregate principal amount of the Notes to be prepaid on such date, the principal amount of each Note held by such holder to be prepaid (determined in accordance with Section 8.3), the interest to be paid on the prepayment date with respect to such principal amount being prepaid, and the Prepayment Premium due, if any, in connection with such prepayment.

Section 8.3 Allocation of Partial Prepayments. In the case of each partial prepayment of the Notes pursuant to Section 8.2, the principal amount of the Notes of to be prepaid shall be allocated among all of the Notes at the time outstanding in proportion, as nearly as practicable, to the respective unpaid principal amounts thereof not theretofore called for prepayment.

Section 8.4 Maturity; Surrender, Etc. In the case of each prepayment of Notes pursuant to this Section 8, the principal amount of each Note to be prepaid shall mature and become due and payable on the date fixed for such prepayment, together with interest on such

principal amount accrued to such date and the Prepayment Premium, if any, and the Breakage Amount, if any. From and after such date, unless the Obligors shall fail to pay such principal amount when so due and payable, together with the interest and Prepayment Premium, if any, and the Breakage Amount, if any, as aforesaid, interest on such principal amount shall cease to accrue. Any Note paid or prepaid in full shall be promptly surrendered to the Obligors and cancelled and shall not be reissued, and no Note shall be issued in lieu of any prepaid principal amount of any Note.

Section 8.5 Purchase of Notes. The Obligors will not, and will not permit any Affiliate to, purchase, redeem, prepay or otherwise acquire, directly or indirectly, any of the outstanding Notes except (a) upon the payment or prepayment of the Notes in accordance with the terms of this Agreement and the Notes or (b) pursuant to a written offer to purchase any outstanding Notes made by one or more Obligors or their Affiliates pro rata to each holder of Notes at the time outstanding upon the same terms and conditions. Any such offer shall provide each holder with sufficient information to enable it to make an informed decision with respect to such offer, and shall remain open for at least 15 Business Days. If the holders of 50% or more of the principal amount of the Notes then outstanding accept such offer, the Obligors shall promptly notify the remaining holders of such fact and the expiration date for the acceptance by such holders of such offer shall be extended by the number of days necessary to give each such remaining holder at least 15 Business Days from its receipt of such notice to accept such offer. The Obligors will promptly cancel all Notes acquired by it or any Affiliate pursuant to any payment, prepayment or purchase of Notes pursuant to any provision of this Agreement and no Notes may be issued in substitution or exchange for any such Notes.

Section 8.6 Payments Free and Clear of Taxes.

(a) Each Obligor, for the benefit of the holders of the Notes, agrees that in the event payments, if any, made by any Obligor (other than an Obligor organized under the laws of the United States or any State thereof (including the District of Columbia)) hereunder or in respect of the Notes to any holder are subject to any present or future tax, duty, assessment, impost, levy, withholding or other similar charge (a *"Relevant Tax "*) imposed upon such holder by the government of any country or jurisdiction (or any authority therein or thereof) other than any tax based on or measured by net income imposed on any holder of the Notes by the country in which such holder is a resident (the *"Resident Country"*), from or through which payments hereunder or on or in respect of the Notes are actually made (each a *"Taxing Jurisdiction"*), the Obligors will pay to such holder such additional amounts (*"Tax Indemnity Amounts"*) as may be necessary in order that the net amounts paid to such holder pursuant to the terms of this Agreement or the Notes after imposition of any such Relevant Tax shall be not less than the amounts specified in this Agreement or the Notes to be then due and payable (after giving effect to the exclusion for Relevant Taxes imposed by the government of the Resident Country), *provided* that the Obligors shall not be required to pay such Tax Indemnity Amounts to any holder of a Note in respect of Relevant Taxes to the extent such Relevant Taxes exceed the Relevant Taxes that would have been payable:

(1) had such holder not had any connection with such Taxing Jurisdiction or any territory or political subdivision thereof other than the mere

holding of a Note (or the receipt of any payments in respect thereof) or activities incidental thereto (including enforcement thereof); *provided* that this exclusion shall not apply with respect to any Tax that would not have been imposed but for an Obligor, after the date of the Closing, opening an office in, moving an office to, reincorporating or reorganizing in, or changing the Taxing Jurisdiction from or through which payments on account of this Agreement or the Notes are made, to the Taxing Jurisdiction imposing the relevant Tax; or

(2) but for the delay or failure by such holder (following a written request by the Obligors) in the filing with an appropriate Governmental Authority or otherwise of forms, certificates, documents, applications or other reasonably required evidence, that is required to be filed by such holder to avoid or reduce such Relevant Taxes and that in the case of any of the foregoing would not result in any confidential or proprietary income tax return information being revealed, either directly or indirectly, to any Person (collectively, *"Forms"*) and such delay or failure could have been lawfully avoided by such holder, *provided* that such holder shall be deemed to have satisfied the requirements of this clause (2) upon the good faith completion and submission of such Forms as may be specified in a written request of the Obligors no later than 45 days after receipt by such holder of such written request (which written request shall be accompanied by a copy of such Forms and all applicable instructions and, if any such Forms or instructions shall not be in the English language, an English translation thereof).

(b) Within 60 days after the date of any payment by the Obligors of any Relevant Tax in respect of any payment under the Notes or this Agreement, the Obligors shall furnish to each holder of a Note the original tax receipt for the payment of such Relevant Tax (or if such original tax receipt is not available, a duly certified copy of the original tax receipt), together with such other documentary evidence with respect to such payments as may be reasonably requested from time to time by any holder of a Note.

(c) If any Obligor has made a payment to or on account of any holder of a Note pursuant to Section 8.6(a) above and such holder, in such holder's reasonable discretion, determines that it is entitled to a refund of the Relevant Tax to which such payment is attributable from the Governmental Authority to which the payment of the Relevant Tax was made and such refund can be obtained by filing one or more Forms, then (1) such holder shall, as soon as practicable after receiving a written request therefor from the Obligors (which request shall specify in reasonable detail the Forms to be filed), file such Forms and (2) upon receipt of such refund, if any, *provided* no Default or Event of Default then exists, promptly pay over such refund to the relevant Obligor.

For the avoidance of doubt, nothing herein shall (a) restrict the right of any holder to arrange its tax affairs as it shall deem appropriate or (b) require any holder to disclose any information regarding its tax affairs or computations to any Obligor or any other Person other than as shall be necessary to permit the Obligors to determine whether the payment of any Tax Indemnity Amount would be required to be made pursuant to the provisions of this Section 8.6; *provided, however,* no holder shall be obligated to disclose any of its tax returns to any Obligor or any other Person.

SECTION 9. AFFIRMATIVE COVENANTS.

The Obligors, jointly and severally, covenant that so long as any of the Notes are outstanding:

Section 9.1 Compliance with Law. Each Obligor will, and will cause each of its Subsidiaries to, comply with all laws, ordinances or governmental rules or regulations to which each of them is subject, including, without limitation, Environmental Laws and the Patriot Act, and will obtain and maintain in effect all licenses, certificates, permits, franchises and other governmental authorizations necessary for the ownership of their respective properties or for the conduct of their respective businesses, in each case to the extent necessary to ensure that non-compliance with such laws, ordinances or governmental rules or regulations or failures to obtain or maintain in effect such licenses, certificates, permits, franchises and other governmental authorizations could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 9.2 Insurance. Each Obligor will, and will cause each of its Restricted Subsidiaries to, maintain, with financially sound and reputable insurers, insurance with respect to their respective properties and businesses against such casualties and contingencies, of such types, on such terms and in such amounts (including deductibles, co-insurance and self-insurance, if adequate reserves are maintained with respect thereto) as is customary in the case of entities of established reputations engaged in the same or a similar business and similarly situated, except for any non-maintenance that could not reasonably be expected to have a Material Adverse Effect.

Section 9.3 Maintenance of Properties. Each Obligor will, and will cause each of its Restricted Subsidiaries to, maintain and keep, or cause to be maintained and kept, their respective properties in good repair, working order and condition (other than ordinary wear and tear), so that the business carried on in connection therewith may be properly conducted at all times, *provided* that this Section shall not prevent any Obligor or any Restricted Subsidiary from discontinuing the operation and the maintenance of any of its properties if such discontinuance is desirable in the conduct of its business and such Obligor or such Restricted Subsidiary, as applicable, has concluded that such discontinuance could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 9.4 Payment of Taxes. Each Obligor will, and will cause each of its Subsidiaries to, file all income tax or similar tax returns required to be filed in any jurisdiction and to pay and discharge all taxes shown to be due and payable on such returns and all other taxes, assessments, governmental charges or levies imposed on them or any of their properties, assets, income or franchises, to the extent such taxes and assessments have become due and payable and before they have become delinquent, *provided* that no Obligor nor any Subsidiary need pay any such tax or assessment if (1) the amount, applicability or validity thereof is contested by such Obligor or such Subsidiary on a timely basis in good faith and in appropriate proceedings, and such Obligor or such Subsidiary has established adequate reserves therefor in accordance with GAAP on the books of such Obligor or such Subsidiary or (2) the nonpayment of all such taxes and assessments in the aggregate (exclusive of those described in clause (1) above) could not reasonably be expected to have a Material Adverse Effect.

Section 9.5 Corporate Existence, Etc. UniFirst will at all times preserve and keep in full force and effect its corporate existence. Subject to Sections 10.4 and 10.5, UniFirst will at all times preserve and keep in full force and effect the corporate or similar existence of each of the other Obligors and each of its and their Restricted Subsidiaries (unless merged into UniFirst or another Obligor) and all rights and franchises of UniFirst, the other Obligors and its and their Restricted Subsidiaries unless, in the good faith judgment of the Obligors, the termination of or failure to preserve and keep in full force and effect such corporate or similar existence, right or franchise could not, individually or in the aggregate, have a Material Adverse Effect.

Section 9.6 Additional Obligors.

(a) Concurrently with any Subsidiary of UniFirst becoming obligated as a co-obligor or guarantor in respect of any obligations existing under the Bank Credit Agreement, each Obligor shall cause such Subsidiary to execute and deliver a joinder to this Agreement in the form attached hereto as Exhibit 2 pursuant to which such Subsidiary becomes an Obligor hereunder and under the Notes (a *"Joinder"*).

