

# TRUEBLUE, INC.

## FORM 8-K (Current report filing)

Filed 11/19/09 for the Period Ending 11/16/09

|             |                                   |
|-------------|-----------------------------------|
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| CIK         | 0000768899                        |
| Symbol      | TBI                               |
| SIC Code    | 7363 - Help Supply Services       |
| Industry    | Business Services                 |
| Sector      | Services                          |
| Fiscal Year | 12/31                             |

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

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**FORM 8-K**

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**CURRENT REPORT PURSUANT**

**TO SECTION 13 OR 15(D) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**Date of report (Date of earliest event reported): November 16, 2009**

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**TRUEBLUE, INC.**

(Exact Name of Registrant as Specified in Its Charter)

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**Washington**

(State or Other Jurisdiction of Incorporation)

**001-14543**  
(Commission  
File Number)

**91-1287341**  
(IRS Employer  
Identification No.)

**1015 A Street, Tacoma, Washington**  
(Address of Principal Executive Offices)

**98402**  
(Zip Code)

**(253) 383-9101**  
(Registrant's Telephone Number, Including Area Code)

**Not Applicable**

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions ( *see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 5.02. Departure of Directors or Certain Officers; Election of directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On November 16, 2009, TrueBlue, Inc. (the “*Company*”) entered into a new amended and restated executive employment agreement (the “*Employment Agreement*”) with Steven C. Cooper, the Company’s President and Chief Executive Officer. The Employment Agreement amends and restates the prior employment agreement between the Company and Mr. Cooper, which prior employment agreement expired by its terms on May 16, 2009. In connection with entry into the Employment Agreement, the Company and Mr. Cooper also entered into an amended and restated non-competition agreement (the “*Non-Competition Agreement*”).

Following is a brief description of the terms and conditions of the Employment Agreement and the Non-Competition Agreement.

**Employment Agreement**

The Employment Agreement provides for the payment to Mr. Cooper of an annual base salary of \$550,000.00. The Employment Agreement does not provide for any specific or minimum term or duration and Mr. Cooper’s employment is terminable at will. However, if the Company terminates Mr. Cooper’s employment without Cause (as defined in the Employment Agreement) or if Mr. Cooper terminates his employment with Good Reason (as defined in the Employment Agreement), then, subject to Mr. Cooper releasing any claims against the Company and complying with certain other obligations, Mr. Cooper will be entitled to receive monthly separation payments for a period of 18 months from the termination date at a rate equal to his base monthly salary at the time of termination. In addition, Mr. Cooper will be entitled to receive any short-term or other incentive payments that may be applicable and Mr. Cooper will also be provided with accelerated vesting in any previously awarded stock options, restricted stock and other equity awards. The Employment Agreement contains, among other things, provisions covering confidentiality, duty of loyalty, indemnification, assignment of invention, and compliance with law and the Company’s Code of Conduct.

The foregoing summary of the Employment Agreement is qualified in its entirety by reference to the text of the Employment Agreement, a copy of which is attached as Exhibit 10.14 to this report and which is incorporated herein by reference.

**Non-Competition Agreement**

The Non-Competition Agreement provides, among other things, that during Mr. Cooper’s employment with the Company and for a period of 18 months following the termination of such employment for any reason, Mr. Cooper shall not, directly or indirectly, work, compete with, or otherwise be involved in a business that competes with the Company. Within 15 days after the termination of Mr. Cooper’s employment for any reason, the Company may elect to extend the non-competition period from 18 months to 24 months. If the Company elects to extend the non-competition period to 24 months and either the Company terminated Mr. Cooper’s employment without Cause, or Mr. Cooper terminated employment with Good Reason, then, provided that Mr. Cooper has complied with certain conditions precedent, the period during which Mr. Cooper is entitled to receive separation payments pursuant to the Employment Agreement will be extended from 18 months to 24 months.

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The Non-Competition Agreement, among other things, also provides that during Mr. Cooper's employment with the Company and for a period of 24 months following the termination of such employment for any reason, Mr. Cooper shall not, directly or indirectly,

- employ, solicit for employment or otherwise interfere with the employment of any Company employee who has been employed by the Company during the six months prior to the termination of Mr. Cooper's employment; and
- solicit any clients of the Company for the purpose of providing temporary and/or permanent staffing services on behalf of a competing business or otherwise encourage any such client to discontinue business with the Company.