(b) Concurrently with the delivery by any Subsidiary of a Joinder pursuant to Section 9.6(a), the Obligors shall cause such Subsidiary to deliver to each holder of Notes (1) such documents and evidence with respect to such Subsidiary as any holder may reasonably request in order to establish the existence and good standing of such Subsidiary and evidence that the Board of Directors of such Subsidiary has adopted resolutions authorizing the execution and delivery of such Joinder, (2) evidence of compliance with such Subsidiary's outstanding Debt instruments in the form of (i) a compliance certificate from such Subsidiary to the effect that such Subsidiary is in compliance with all terms and conditions of its outstanding Debt instruments, (ii) consents or approvals of the holder or holders of any evidence of Debt or security, and/or (iii) amendments of agreements pursuant to which any evidence of Debt or security may have been issued, all as may be reasonably deemed necessary by the holders of Notes to permit the execution and delivery of such Joinder by such Subsidiary, (3) if delivered to the agent or other parties to the Bank Credit Agreement, an opinion of counsel, addressed to each holder of the Notes, with respect to such Subsidiary and such Joinder and matters related thereto as shall be or have been delivered to the agent or other parties to the Bank Credit Agreement and (4) all other documents and showings reasonably requested by the holders of Notes in connection with the execution and delivery of such Joinder, which documents shall be reasonably satisfactory in form and substance to such holders and their special counsel, and each holder of Notes shall have received a copy (executed or certified as may be appropriate) of all of the foregoing legal documents.

Section 9.7 Notes to Rank Pari Passu. The Notes and all other obligations of each Obligor under this Agreement shall rank at least *pari passu* with all other present and future unsecured Debt (actual or contingent) of such Obligor that is not expressed to be subordinate or junior in rank to any other unsecured Debt of such Obligor.

SECTION 10. NEGATIVE COVENANTS.

The Obligors, jointly and severally, covenant that so long as any of the Notes are outstanding:

Section 10.1 Limitation on Consolidated Debt. The Obligors will not, at any time, permit the ratio of Consolidated Debt to Consolidated EBITDA for the then most recently ended period of four consecutive fiscal quarters to be greater than 3.50 to 1.00.

Section 10.2 Limitation on Priority Debt. The Obligors will not, at any time, permit Priority Debt to exceed an amount equal to 20% of Consolidated Net Worth as of the end of the then most recently ended fiscal quarter of UniFirst.

Section 10.3 Liens. The Obligors will not, and will not permit any of their Restricted Subsidiaries to, directly or indirectly create, incur, assume or permit to exist (upon the happening of a contingency or otherwise) any Lien on or with respect to any property or asset (including, without limitation, any document or instrument in respect of goods or accounts receivable) of any Obligor or any Restricted Subsidiary, whether now owned or held or hereafter acquired, or any income or profits therefrom, or assign or otherwise convey any right to receive income or profits (unless it makes, or causes to be made, effective provision whereby the Notes will be equally and ratably secured with any and all other obligations thereby secured, such security to be pursuant to documentation reasonably satisfactory to the Required Holders and, in any such case, the Notes shall have the benefit, to the fullest extent that, and with such priority as, the holders of the Notes may be entitled under applicable law, of an equitable Lien on such property), except:

(a) Liens for taxes, assessments or other governmental charges which are not yet due and payable or the payment of which is not at the time required under this Agreement for the reasons set forth in Section 9.4;

(b) statutory Liens of landlords and Liens of carriers, warehousemen, mechanics, materialmen and other similar Liens, in each case, incurred in the ordinary course of business for sums not yet due and payable;

(c) Liens (other than any Lien imposed by ERISA) incurred or deposits made in the ordinary course of business (1) in connection with workers' compensation, unemployment insurance and other types of social security or retirement benefits, or (2) to secure (or to obtain letters of credit that secure) the performance of tenders, statutory obligations, surety bonds, appeal bonds, bids, leases (other than Capital Leases), performance bonds, purchase, construction or sales contracts and other similar obligations, in each case not incurred or made in connection with the borrowing of money, the obtaining of advances or credit or the payment of the deferred purchase price of property;

(d) any attachment or judgment Lien, unless the judgment it secures shall not, within 60 days after the entry thereof, have been discharged or execution thereof stayed pending appeal, or shall not have been discharged within 60 days after the expiration of any such stay;

(e) leases or subleases granted to others, easements, rights-of-way, restrictions and other similar charges or encumbrances or minor survey exceptions, in each case incidental to the ownership of property or assets or the ordinary conduct of the business of the Obligors or any of their Restricted Subsidiaries, *provided* that such Liens do not, in the aggregate, materially detract from the value of such property;

(f) Liens on property or assets of any Restricted Subsidiary securing Debt owing to an Obligor or to another Restricted Subsidiary;

(g) Liens existing on the date of the Closing and securing the Debt of an Obligor or a Restricted Subsidiary referred to on Schedule 10.3 hereto;

(h) any Lien created to secure all or any part of the purchase price, or to secure Debt incurred or assumed to pay all or any part of the purchase price or cost of construction, of property (or any improvement thereon) acquired or constructed by an Obligor or a Restricted Subsidiary after the date of the Closing, *provided* that:

(1) any such Lien shall extend solely to the item or items of such property (or improvement thereon) so acquired or constructed and, if required by the terms of the instrument originally creating such Lien, other property (or improvement thereon) which is an improvement to or is acquired for specific use in connection with such acquired or constructed property (or improvement thereon) or which is real property being improved by such acquired or constructed property (or improvement thereon);

(2) the principal amount of the Debt secured by any such Lien shall at no time exceed an amount equal to the lesser of (i) the cost to such Obligor or such Restricted Subsidiary of the property (or improvement thereon) so acquired or constructed and (ii) the Fair Market Value (as determined in good faith by one or more officers of such Obligor or such Restricted Subsidiary to whom authority to enter into the subject transaction has been delegated by the board of directors of such Obligor or such Restricted Subsidiary) of such property (or improvement thereon) at the time of such acquisition or construction;

(3) any such Lien shall be created contemporaneously with, or within 365 days after, the acquisition or construction of such property; and

(4) the aggregate principal amount of all Debt secured by such Liens shall be permitted by the limitation set forth in Section 10.1;

(i) any Lien existing on property of a Person immediately prior to its being consolidated with or merged into an Obligor or a Restricted Subsidiary or its becoming a Subsidiary, or any Lien existing on any property acquired by an Obligor or a Restricted Subsidiary at the time such property is so acquired (whether or not the Debt secured thereby shall have been assumed), *provided* that (1) no such Lien shall have been created or assumed in contemplation of such consolidation or merger or such Person becoming a Subsidiary or such acquisition of property, (2) each such Lien shall extend solely to the item or items of property so acquired and, if required by the terms of the instrument

originally creating such Lien (A) other property which is an improvement to or is acquired for specific use in connection with such acquired property or (B) other property that does not constitute property or assets of an Obligor or a Restricted Subsidiary and (3) the aggregate amount of all Debt secured by such Liens shall be permitted by the limitation set forth in Section 10.1;

(j) any Lien renewing, extending or refunding any Lien permitted by paragraphs (g), (h) or (i) of this Section 10.3, *provided* that (1) the principal amount of Debt secured by such Lien immediately prior to such extension, renewal or refunding is not increased or the maturity thereof reduced, (2) such Lien is not extended to any other property and (3) immediately after such extension, renewal or refunding no Default or Event of Default would exist; and

(k) other Liens not otherwise permitted by paragraphs (a) through (j), inclusive, of this Section 10.3 securing Debt, *provided* that, the Debt secured by such Liens shall have been permitted by the limitations set forth in Sections 10.1 and 10.2 at the time the Lien securing such Debt is created.

Section 10.4 Merger, Consolidation, Etc. The Obligors will not, and will not permit any of their Restricted Subsidiaries to, consolidate with or merge with any other corporation or convey, transfer or lease substantially all of its assets in a single transaction or series of transactions to any Person (except that (i) a Restricted Subsidiary (that is not an Obligor) may (x) consolidate with or merge with, or convey, transfer or lease substantially all of its assets in a single transaction or series of transactions to, (1) an Obligor or a Wholly-Owned Restricted Subsidiary of an Obligor or (2) any other Person so long as the survivor of such merger or the Person that acquires by conveyance, transfer or lease substantially all of the assets of such Restricted Subsidiary as an entirety, as the case may be, is a Restricted Subsidiary and (y) convey, transfer or lease all of its assets in compliance with the provisions of Section 10.5 and (ii) an Obligor (other than UniFirst) may consolidate with or merge with, or convey, transfer or lease substantially all of its assets in a single transaction or series of transactions to another Obligor), *provided* that the foregoing restriction does not apply to the consolidation or merger of an Obligor with, or the conveyance, transfer or lease of substantially all of the assets of such Obligor in a single transaction or series of transactions to, any Person so long as:

(a) the successor formed by such consolidation or the survivor of such merger or the Person that acquires by conveyance, transfer or lease substantially all of the assets of such Obligor as an entirety, as the case may be (the *"Successor Corporation"*), shall be (1) such Obligor or (2) a solvent corporation organized and existing under the laws of the United States or any State thereof (including the District of Columbia);

(b) if such Obligor is not the Successor Corporation, (1) the Successor Corporation shall have executed and delivered to each holder of the Notes its assumption of the due and punctual performance and observance of each covenant and condition of this Agreement and the Notes (pursuant to such agreements and instruments as shall be reasonably satisfactory to the Required Holders), (2) the Successor Corporation shall have caused to be delivered to each holder of any Notes an opinion of nationally recognized independent counsel, or other independent counsel reasonably satisfactory to

the Required Holders, to the effect that all agreements or instruments effecting such assumption are enforceable in accordance with their terms and comply with the terms hereof and (3) each other Obligor shall have reaffirmed in writing its obligations under this Agreement; and

(c) immediately after giving effect to such transaction, no Default or Event of Default would exist.

No such conveyance, transfer or lease of substantially all of the assets of an Obligor shall have the effect of releasing such Obligor or any Successor Corporation from its liability under this Agreement or the Notes, unless such Successor Corporation has complied with this Section 10.4 or is an Obligor; *provided* that, in no event, shall UniFirst be so released.

Section 10.5 Sale of Assets, Etc. Except as permitted by Section 10.4, the Obligors will not, and will not permit any Restricted Subsidiary to, sell, lease, transfer or otherwise dispose of, including by way of merger (collectively, a *"Disposition"*), any property, including capital stock of Subsidiaries (but excluding the sale or other disposition of capital stock of UniFirst by UniFirst), in one transaction or a series of transactions, to any Person, other than (a) Dispositions in the ordinary course of business, (b) Dispositions by an Obligor to another Obligor or a Wholly-Owned Restricted Subsidiary or by a Restricted Subsidiary to an Obligor or to a Wholly-Owned Restricted Subsidiary or (c) other Dispositions not otherwise permitted by this Section 10.5, *provided* that (i) after giving effect thereto, no Default or Event of Default exists and (ii) the aggregate net book value of all property so disposed of in any fiscal year of UniFirst pursuant to this Section 10.5(c) does not exceed 10% of Consolidated Total Assets as of the end of the immediately preceding fiscal year of UniFirst.

Notwithstanding the foregoing, the Obligors may, or may permit any Restricted Subsidiary to, make a Disposition of property acquired or constructed by the Obligors or any Restricted Subsidiary and such property shall not be subject to or included in the foregoing limitation and computation contained in Section 10.5(c) of the preceding sentence to the extent that (i) such property is leased back by an Obligor or a Restricted Subsidiary, as lessee, within 365 days of the acquisition or construction thereof, or (ii) the net proceeds from such Disposition are, within 365 days of such Disposition, either (A) reinvested in operating assets by an Obligor or a Restricted Subsidiary to be used in the principal business of such Obligor or such Restricted Subsidiary or (B) applied to the payment or prepayment of any outstanding Debt of an Obligor or a Restricted Subsidiary which Debt is not subordinated to the Notes. Any prepayment of Notes pursuant to this Section 10.5 shall be in accordance with Sections 8.2 and 8.3, but without regard to the minimum prepayment requirements of Section 8.2 if such net proceeds are less than such minimum.

Section 10.6 Nature of Business. The Obligors will not, and will not permit any Restricted Subsidiary to, engage in any business if, as a result thereof, the general nature of the business, which would then be engaged in by the Obligors and their Restricted Subsidiaries taken as a whole would be substantially changed from the general nature of the business engaged in by the Obligors and their Restricted Subsidiaries on the date of the Closing as described in the Memorandum.

Section 10.7 Transactions with Affiliates. The Obligors will not, and will not, permit any Restricted Subsidiary to, enter into, directly or indirectly, any Material transaction or Material group of related transactions (including, without limitation, the purchase, lease, sale or exchange of properties of any kind or the rendering of any service) with any Affiliate (other than an Obligor or another Restricted Subsidiary), except in the ordinary course and pursuant to the reasonable requirements of such Obligor's or such Restricted Subsidiary's business and upon fair and reasonable terms which are not less favorable to such Obligor or such Restricted Subsidiary than would be obtainable in a comparable arm's-length transaction with a Person not an Affiliate.

Section 10.8 Redesignation of Restricted and Unrestricted Subsidiaries. The Obligors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary and may designate any Restricted Subsidiary (that is not an Obligor) to be an Unrestricted Subsidiary by giving written notice to each holder of Notes that the Obligors have made such designation, *provided, however,* that no Unrestricted Subsidiary may be designated a Restricted Subsidiary and no Restricted Subsidiary may be designated an Unrestricted Subsidiary unless, at the time of such designation and after giving effect thereto, no Default or Event of Default shall exist. Any Restricted Subsidiary that has been designated an Unrestricted Subsidiary and that has then been redesignated a Restricted Subsidiary, in each case in accordance with the provisions of the first sentence of this Section 10.8, shall not at any time thereafter be redesignated an Unrestricted Subsidiary without the prior written consent of the Required Holders. Any Unrestricted Subsidiary that has been designated a Restricted Subsidiary and that has then been redesignated an Unrestricted Subsidiary, in each case in accordance with the provisions of the first sentence of this Section 10.8, shall not at any time thereafter be redesignated a Restricted Subsidiary without the prior written consent of the Required Holders.

Section 10.9 Terrorism Sanctions Regulations. The Obligors will not, and will not permit any Subsidiary to, (a) become a Person described or designated in the Specially Designated Nationals and Blocked Persons List of the Office of Foreign Assets Control or in Section 1 of the Anti-Terrorism Order or (b) engage in any dealings or transactions with any such Person.

SECTION 11. EVENTS OF DEFAULT.

An *"Event of Default"* shall exist if any of the following conditions or events shall occur and be continuing:

(a) the Obligors default in the payment of any principal, Prepayment Premium or Breakage Amount on any Note when the same becomes due and payable, whether at maturity or at a date fixed for prepayment or by declaration or otherwise; or

(b) the Obligors default in the payment of any interest on any Note for more than five Business Days after the same becomes due and payable; or

(c) the Obligors default in the performance of or compliance with any term contained in Section 10.1 through Section 10.5 hereof, inclusive or Section 10.9; or

(d) the Obligors default in the performance of or compliance with any term contained herein (other than those referred to in paragraphs (a), (b) and (c) of this Section 11) and such default is not remedied within 30 days after the earlier of (1) a Responsible Officer of any Obligor obtaining actual knowledge of such default and (2) UniFirst receiving written notice of such default from any holder of a Note (any such written notice to be identified as a "notice of default" and to refer specifically to this paragraph (d) of Section 11); or

(e) any representation or warranty made in writing by or on behalf of any Obligor or by any officer of any Obligor in this Agreement or in any writing furnished in connection with the transactions contemplated hereby proves to have been false or incorrect in any Material respect on the date as of which made; or

(f) (1) any Obligor or any Restricted Subsidiary is in default (which default has not been cured or waived) (as principal or as guarantor or other surety) in the payment of any principal of or premium or make-whole amount or interest (in the payment amount of at least $500,000) on any Debt that is outstanding in an aggregate principal amount of at least $10,000,000 beyond any period of grace provided with respect thereto, or (2) any Obligor or any Restricted Subsidiary is in default (which default has not been cured or waived) in the performance of or compliance with any term of any evidence of any Debt that is outstanding in an aggregate principal amount of at least $10,000,000 or of any mortgage, indenture or other agreement relating thereto or any other condition exists, and, in either such case, as a consequence of such default or condition such Debt has become, or has been declared, or one or more Persons has the right to declare such Debt to be due and payable before its stated maturity or before its regularly scheduled dates of payment or (3) as a consequence of the occurrence or continuation of any event or condition (which event or condition has not been cured or waived) (other than the passage of time or the right of the holder of Debt to convert such Debt into equity interests), any Obligor or any Restricted Subsidiary has become obligated to purchase or repay Debt before its regular maturity or before its regularly scheduled dates of payment in an aggregate outstanding principal amount of at least $10,000,000 or one or more Persons have the rights to require any Obligor or any Restricted Subsidiary so to purchase or repay such Debt; or

(g) any Obligor or any Material Subsidiary (1) is generally not paying, or admits in writing its inability to pay, its debts as they become due, (2) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy, for liquidation or to take advantage of any bankruptcy, insolvency, reorganization, moratorium or other similar law of any jurisdiction, (3) makes an assignment for the benefit of its creditors, (4) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property, (5) is adjudicated as insolvent or to be liquidated or (6) takes corporate action for the purpose of any of the foregoing; or

(h) a court or governmental authority of competent jurisdiction enters an order appointing, without consent by any Obligor or any Material Subsidiary, a custodian,

receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property, or constituting an order for relief or approving a petition for relief or reorganization or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy or insolvency law of any jurisdiction, or ordering the dissolution, winding-up or liquidation of any Obligor or any Material Subsidiary, or any such petition shall be filed against any Obligor or any Material Subsidiary and such petition shall not be dismissed within 60 days; or

(i) a final judgment or judgments for the payment of money aggregating in excess of $10,000,000 are rendered against one or more of the Obligors and their Restricted Subsidiaries and which judgments are not, within 60 days after entry thereof, bonded, discharged or stayed pending appeal, or are not discharged within 60 days after the expiration of such stay; or

(j) if (1) any Plan (other than a Multiemployer Plan) shall fail to satisfy the minimum funding standards of ERISA or the Code for any plan year or part thereof or a waiver of such standards or extension of any amortization period is sought or granted under Section 412 of the Code, (2) a notice of intent to terminate any Plan (other than a Multiemployer Plan) shall have been or is reasonably expected to be filed with the PBGC or the PBGC shall have instituted proceedings under Section 4042 of ERISA to terminate or appoint a trustee to administer any Plan or the PBGC shall have notified any Obligor or any ERISA Affiliate that a Plan (other than a Multiemployer Plan) may become a subject of any such proceedings, (3) the aggregate "amount of unfunded benefit liabilities" (within the meaning of Section 4001(a)(18) of ERISA) under all Plans, determined in accordance with Title IV of ERISA, shall exceed $10,000,000, (4) any Obligor or any ERISA Affiliate shall have incurred or is reasonably expected to incur any liability pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans, (5) any Obligor or any ERISA Affiliate withdraws from any Multiemployer Plan or (6) any Obligor or any ERISA Affiliate establishes or amends any employee welfare benefit plan which is subject to ERISA that provides post-employment welfare benefits in a manner that would increase the liability of any Obligor or any ERISA Affiliate thereunder; and any such event or events described in clauses (1) through (6) above, either individually or together with any other such event or events, could reasonably be expected to have a Material Adverse Effect.

As used in Section 11(j), the terms "employee benefit plan" and "employee welfare benefit plan" shall have the respective meanings assigned to such terms in Section 3 of ERISA.

SECTION 12. REMEDIES ON DEFAULT,ETC.

Section 12.1 Acceleration.

(a) If an Event of Default with respect to any Obligor described in paragraph (g) or (h) of Section 11 (other than an Event of Default described in clause (1) of paragraph (g) or described in clause (6) of paragraph (g) by virtue of the fact that such clause encompasses clause (1) of paragraph (g)) has occurred, all the Notes then outstanding shall automatically become immediately due and payable.

(b) If any Event of Default other than as described in paragraph (g) or (h) of Section 11 (other than an Event of Default described in clause (1) of paragraph (g) or described in clause (6) of paragraph (g) by virtue of the fact that such clause encompasses clause (1) of paragraph (g)) has occurred and is continuing, the Required Holders may at any time at its or their option, by notice or notices to UniFirst, declare all the Notes then outstanding to be immediately due and payable.

(c) If any Event of Default described in paragraph (a) or (b) of Section 11 has occurred and is continuing, any holder or holders of Notes at the time outstanding affected by such Event of Default may at any time, at its or their option, by notice or notices to UniFirst, declare all the Notes held by it or them to be immediately due and payable.

Upon any Note's becoming due and payable under this Section 12.1, whether automatically or by declaration, such Note will forthwith mature and the entire unpaid principal amount of such Note, plus (1) all accrued and unpaid interest thereon, (2) the Prepayment Premium, if any, determined in respect of such principal amount (to the full extent permitted by applicable law) and (3) the Breakage Amount, if any, shall all be immediately due and payable, in each and every case without presentment, demand, protest or further notice, all of which are hereby waived. Each Obligor acknowledges, and the parties hereto agree, that each holder of a Note has the right to maintain its investment in the Notes free from repayment by the Obligors (except as herein specifically provided for), and that the provision for payment of the Prepayment Premium, if any, by the Obligors in the event that the Notes are prepaid or are accelerated as a result of an Event of Default, is intended to provide compensation for the deprivation of such right under such circumstances.

Section 12.2 Other Remedies. If any Default or Event of Default has occurred and is continuing, and irrespective of whether any Notes have become or have been declared immediately due and payable under Section 12.1, the holder of any Note at the time outstanding may proceed to protect and enforce the rights of such holder by an action at law, suit in equity or other appropriate proceeding, whether for the specific performance of any agreement contained herein or in any Note, or for an injunction against a violation of any of the terms hereof or thereof, or in aid of the exercise of any power granted hereby or thereby or by law or otherwise.

Section 12.3 Rescission. At any time after any Notes have been declared due and payable pursuant to clause (b) or (c) of Section 12.1, the Required Holders, by written notice to the Obligors, may rescind and annul any such declaration and its consequences if (a) the Obligors have paid all overdue interest on the Notes, all principal of, Prepayment Premium, if any, and Breakage Amount, if any, on any Notes that are due and payable and are unpaid other than by reason of such declaration, and all interest on such overdue principal, Prepayment Premium, if any, and Breakage Amount, if any, and (to the extent permitted by applicable law) any overdue interest in respect of the Notes, at the Default Rate, (b) all Events of Default and Defaults, other than non-payment of amounts that have become due solely by reason of such declaration, have been cured or have been waived pursuant to Section 17 and (c) no judgment or decree has been entered for the payment of any monies due pursuant hereto or to the Notes. No rescission and annulment under this Section 12.3 will extend to or affect any subsequent Event of Default or Default or impair any right consequent thereon.

Section 12.4 No Waivers or Election of Remedies, Expenses, Etc. No course of dealing and no delay on the part of any holder of any Note in exercising any right, power or remedy shall operate as a waiver thereof or otherwise prejudice such holder's rights, powers or remedies. No right, power or remedy conferred by this Agreement or by any Note upon any holder thereof shall be exclusive of any other right, power or remedy referred to herein or therein or now or hereafter available at law, in equity, by statute or otherwise. Without limiting the obligations of the Obligors under Section 15, the Obligors will pay to the holder of each Note on demand such further amount as shall be sufficient to cover all costs and expenses of such holder incurred in any enforcement or collection under this Section 12, including, without limitation, reasonable attorneys' fees, expenses and disbursements.

SECTION 13. REGISTRATION; EXCHANGE; SUBSTITUTION OF NOTES.

Section 13.1 Registration of Notes. The Obligors shall keep at the principal executive office of UniFirst a register for the registration and registration of transfers of Notes. The name and address of each holder of one or more Notes, each transfer thereof and the name and address of each transferee of one or more Notes shall be registered in such register. Prior to due presentment for registration of transfer, the Person in whose name any Note shall be registered shall be deemed and treated as the owner and holder thereof for all purposes hereof, and the Obligors shall not be affected by any notice or knowledge to the contrary. The Obligors shall give to any holder of a Note that is an Institutional Investor promptly upon request therefor, a complete and correct copy of the names and addresses of all registered holders of Notes.

Section 13.2 Transfer and Exchange of Notes. Upon surrender of any Note at the principal executive office of UniFirst for registration of transfer or exchange (and in the case of a surrender for registration of transfer, duly endorsed or accompanied by a written instrument of transfer duly executed by the registered holder of such Note or its attorney duly authorized in writing and accompanied by the address for notices of each transferee of such Note or part thereof), the Obligors shall execute and deliver not more than five Business Days following surrender of such Note, at the Obligors' expense (except as provided below), one or more new Notes (as requested by the holder thereof) in exchange therefor, in an aggregate principal amount equal to the unpaid principal amount of the surrendered Note. Each such new Note shall be payable to such Person as such holder may request and shall be substantially in the form of Exhibit 1. Each such new Note shall be dated and bear interest from the date to which interest shall have been paid on the surrendered Note or dated the date of the surrendered Note if no interest shall have been paid thereon. The Obligors may require payment of a sum sufficient to cover any stamp tax or similar governmental charge imposed in respect of any such transfer of Notes. Notes shall not be transferred (a) to any Competitor, *provided* that the limitation contained in this clause (a) shall not apply during any period when an Event of Default has occurred and is continuing, or (b) in denominations of less than $100,000, *provided* that if necessary to enable the registration of transfer by a holder of its entire holding of Notes, one Note may be in a denomination of less than $100,000. Any transferee, by its acceptance of a Note registered in its name (or the name of its nominee), shall be deemed to have made the representations set forth in Section 6.

Section 13.3 Replacement of Notes. Upon receipt by the Obligors of evidence reasonably satisfactory to them of the ownership of and the loss, theft, destruction or mutilation

of any Note (which evidence shall be, in the case of an Institutional Investor, notice from such Institutional Investor of such ownership and such loss, theft, destruction or mutilation): and

(a) in the case of loss, theft or destruction, of indemnity reasonably satisfactory to it (*provided* that if the holder of such Note is, or is a nominee for, an original Purchaser or another holder of a Note with a minimum net worth of at least $50,000,000, such Person's own unsecured agreement of indemnity shall be deemed to be satisfactory); or

(b) in the case of mutilation, upon surrender and cancellation thereof;

the Obligors at their own expense shall execute and deliver, in lieu thereof, a new Note, dated and bearing interest from the date to which interest shall have been paid on such lost, stolen, destroyed or mutilated Note or dated the date of such lost, stolen, destroyed or mutilated Note if no interest shall have been paid thereon.

SECTION 14. PAYMENTS ON NOTES.

Section 14.1 Place of Payment. Subject to Section 14.2, payments of principal, Prepayment Premium, if any, Breakage Amount, if any, and interest becoming due and payable on the Notes shall be made in New York, New York at the principal office of Bank of America, N.A., in such jurisdiction. The Obligors may at any time, by notice to each holder of a Note, change the place of payment of the Notes so long as such place of payment shall be either the principal office of an Obligor in such jurisdiction or the principal office of a bank or trust company in such jurisdiction.

Section 14.2 Home Office Payment. So long as any Purchaser or its nominee shall be the holder of any Note, and notwithstanding anything contained in Section 14.1 or in such Note to the contrary, the Obligors will pay all sums becoming due on such Note for principal, Prepayment Premium, if any, Breakage Amount, if any, and interest by the method and at the address specified for such purpose below such Purchaser's name in Schedule A, or by such other method or at such other address as such Purchaser shall have from time to time specified to the Obligors in writing for such purpose, without the presentation or surrender of such Note or the making of any notation thereon, except that upon written request of the Obligors made concurrently with or reasonably promptly after payment or prepayment in full of any Note, such Purchaser shall surrender such Note for cancellation, reasonably promptly after any such request, to UniFirst at its principal executive office or at the place of payment most recently designated by the Obligors pursuant to Section 14.1. Prior to any sale or other disposition of any Note held by any Purchaser or its nominee such Purchaser will, at its election, either endorse thereon the amount of principal paid thereon and the last date to which interest has been paid thereon or surrender such Note to the Obligors in exchange for a new Note or Notes pursuant to Section 13.2. The Obligors will afford the benefits of this Section 14.2 to any Institutional Investor that is the direct or indirect transferee of any Note purchased by any Purchaser under this Agreement and that has made the same agreement relating to such Note as such Purchaser has made in this Section 14.2.

SECTION 15. EXPENSES, ETC.

Section 15.1 Transaction Expenses. Whether or not the transactions contemplated hereby are consummated, the Obligors will pay all costs and expenses incurred in connection with the initial filing of this Agreement and all related documents and financial information with the Securities Valuation Office of the National Association of Insurance Commissioners, all reasonable and documented costs and expenses (including reasonable attorneys' fees of a special counsel and, if reasonably required, local or other counsel) incurred by the Purchasers or any other holder of a Note in connection with such transactions and in connection with any amendments, waivers or consents under or in respect of this Agreement or the Notes (whether or not such amendment, waiver or consent becomes effective), including, without limitation: (a) the costs and expenses incurred in enforcing or defending (or determining whether or how to enforce or defend) any rights under this Agreement or the Notes or in responding to any subpoena or other legal process or informal investigative demand issued in connection with this Agreement or the Notes, or by reason of being a holder of any Note and (b) the costs and expenses, including financial advisors' fees, incurred in connection with the insolvency or bankruptcy of any Obligor or any Restricted Subsidiary or in connection with any work-out or restructuring of the transactions contemplated hereby and by the Notes. The Obligors will pay, and will save the Purchasers and each other holder of a Note harmless from, all claims in respect of any fees, costs or expenses, if any, of brokers and finders (other than those retained by such Person).

Section 15.2 Survival. The obligations of the Obligors under this Section 15 will survive the payment or transfer of any Note, the enforcement, amendment or waiver of any provision of this Agreement or the Notes, and the termination of this Agreement.

SECTION 16. SURVIVAL OF REPRESENTATIONS AND WARRANTIES; ENTIRE AGREEMENT.

All representations and warranties contained herein shall survive the execution and delivery of this Agreement and the Notes, the purchase or transfer by any Purchaser of any Note or portion thereof or interest therein and the payment of any Note, and may be relied upon by any subsequent holder of a Note, regardless of any investigation made at any time by or on behalf of any Purchaser or any other holder of a Note. All statements contained in any certificate or other instrument delivered by or on behalf of any Obligor pursuant to this Agreement shall be deemed representations and warranties of such Obligor under this Agreement. Subject to the preceding sentence, this Agreement and the Notes embody the entire agreement and understanding between the Purchasers and the Obligors and supersede all prior agreements and understandings relating to the subject matter hereof.

SECTION 17. AMENDMENT AND WAIVER.

Section 17.1 Requirements. This Agreement and the Notes may be amended, and the observance of any term hereof or of the Notes may be waived (either retroactively or prospectively), with (and only with) the written consent of the Obligors and the Required Holders, except that (a) no amendment or waiver of any of the provisions of Section 1, 2, 3, 4, 5, 6 or 21 hereof, or any defined term (as it is used therein), will be effective as to any holder of a Note unless consented to by such holder in writing and (b) no such amendment or waiver may, without the written consent of the holder of each Note at the time outstanding affected thereby,

(1) subject to the provisions of Section 12 relating to acceleration or rescission, change the amount or time of any prepayment or payment of principal of, or decrease the rate or change the time of payment or method of computation of interest or of the Prepayment Premium, or Breakage Amount on, the Notes, (2) change the percentage of the principal amount of the Notes the holders of which are required to consent to any such amendment or waiver or (3) amend any of Sections 8, 11(a), 11(b), 12, 17 or 20.

Section 17.2 Solicitation of Holders of Notes.

(a) *Solicitation*. The Obligors will provide each holder of the Notes (irrespective of the amount of Notes then owned by it) with sufficient information, sufficiently far in advance of the date a decision is required, to enable such holder to make an informed and considered decision with respect to any proposed amendment, waiver or consent in respect of any of the provisions hereof or of the Notes. The Obligors will deliver executed or true and correct copies of each amendment, waiver or consent effected pursuant to the provisions of this Section 17 to each holder of outstanding Notes promptly following the date on which it is executed and delivered by, or receives the consent or approval of, the requisite holders of Notes.

(b) *Payment*. The Obligors will not, directly or indirectly, pay or cause to be paid any remuneration, whether by way of supplemental or additional interest, fee or otherwise, or grant any security, to any holder of Notes as consideration for or as an inducement to the entering into by any holder of Notes or any waiver or amendment of any of the terms and provisions hereof unless such remuneration is concurrently paid, or security is concurrently granted, on the same terms, ratably to each holder of Notes then outstanding even if such holder did not consent to such waiver or amendment.

(c) *Consent in Contemplation of Transfer.* Any consent made pursuant to this Section 17 by a holder of Notes that has transferred or has agreed to transfer its Notes to any Obligor, any Subsidiary or any Affiliate and has provided or has agreed to provide such written consent as a condition to such transfer shall be void and of no force or effect except solely as to such holder, and any amendments effected or waivers granted or to be effected or granted that would not have been or would not be so effected or granted but for such consent (and the consents of all other holders of Notes that were acquired under the same or similar conditions) shall be void and of no force or effect except solely as to such holder.

Section 17.3 Binding Effect, Etc. Any amendment or waiver consented to as provided in this Section 17 applies equally to all holders of Notes and is binding upon them and upon each future holder of any Note and upon the Obligors without regard to whether such Note has been marked to indicate such amendment or waiver. No such amendment or waiver will extend to or affect any obligation, covenant, agreement, Default or Event of Default not expressly amended or waived or impair any right consequent thereon. No course of dealing between the Obligors and the holder of any Note nor any delay in exercising any rights hereunder or under any Note shall operate as a waiver of any rights of any holder of such Note. As used herein, the term "this Agreement" and references thereto shall mean this Agreement as it may from time to time be amended or supplemented.

Section 17.4 Notes Held by Obligors, Etc. Solely for the purpose of determining whether the holders of the requisite percentage of the aggregate principal amount of Notes then outstanding approved or consented to any amendment, waiver or consent to be given under this Agreement or the Notes, or have directed the taking of any action provided herein or in the Notes to be taken upon the direction of the holders of a specified percentage of the aggregate principal amount of Notes then outstanding, Notes directly or indirectly owned by any Obligor or any of their Affiliates shall be deemed not to be outstanding.

SECTION 18. NOTICES.

All notices and communications provided for hereunder shall be in writing and sent (a) by telefacsimile if the sender on the same day sends a confirming copy of such notice by a recognized overnight delivery service (charges prepaid), or (b) by registered or certified mail with return receipt requested (postage prepaid) or (c) by a recognized overnight delivery service (charges prepaid). Any such notice must be sent:

(1) if to any Purchaser or its nominee, to such Purchaser or its nominee at the address specified for such communications in Schedule A, or at such other address as such Purchaser or its nominee shall have specified to the Obligors in writing,

(2) if to any other holder of any Note, to such holder at such address as such other holder shall have specified to the Obligors in writing, or

(3) if to the Obligors, to the Obligors c/o UniFirst, 68 Jonspin Road, Wilmington, Massachusetts 01887 to the attention of the Chief Financial Officer, or at such other address as the Obligors shall have specified to the holder of each Note in writing.

Notices under this Section 18 will be deemed given only when actually received.

SECTION 19. REPRODUCTION OF DOCUMENTS.

This Agreement and all documents relating hereto, including, without limitation, (a) consents, waivers and modifications that may hereafter be executed, (b) documents received by the Purchasers at the Closing (except the Notes themselves), and (c) financial statements, certificates and other information previously or hereafter furnished to any holder of the Notes, may be reproduced by such holder by any photographic, photostatic, microfilm, microcard, miniature photographic or other similar process and such holder may destroy any original document so reproduced. The Obligors agree and stipulate that, to the extent permitted by applicable law, any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made by any holder of the Notes in the regular course of business) and any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence. This Section 19 shall not prohibit the Obligors or any other holder of Notes from contesting any such reproduction to the same extent that it could contest the original, or from introducing evidence to demonstrate the inaccuracy of any such reproduction.

SECTION 20. CONFIDENTIAL INFORMATION.

For the purposes of this Section 20, *"Confidential Information"* shall mean information delivered to any Purchaser by or on behalf of the Obligors or any Restricted Subsidiary in connection with the transactions contemplated by or otherwise pursuant to this Agreement that was clearly marked or labeled or otherwise adequately identified when received by such Purchaser as being confidential information of an Obligor or such Restricted Subsidiary, *provided* that such term does not include information that (a) was publicly known or otherwise known to such Purchaser prior to the time of such disclosure, (b) subsequently becomes publicly known through no act or omission by such Purchaser or any Person acting on such Purchaser's behalf, (c) otherwise becomes known to such Purchaser other than through disclosure by any Obligor or any Restricted Subsidiary or (d) constitutes financial statements delivered to such Purchaser under Section 7.1 that are otherwise publicly available. Each Purchaser will maintain the confidentiality of such Confidential Information in accordance with procedures adopted by such Purchaser in good faith to protect confidential information of third parties delivered to such Purchaser, *provided* that such Purchaser may deliver or disclose Confidential Information to (1) its directors, officers, trustees, employees, agents, attorneys and affiliates (to the extent such disclosure reasonably relates to the administration of the investment represented by its Notes), (2) its financial advisors and other professional advisors who agree to hold confidential the Confidential Information substantially in accordance with the terms of this Section 20, (3) any other holder of any Note, (4) any Institutional Investor to which such Purchaser sells or offers to sell such Note or any part thereof or any participation therein (if such Person has agreed in writing prior to its receipt of such Confidential Information to be bound by the provisions of this Section 20), (5) any Person from which such Purchaser offers to purchase any security of an Obligor (if such Person has agreed in writing prior to its receipt of such Confidential Information to be bound by the provisions of this Section 20), (6) any federal or state regulatory authority having jurisdiction over such Purchaser, (7) the National Association of Insurance Commissioners or any similar organization, or any nationally recognized rating agency that requires access to information about such Purchaser's investment portfolio or (8) any other Person to which such delivery or disclosure may be necessary or appropriate (i) to effect compliance with any law, rule, regulation or order applicable to such Purchaser (and, if not prohibited by applicable law, such Purchaser shall use commercially reasonable efforts to give notice to UniFirst thereof in order to permit UniFirst, at its discretion, to act to protect such information), (ii) in response to any subpoena or other legal process, (iii) in connection with any litigation to which such Purchaser is a party (and, subject to clause (iv) below, if not prohibited by applicable law, such Purchaser shall use commercially reasonable efforts to give notice to UniFirst thereof in order to permit UniFirst, at its discretion, to act to protect such information) or (iv) if an Event of Default has occurred and is continuing, to the extent such Purchaser may reasonably determine such delivery and disclosure to be necessary or appropriate in the enforcement or for the protection of the rights and remedies under such Purchaser's Notes and this Agreement. Each holder of a Note, by its acceptance of a Note, will be deemed to have agreed to be bound by and to be entitled to the benefits of this Section 20 as though it were a party to this Agreement. On reasonable request by the Obligors in connection with the delivery to any holder of a Note of information required to be delivered to such holder under this Agreement or requested by such holder (other than a holder that is a party to this Agreement or its nominee), such holder will enter into an agreement with the Obligors embodying the provisions of this Section 20.

SECTION 21. SUBSTITUTION OF PURCHASER.

Each Purchaser shall have the right to substitute any one of its Affiliates as the purchaser of the Notes that such Purchaser has agreed to purchase hereunder, by written notice to the Obligors, which notice shall be signed by both such Purchaser and such Affiliate, shall contain such Affiliate's agreement to be bound by this Agreement and shall contain a confirmation by such Affiliate of the accuracy with respect to it of the representations set forth in Section 6. Upon receipt of such notice, wherever the word "Purchaser" is used in this Agreement (other than in this Section 21), such word shall be deemed to refer to such Affiliate in lieu of such Purchaser. In the event that such Affiliate is so substituted as a purchaser hereunder and such Affiliate thereafter transfers to such Purchaser all of the Notes then held by such Affiliate, upon receipt by the Obligors of notice of such transfer, wherever the word "Purchaser" is used in this Agreement (other than in this Section 21), such word shall no longer be deemed to refer to such Affiliate, but shall refer to such Purchaser, and such Purchaser shall have all the rights of an original holder of the Notes under this Agreement.

SECTION 22. LIMITATION ON INTEREST.

It is expressly stipulated and agreed to be the intent of the Obligors and the holders of Notes at all times to comply strictly with the applicable state law governing the maximum rate or amount of interest payable on the Debt evidenced by the Notes (or the applicable federal law to the extent that it permits the holders of Notes to contract for, charge, take, reserve or receive a greater amount of interest than under the applicable state law). If the applicable law is ever judicially interpreted so as to render usurious any amount (a) contracted for, charged, taken, reserved or received pursuant to this Agreement or the Notes or any other communication or writing by or between any Obligor and any holder of Notes related to the transaction or transactions that are the subject matter of this Agreement, (b) contracted for, charged, taken, reserved or received by reason of any holder of Notes exercise of the option to accelerate the maturity of its Notes, or (c) the Obligors will have paid, or any holder of Notes will have received, by reason of any voluntary prepayment of the Notes, then it is the Obligors' and the holders of Notes express intent that all amounts charged in excess of the Maximum Lawful Rate shall be automatically canceled, *ab initio*, and all amounts in excess of the Maximum Lawful Rate theretofore collected by any holder of Notes shall be credited on the principal balance of its Notes (or, if its Notes have been or would thereby be paid in full, refunded to the Obligors), and the provisions of this Agreement and the Notes shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder and thereunder; *provided*, *however*, if such holder's Notes have been paid in full before the end of the stated term thereof, then the Obligors and such holder agree that the Obligors shall, with reasonable promptness after such holder discovers or is advised by the Obligors that interest was received in an amount in excess of the Maximum Lawful Rate, either refund such excess interest to the Obligors and/or credit such excess interest against its Notes then owing by the Obligors to such holder The Obligors hereby agree that as a condition precedent to any claim seeking usury penalties against any holder of Notes, the Obligors will provide written notice to such holder, advising such holder in reasonable detail of the nature and amount of the violation, and such holder shall have 60 days after receipt of such notice in which to correct such usury violation, if any, by either refunding

such excess interest to the Obligors or crediting such excess interest against its Notes then owing by the Obligors to such holder. All sums contracted for, charged, taken, reserved or received by any holder of Notes for the use, forbearance or detention of any Debt evidenced by its Notes shall, to the extent permitted by applicable law, be amortized or spread, using the actuarial method, throughout the stated term of its Notes (including any and all renewal and extension periods) until payment in full so that the rate or amount of interest on account of its Notes does not exceed the Maximum Lawful Rate from time to time in effect and applicable to its Notes for so long as such Debt is outstanding. In no event shall the provisions of any applicable state law which regulates consumer revolving credit loan accounts and revolving triparty accounts (*e.g.*, Chapter 346 of the Texas Finance Code) apply to this Agreement or the Notes. Notwithstanding anything to the contrary contained herein or in the Notes, it is not the intention of the holders of the Notes to accelerate the maturity of any interest that has not accrued at the time of such acceleration or to collect unearned interest at the time of such acceleration.

As used in this Section 22, the following terms shall have the following meanings:

(1) *"Maximum Lawful Rate*" shall mean the maximum lawful rate of interest which may be contracted for, charged, taken, received or reserved by the holders of Notes in accordance with the applicable state law (or the applicable federal law to the extent that such law permits the holders of Notes to contract for, charge, take, receive or reserve a greater amount of interest than under applicable state law), taking into account all Charges made in connection with the transaction evidenced by this Agreement and the Notes.

(2) "*Charges*" shall mean all fees, charges and/or any other things of value, if any, contracted for, charged, taken, received or reserved by any holder of Notes in connection with the transactions relating to this Agreement and the Notes, which are treated as interest under applicable law.

SECTION 23. SUBMISSION TO JURISDICTION.

The Obligors hereby irrevocably consent and submit to the jurisdiction of any court located within the State of New York sitting in the Borough of Manhattan and the United States District Court for the Southern District of New York and irrevocably agree that all actions or proceedings relating to this Agreement or the Notes may be litigated in such courts, and the Obligors irrevocably waive any objection which they may have based on improper venue or *forum non conveniens* to the conduct of any proceeding in any such court. The Obligors hereby irrevocably appoint The Prentice-Hall Corporation System, Inc., as the Obligors' agent for the purpose of accepting service of process within the State of New York and agree to retain and consent that all such service of process be made by mail or messenger directed to The Prentice-Hall Corporation System, Inc., at its office located at 80 State Street, Albany, New York 12207 or at such other address of The Prentice-Hall Corporation System, Inc., located in the State of New York, as may be designated by the Obligors by notice to each holder of Notes and that service so made shall be deemed to be completed upon the earlier of actual receipt or three Business Days after the same shall have been posted to the Obligors. Nothing contained in this Section 23 shall affect the right of any holder of Notes to serve legal process in any other manner

permitted by law or to bring any action or proceeding in the courts of any jurisdiction against any Obligor to enforce a judgment obtained in the courts of any other jurisdiction.

SECTION 24. MISCELLANEOUS.

Section 24.1 Successors and Assigns. All covenants and other agreements contained in this Agreement by or on behalf of any of the parties hereto bind and inure to the benefit of their respective successors and assigns (including, without limitation, any subsequent holder of a Note) whether so expressed or not.

Section 24.2 UniFirst as Agent for the Obligors. Each Obligor (other than UniFirst) hereby appoints UniFirst as its agent with respect to the receiving and giving of any notices, requests, instructions, reports, schedules, revisions, financial statements or any other written or oral communications hereunder. Each Purchaser or other holder of a Note is hereby entitled to rely on any communications given or transmitted by UniFirst as if such communication were given or transmitted by each and every Obligor; *provided, however,* that any communication given or transmitted by any Obligor other than UniFirst shall be binding with respect to such Obligor. Any communication given or transmitted by any Purchaser or other holder of a Note to UniFirst shall be deemed given and transmitted to each and every Obligor.

Section 24.3 Judgments. Any payment made by the Obligors to any holder of the Notes or for the account of any such holder in respect of any amount payable by the Obligors in lawful currency of the United States of America, which payment is made in a foreign currency, whether pursuant to any judgment or order of a court or tribunal or otherwise, shall constitute a discharge of the obligations of the Obligors only to the extent of the amount of lawful currency of the United States of America which may be purchased with such other foreign currency, on the day of payment. The Obligors, jointly and severally, covenant and agree that they shall, as a separate and independent obligation, which shall not be merged in any such judgment or order, pay or cause to be paid the amount payable in lawful currency of the United States of America and not so discharged in accordance with the foregoing.

Section 24.4 Currency. All moneys referred to in this Agreement and the Notes shall mean money which at the time is lawful money of the United States of America.

Section 24.5 Payments Due on Non-Business Days. Anything in this Agreement or the Notes to the contrary notwithstanding, any payment of principal of or Prepayment Premium, if any, or Breakage Amount, if any, or interest on any Note that is due on a date other than a Business Day shall be made on the next succeeding Business Day.

Section 24.6 Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall (to the full extent permitted by law) not invalidate or render unenforceable such provision in any other jurisdiction.

Section 24.7 Construction.

(a) Each covenant contained herein shall be construed (absent express provision to the contrary) as being independent of each other covenant contained herein, so that compliance with any one covenant shall not (absent such an express contrary provision) be deemed to excuse compliance with any other covenant. Where any provision herein refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person.

(b) Where the character or amount of any asset or liability or item of income or expense is required to be determined or any consolidation or other accounting computation is required to be made by the Obligors for the purposes of this Agreement, the same shall be done by the Obligors in accordance with GAAP, to the extent applicable, except where such principles are inconsistent with the requirements of this Agreement.

Section 24.8 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto.

Section 24.9 Governing Law. This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York (without regard to the conflicts of law provisions thereof other than Section 5-1401 of New York's General Obligations Law).

The execution hereof by the Purchasers shall constitute a contract among the Obligors and the Purchasers for the uses and purposes hereinabove set forth.

UNIFIRST CORPORATION
UNITECH SERVICES GROUP, INC.
UNIFIRST CANADA LTD.
UONE CORPORATION
UTWO CORPORATION
UNIFIRST-FIRST AID CORPORATION

By: /s/ John B. Bartlett
Name: John B. Bartlett
Title: Vice President or Senior Vice President of each of the above Obligors

UNIFIRST HOLDINGS, L.P.

By: UONE CORPORATION, as General Partner

By: /s/ John B. Bartlett
Name: John B. Bartlett
Title: Senior Vice President

RC AIR LLC

By: UNIFIRST CORPORATION, as Member

By: /s/ John B. Bartlett
Name: John B. Bartlett
Title: Senior Vice President

The foregoing is hereby agreed to as of the date thereof.

METROPOLITAN LIFE INSURANCE COMPANY
By: /s/ Representative of Metropolitan Life Insurance Company
Title: Director

GENWORTH LIFE INSURANCE COMPANY
By: /s/ Representative of Genworth Life Insurance Company
Title: Investment Officer

GENWORTH LIFE AND ANNUITY INSURANCE COMPANY
By: /s/ Representative of Genworth Life and Annuity Insurance Company
Title: Investment Officer

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
By: Babson Capital Management LLC, as its Investment Adviser
By: /s/ Representative of Babson Capital Management LLC
Title: Managing Director

MASSMUTUAL ASIA LIMITED
By: Babson Capital Management LLC, as its Investment Adviser
By: /s/ Representative of Babson Capital Management LLC
Title: Managing Director

HACKONE FUND II LLC
By: Babson Capital Management LLC, as its Investment Adviser
By: /s/ Representative of Babson Capital Management LLC
Title: Managing Director

HARTFORD ACCIDENT AND INDEMNITY COMPANY
By: Hartford Investment Management Company, its Agent and Attorney-in-Fact
By: /s/ Representative of Hartford Investment Management Company
Title: Senior Vice President

PHOENIX LIFE INSURANCE COMPANY
By: /s/ Representative of Phoenix Life Insurance Company
Title: Vice President

PHL VARIABLE INSURANCE COMPANY
By: /s/ Representative of PHL Variable Insurance Company
Title: Vice President

PACIFIC LIFE INSURANCE COMPANY
By: /s/ Representative of Pacific Life Insurance Company
Title: Assistant Vice President

By: /s/ Representative of Pacific Life Insurance Company
Title: Assistant Secretary

DEFINED TERMS

As used herein, the following terms have the respective meanings set forth below or set forth in the Section hereof following such term:

"Adjusted LIBOR Rate" for each Interest Period shall mean a rate per annum equal to 0.50% *plus* LIBOR for such Interest Period.

"Affiliate" shall mean, at any time, and with respect to any Person, (a) any other Person that at such time directly or indirectly through one or more intermediaries Controls, or is Controlled by, or is under common Control with, such first Person, and (b) any Person beneficially owning or holding, directly or indirectly, 10% or more of any class of voting or equity interests of such first Person or any Person of which such first Person and its Subsidiaries beneficially own or hold, in the aggregate, directly or indirectly, 10% or more of any class of voting or equity interests. As used in this definition, *"Control"* means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise. Unless the context otherwise clearly requires, any reference to an *"Affiliate"* is a reference to an Affiliate of the Obligors.

"Anti-Terrorism Order" shall mean Executive Order No. 13,224 66 Fed Reg. 49,079 (2001) issued by the President of the United States of America (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism).

"Bank Credit Agreement" shall mean that certain Amended and Restated Revolving Credit Agreement dated as of June 14, 2004 among the Obligors, Bank of America, N.A., as Administrative Agent, Wachovia Bank, National Association, as Syndication Agent, JPMorgan Chase Bank and Sovereign Bank, as Co-Documentation Agents and the other financial institutions from time to time party thereto, as the same has been amended to the date hereof and as it may from time to time be further amended, amended and restated, supplemented, restated, otherwise modified from time to time, refunded or refinanced.

"Breakage Amount" shall mean any loss, cost or expense reasonably incurred by any holder of a Note as a result of any payment or prepayment of any Note on a day other than an Interest Payment Date or at scheduled maturity thereof (whether voluntary, mandatory, automatic, by reason of acceleration or otherwise), and any loss or expense arising from the liquidation or reemployment of funds obtained by such holder or from fees payable to terminate the deposits from which such funds were obtained; *provided* that any such loss, cost or expense shall be limited to the time period from the date of such prepayment through the earlier of (a) the next Interest Payment Date and (b) the maturity date of the Notes. Each holder shall determine the Breakage Amount with respect to the principal amount of its Notes then being paid or prepaid (or required to be paid or prepaid) by written notice to the Obligors setting forth such determination in reasonable detail not less than two Business Days prior to the date of

prepayment in the case of any prepayment pursuant to Section 8.2 or any payment required by Section 12. Each such determination shall be conclusive absent manifest error.

"Business Day" shall mean (a) for purposes of determining the Adjusted LIBOR Rate only, any day other than a Saturday, a Sunday or a day on which dealings in U.S. Dollars are not carried on in the London interbank market and (b) for the purposes of any other provision of this Agreement, any day other than a Saturday, a Sunday or a day on which commercial banks in Boston, Massachusetts or New York, New York are required or authorized to be closed.

"Capital Lease" shall mean, at any time, a lease with respect to which the lessee is required concurrently to recognize the acquisition of an asset and the incurrence of a liability in accordance with GAAP.

"Capital Lease Obligation" shall mean, with respect to any Person and a Capital Lease, the amount of the obligation of such Person as the lessee under such Capital Lease which would, in accordance with GAAP, appear as a liability on a balance sheet of such Person.

"Closing" is defined in Section 3.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, and the rules and regulations promulgated thereunder from time to time.

"Competitor" shall mean any Person (including any Subsidiary or Affiliate thereof) primarily engaged in the uniform rental business; *provided, however,* that the term "Competitor" shall not include any Person that is a bank, trust company, savings and loan association or other financial institution, pension plan, pension trust, investment company, insurance company, broker-dealer, mutual fund, "CDO" or any other similar financial institution or entity, regardless of legal form.

"Confidential Information" is defined in Section 20.

"Consolidated Debt" shall mean, as of any date of determination, the total of all Debt of UniFirst and its Restricted Subsidiaries outstanding on such date, after eliminating all offsetting debits and credits between UniFirst and its Restricted Subsidiaries and all other items required to be eliminated in the course of the preparation of consolidated financial statements of UniFirst and its Restricted Subsidiaries in accordance with GAAP.

"Consolidated EBITDA" for UniFirst and its Restricted Subsidiaries shall mean, with respect to any period, the sum of, without duplication, (a) Consolidated Net Income, (b) Interest Expense, (c) taxes on income, (d) depreciation and amortization and (e) other non-cash charges, all determined on a consolidated basis in accordance with GAAP. If, during any period for which Consolidated EBITDA is being determined, UniFirst or a Restricted Subsidiary has acquired or disposed of a Restricted Subsidiary or substantially all of the assets of a Restricted Subsidiary, Consolidated EBITDA for such period shall be determined to include or exclude, as the case may be, the actual historical results of such Restricted Subsidiary or assets on a pro forma basis.

"Consolidated Net Income" shall mean, with respect to any period, the net income (or loss) of UniFirst and its Restricted Subsidiaries for such period (taken as a cumulative whole), as determined in accordance with GAAP, after eliminating all offsetting debits and credits between UniFirst and its Restricted Subsidiaries and all other items required to be eliminated in the course of the preparation of consolidated financial statements of UniFirst and its Restricted Subsidiaries in accordance with GAAP.

"Consolidated Net Worth" shall mean, as of the date of any determination thereof,

(a) the total stockholders' equity of UniFirst and its Restricted Subsidiaries that would be shown as stockholders' equity on a balance sheet of UniFirst and its Restricted Subsidiaries prepared in accordance with GAAP at such time, *minus*

(b) to the extent included in clause (a), all amounts properly attributable to minority interests, if any, in the stock and surplus of Restricted Subsidiaries of UniFirst.

"Consolidated Total Assets" shall mean, as of the date of any determination thereof, the total assets of UniFirst and its Restricted Subsidiaries that would be shown as assets on a consolidated balance sheet of UniFirst and its Restricted Subsidiaries as of such time prepared in accordance with GAAP.

"Debt" shall mean, with respect to any Person, without duplication:

(a) its liabilities for borrowed money;

(b) its liabilities for the deferred purchase price of property acquired by such Person (excluding accounts payable and other similar accrued liabilities arising in the ordinary course of business but including, without limitation, all liabilities created or arising under any conditional sale or other title retention agreement with respect to any such property);

(c) its Capital Lease Obligations;

(d) all liabilities for borrowed money secured by any Lien with respect to any property owned by such Person (whether or not it has assumed or otherwise become liable for such liabilities); and

(e) any Guaranty of such Person with respect to liabilities of a type described in any of clauses (a) through (d) hereof in an amount equal to the amount guaranteed.

Debt of any Person shall include all obligations of such Person of the character described in clauses (a) through (e) to the extent such Person remains legally liable in respect thereof notwithstanding that any such obligation is deemed to be extinguished under GAAP.

"Default" shall mean an event or condition the occurrence or existence of which would, with the lapse of time or the giving of notice or both, become an Event of Default.

"Default Rate" as of any date shall mean that rate of interest that is the greater of (a) 2.0% per annum above the then applicable Adjusted LIBOR Rate or (b) 2.0% per annum over the rate of interest publicly announced by Bank of America, N.A. in New York, New York as its "reference" rate.

"Disposition" is defined in Section 10.5.

"Environmental Laws" is defined in Section 5.18.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder from time to time in effect.

"ERISA Affiliate" shall mean any trade or business (whether or not incorporated) that is treated as a single employer together with any Obligor under Section 414 of the Code.

"Event of Default" is defined in Section 11.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

"Fair Market Value" shall mean, as of any date of determination and with respect to any property, the sale value of such property that would be realized in an arm's-length sale at such time between an informed and willing buyer and an informed and willing seller (neither being under a compulsion to buy or sell).

"Forms" is defined in Section 8.6(a)(2).

"GAAP" shall mean generally accepted accounting principles as in effect from time to time in the United States of America.

"Governmental Authority" shall mean:

(a) the government of:

(1) the United States of America or any State or other political subdivision thereof; or

(2) any jurisdiction in which any Obligor or any Restricted Subsidiary conducts all or any part of its business, or which asserts jurisdiction over any properties of any Obligor or any Restricted Subsidiary; or

(b) any entity exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, any such government.

"Guaranty" shall mean, with respect to any Person, any obligation (except the endorsement in the ordinary course of business of negotiable instruments for deposit or collection) of such Person guaranteeing or in effect guaranteeing any Debt, dividend or other

obligation of any other Person in any manner, whether directly or indirectly, including, without limitation, obligations incurred through an agreement, contingent or otherwise, by such Person:

(a) to purchase such Debt or obligation or any property constituting security therefor;

(b) to advance or supply funds (1) for the purchase or payment of such Debt or obligation or (2) to maintain any working capital or other balance sheet condition or any income statement condition of any other Person or otherwise to advance or make available funds for the purchase or payment of such Debt or obligation;

(c) to lease properties or to purchase properties or services primarily for the purpose of assuring the owner of such Debt or obligation of the ability of any other Person to make payment of the Debt or obligation; or

(d) otherwise to assure the owner of such Debt or obligation against loss in respect thereof.

In any computation of the Debt or other liabilities of the obligor under any Guaranty, the Debt or other obligations that are the subject of such Guaranty shall be assumed to be direct obligations of such obligor.

"holder" shall mean, with respect to any Note, the Person in whose name such Note is registered in the register maintained by UniFirst pursuant to Section 13.1.

"INHAM Exemption" is defined in Section 6.2(e).

"Institutional Investor" shall mean (a) any original purchaser of a Note, (b) any holder of a Note holding more than $2,000,000 in aggregate principal amount of the Notes then outstanding, and (c) any bank, trust company, savings and loan association or other financial institution, any pension plan, any investment company, any insurance company, any broker or dealer, or any other similar financial institution or entity, regardless of legal form.

"Interest Expense" shall mean, with respect to any period, the sum (without duplication) of the following determined on a consolidated basis in accordance with GAAP: all interest in respect of Debt of UniFirst and its Restricted Subsidiaries (including imputed interest on Capital Lease Obligations) deducted in determining Consolidated Net Income for such period.

"Interest Payment Dates" shall mean the 14th day of each March, June, September and December in each year, commencing December 14, 2006 until such principal sum shall have become due and payable (whether at maturity, upon notice of prepayment or otherwise); *provided* that if an Interest Payment Date shall fall on a day which is not a Business Day, such Interest Payment Date shall be deemed to be the first Business Day following such Interest Payment Date.

"Interest Period" shall mean each period commencing on the date of the Closing and continuing up to, but not including December 14, 2006 thereafter, commencing on an Interest

Payment Date and continuing, in each case, up to, but not including, the next Interest Payment Date.

"Joinder" is defined in Section 9.6(a).

"LIBOR" shall mean, for any Interest Period, the rate per annum (rounded upwards, if necessary, to the next higher one hundred-thousandth of a percentage point) for deposits in U.S. Dollars for a 90-day period which appears on the Bloomberg Financial Markets Service Page BBAM-1 (or if such page is not available, the Reuters Screen LIBO Page) as of 11:00 a.m. (London, England time) on the date two Business Days before the commencement of such Interest Period (or three Business Days prior to the beginning of the first Interest Period). *"Reuters Screen LIBO Page"* means the display designated as the "LIBO" page on the Reuters Monitory Money Rates Service (or such other page as may replace the LIBO page on that service or such other service as may be nominated by the British Bankers' Association as the information vendor for the purpose of displaying British Bankers' Association Interest Settlement Rates for U.S. Dollar deposits).

"Lien" shall mean, with respect to any Person, any mortgage, lien, pledge, charge, security interest or other encumbrance, or any interest or title of any vendor, lessor, lender or other secured party to or of such Person under any conditional sale or other title retention agreement or Capital Lease, upon or with respect to any property or asset of such Person (including in the case of stock, stockholder agreements, voting trust agreements and all similar arrangements).

"Material" shall mean material in relation to the business, operations, affairs, financial condition, assets or properties of UniFirst and its Restricted Subsidiaries, taken as a whole.

"Material Adverse Effect" shall mean a material adverse effect on (a) the business, operations, affairs, financial condition, assets or properties of UniFirst and its Restricted Subsidiaries, taken as a whole, or (b) the ability of the Obligors, taken as a whole, to perform their obligations under this Agreement and the Notes or (c) the validity or enforceability of this Agreement or the Notes.

"Material Subsidiary" shall mean any Restricted Subsidiary which accounts for more than (a) 5% of the Consolidated Total Assets or (b) 5% of the consolidated total revenue of UniFirst and its Restricted Subsidiaries.

"Memorandum" is defined in Section 5.3.

"Multiemployer Plan" shall mean any Plan that is a "multiemployer plan" (as such term is defined in Section 4001(a)(3) of ERISA).

"NAIC Annual Statement" is defined in Section 6.2(a).

"Non-US Pension Plan" shall mean any plan, fund or other similar program (a) established or maintained outside of the United States of America by any one or more of the Obligors and their Subsidiaries primarily for the benefit of employees (substantially all of whom are not citizens of, and do not reside within, the United States of America) of such Obligor or

such Subsidiary which plan, fund or other similar program provides for retirement income for such employees or results in a deferral of income for such employees in contemplation of retirement, and (b) which is not subject to ERISA.

"Notes" is defined in Section 1.

"Officer's Certificate" shall mean, with respect to any Obligor, a certificate of a Senior Financial Officer or of any other officer of such Obligor whose responsibilities extend to the subject matter of such certificate.

"Patriot Act" shall mean Public Law 107-56 of the United States of America, United and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT Act) Act of 2001.

"Payment Default" shall mean a Default under Section 11(a) or Section 11(b).

"PBGC" shall mean the Pension Benefit Guaranty Corporation referred to and defined in ERISA or any successor thereto.

"Person" shall mean an individual, partnership, corporation, limited liability company, association, trust, unincorporated organization, or a government or agency or political subdivision thereof.

"Plan" shall mean an "employee benefit plan" (as defined in Section 3(3) of ERISA) that is or, within the preceding five years, has been established or maintained, or to which contributions are or, within the preceding five years, have been made or required to be made, by any Obligor or any ERISA Affiliate or with respect to which any Obligor or any ERISA Affiliate may have any liability.

"Prepayment Premium" shall mean, in connection with any optional prepayment of the Notes pursuant to Section 8.2 or acceleration of the Notes pursuant to Section 12.1, an amount equal to the applicable percentage of the principal amount of the Notes so prepaid or accelerated as follows:

PERIOD	APPLICABLE PERCENTAGE
For the period from and after the date of Closing to and including September 13, 2007	2%
For the period from and after September 14, 2007 to and including September 13, 2008	1%
Thereafter	0%

"*Priority Debt"* shall mean (without duplication) the sum of (a) unsecured Debt of Restricted Subsidiaries (that are not Obligors) other than (1) Debt outstanding on the date of Closing and set forth on Schedule 5.15, (2) Debt owed to an Obligor or any Wholly-Owned Restricted

Subsidiary, (3) any Guaranty of the Notes, and (4) Debt outstanding at the time such Person became a Restricted Subsidiary (other than an Unrestricted Subsidiary which has been redesignated as a Restricted Subsidiary), *provided*, that such Debt shall not have been incurred in contemplation of such Person becoming a Restricted Subsidiary and (b) Debt of the Obligors and their Restricted Subsidiaries secured by a Lien other than a Lien permitted by paragraphs (a) through (j), inclusive, of Section 10.3.

"property" or *"properties"* shall mean, unless otherwise specifically limited, real or personal property of any kind, tangible or intangible, choate or inchoate.

"PTE" is defined in Section 6.2(a).

"QPAM Exemption" is defined in Section 6.2(d).

"Relevant Tax" is defined in Section 8.6(a).

"Required Holders" shall mean, at any time, the holders of more than 50% in principal amount of the Notes at the time outstanding (exclusive of Notes then owned by any Obligor or any of their Affiliates).

"Resident Country" is defined in Section 8.6(a).

"Responsible Officer" shall mean, with respect to any Obligor, any Senior Financial Officer and any other officer of such Obligor with responsibility for the administration of the relevant portion of this Agreement.

"Restricted Subsidiary" shall mean (a) any Subsidiary which is an Obligor and (b) any other Subsidiary (1) of which at least a majority of the voting securities are owned by UniFirst and/or one or more of UniFirst's Wholly-Owned Restricted Subsidiaries and (2) that the Obligors have designated as a Restricted Subsidiary on the date of the Closing or which has been redesignated as a Restricted Subsidiary in accordance with the provisions of Section 10.8.

"Securities Act" shall mean the Securities Act of 1933, as amended from time to time.

"Senior Financial Officer" shall mean, with respect to any Obligor, the chief financial officer, principal accounting officer, treasurer or comptroller of such Obligor.

"Source" is defined in Section 6.2.

"Subsidiary" shall mean, as to any Person, any corporation, association or other business entity in which such Person or one or more of its Subsidiaries or such Person and one or more of its Subsidiaries owns sufficient equity or voting interests to enable it or them (as a group) ordinarily, in the absence of contingencies, to elect a majority of the directors (or Persons performing similar functions) of such entity, and any partnership or joint venture if more than a 50% interest in the profits or capital thereof is owned by such Person or one or more of its Subsidiaries or such Person and one or more of its Subsidiaries (unless such partnership can and does ordinarily take major business actions without the prior approval of such Person or one or

more of its Subsidiaries). Unless the context otherwise clearly requires, any reference to a "Subsidiary" is a reference to a Subsidiary of the Obligors.

"Tax Indemnity Amounts" is defined in Section 8.6(a).

"Taxing Jurisdiction" is defined in Section 8.6(a).

"Unrestricted Subsidiary" shall mean any Subsidiary that is not designated as a Restricted Subsidiary by the Obligors.

"U.S. Dollars" shall mean lawful money of the United States of America.

"Wholly-Owned Restricted Subsidiary" shall mean, at any time, any Restricted Subsidiary 100% of all of the equity interests (except directors' qualifying shares) and voting interests of which are owned by any one or more of an Obligor and such Obligor's other Wholly-Owned Restricted Subsidiaries at such time.

Exhibit 10.7

RESTRICTED STOCK AWARD AGREEMENT

UNDER THE UNIFIRST CORPORATION AMENDED
1996 STOCK INCENTIVE PLAN

Name of Grantee:
No. of Shares (the "Shares"):
Purchase Price per Share: $0.10 per share
Grant Date: _____, 20__
Vesting Date: _____, 20__

Pursuant to the UniFirst Corporation Amended 1996 Stock Incentive Plan (the "Plan"), as amended through the date hereof, UniFirst Corporation (the "Company") hereby grants a Restricted Stock Award (an "Award") to the Grantee named above. Upon acceptance of this Award, the Grantee shall receive the number of Shares of Common Stock, par value $0.10 per share (the "Stock"), of the Company specified above, subject to the restrictions and conditions set forth herein and in the Plan. Capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Plan.

1. Acceptance of Award. The Grantee shall have no rights with respect to this Award unless and until he or she shall have accepted this Award (on or before the 60th day following the Grant Date) by (i) making payment to the Company (by check, by set-off against Director fees otherwise then due and payable by the Company to the Grantee, or by other means acceptable to the Company) of an amount equal to the Purchase Price per Share, multiplied by the number of Shares hereby awarded, and (ii) signing and delivering to the Company a copy of this Award Agreement. Upon acceptance of this Award by the Grantee, the Shares of Restricted Stock awarded hereunder shall be issued to the Grantee subject to the terms hereof. Thereupon, the Grantee shall have all the rights of a shareholder with respect to the Shares, including voting and dividend rights, subject however to the restrictions and conditions specified in Paragraph 2 below.

2. Restrictions and Conditions.

(a) Any certificates representing the Shares shall bear an appropriate legend, as determined by the Committee in its sole discretion, to the effect that the Shares are subject to restrictions as set forth herein and in the Plan.

(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.

(c) Subject to Paragraph 4 below, if the Grantee ceases to be a Director of the Company for any reason prior to vesting of Shares of Restricted Stock

granted herein, the Company shall have the right, at the discretion of the Committee, to repurchase the Shares from the Grantee or the Grantee's legal representative at their purchase price. To exercise such repurchase right, the Company must give written notice of such exercise (together with the Company's check for the purchase price thereof) to the Grantee or the Grantee's legal representative not later than 90 days following the date on which the Grantee ceases to be a Director of the Company.

3. Vesting of Restricted Stock. The restrictions and conditions in Paragraph 2 of this Agreement shall lapse on the Vesting Date so long as the Grantee remains a Director of the Company on the Vesting Date. Subsequent to the Vesting Date, the Shares on which all restrictions and conditions have lapsed shall no longer be deemed Restricted Stock.

4. Acceleration of Vesting in Special Circumstances. If (i) the Grantee ceases to be a Director of the Company by reason of death, incapacity due to physical or mental illness or disability or (ii) a Change of Control of the Company occurs, any restrictions and conditions on all Shares subject to this Award shall be deemed waived by the Committee and all the Shares shall automatically become fully vested 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.

7. Transferability. This Agreement is personal to the Grantee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution.

8. Election Under Section 83(b). The Grantee and the Company hereby agree that the Grantee may, within 30 days following the acceptance of this Award as provided in Paragraph 1 hereof, file with the Internal Revenue Service and the Company an election under Section 83(b) of the Internal Revenue Code. In the event the Grantee makes such an election, he or she agrees to provide a copy of the election to the Company.

9. No Rights to Continue as a Director. This Agreement does not confer upon the Grantee any right to continue as a Director of the Company.

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.

11. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Commonwealth of Massachusetts, applied without regard to conflict of law principles.

UNIFIRST CORPORATION

By:
Name: Ronald D. Croatti
Title: Chief Executive Officer

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

Grantee's Signature

Grantee's name and address:

[name]

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO RULE 13a-14(a) AND RULE 15d-14(a) OF THE SECURITIES EXCHANGE ACT, AS AMENDED

I, Ronald D. Croatti, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of UniFirst Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the Registrant, and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and,

   (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and,

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: April 9, 2009

By: /s/ Ronald D. Croatti
Ronald D. Croatti,
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO RULE 13a-14(a) AND RULE 15d-14(a) OF THE SECURITIES EXCHANGE ACT, AS AMENDED

I, Steven S. Sintros, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of UniFirst Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the Registrant, and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and,

   (d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and,

5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Date: April 9, 2009

By: /s/ Steven S. Sintros
Steven S. Sintros
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), I, Ronald D. Croatti, President and Chief Executive Officer of UniFirst Corporation (the "Company"), do hereby certify, to the best of my knowledge, that:

(1) The Company's Quarterly Report on Form 10-Q for the quarter ended February 28, 2009 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 9, 2009

By: /s/ Ronald D. Croatti
Ronald D. Croatti, President and
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), I, Steven S. Sintros, Chief Financial Officer of UniFirst Corporation (the "Company"), do hereby certify, to the best of my knowledge, that:

(1) The Company's Quarterly Report on Form 10-Q for the quarter ended February 28, 2009 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 9, 2009

By: /s/ Steven S. Sintros
Steven S. Sintros
Chief Financial Officer
(Principal Financial Officer)