The Non-Competition Agreement also contains, among other things, provisions covering duty of loyalty and non-disclosure, non-use and other protection of confidential information.

The foregoing summary of the Non-Competition Agreement is qualified in its entirety by reference to the text of the Non-Competition Agreement, a copy of which is attached as Exhibit 10.15 to this report and which is incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits**

**(d) Exhibits**

- 10.14 Amended and Restated Executive Employment Agreement dated November 16, 2009
- 10.15 Amended and Restated Non-Competition Agreement dated November 16, 2009

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## SIGNATURES

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

TRUEBLUE, INC.  
(Registrant)

Date: November 19, 2009

By: \_\_\_\_\_ /s/ *JAMES E. DEFEBAUGH*

James E. Defebaugh  
Executive Vice President,  
General Counsel and Secretary

**AMENDED AND RESTATED**  
**EXECUTIVE EMPLOYMENT AGREEMENT**

This Amended and Restated Executive Employment Agreement (“Agreement”) is between Steven C. Cooper (“Executive”) and TrueBlue, Inc. or the TrueBlue, Inc. subsidiary employing Executive (“TrueBlue” or “Company”), and is effective as of November 16, 2009 (“Effective Date”).

**RECITALS**

WHEREAS, Executive”) and TrueBlue (fka “Labor Ready”) entered into an Executive Employment Agreement effective as of May 17, 2006 (“2006 Agreement”); and

WHEREAS, the 2006 Agreement superseded and replaced prior employment agreements between the Executive and Company dated January 9, 2001 (“2001 Employment Agreement”) and March 23, 2005 (“2005 Employment Agreement”); and

WHEREAS, Executive and Company amended the 2006 Agreement, the 2001 Employment Agreement and the 2005 Employment Agreement to conform them to the requirements of Section 409A of the Internal Revenue Code, as amended effective December 31, 2006 (the “First Amendment”); and

WHEREAS, Executive and Company entered into a “Non-Competition Agreement” effective December 31, 2006; and

WHEREAS, the 2006 Agreement expired by its terms on May 16, 2009, and the parties wish to continue an employment relationship on certain different terms and conditions by amending and restating the 2006 Agreement;

NOW, THEREFORE, in consideration of the terms and conditions herein, which the parties agree constitutes sufficient consideration for this Amended and Restated Executive Employment Agreement and the Amended and Restated Non-Competition Agreement, effective November 16, 2009, the 2006 Agreement is amended and restated as follows:

**I. TERMS AND CONDITIONS.**

**A. Employment.** Company and Executive agree that Executive’s employment is not for any specific or minimum term or duration, and that subject to Sections I. E. and I.F. of this Agreement, the continuation of Executive’s employment is subject to the mutual consent of Company and Executive, and that it is terminable at will, meaning that either Company or Executive may terminate the employment at any time, for any reason or no reason, with or without cause, notice, pre-termination warning or discipline, or other pre- or post-termination procedures of any kind. Executive acknowledges and agrees that any prior representations to the contrary, including the provisions of the 2006 Agreement, are void and superseded by this Agreement, and that Executive may not rely on any future representations to the contrary,

whether written or verbal, express or implied, by any statement, conduct, policy, handbook, guideline or practice of TrueBlue or its employees or agents. Nothing in this Agreement creates any right, contract or guarantee of continued or a length of term period of employment or gives Executive the right to any particular level of compensation or benefits and nothing in this Agreement should be construed as such. The parties agree that any decision maker who is charged with reviewing disputes surrounding Executive's employment shall reject any legal theory, whether in law or in equity, that is claimed to alter at-will employment, unless such theory cannot be waived as a matter of law. Notwithstanding the foregoing, either Executive or Company may, as a part of the Executive's annual review, propose amendments or clarifications to this Agreement which shall be subject to mutual agreement and the discretion of each party.

**B. Duties of Executive.** Executive agrees to devote the necessary time, attention, skill and efforts to the performance of his duties as President and Chief Executive Officer of Company, including oversight of Subsidiaries and such other duties as may be assigned by the Board of Directors in its discretion.

**C. Compensation.**

1. Executive's current salary shall be at the rate of Five Hundred Fifty Thousand dollars (\$550,000) per year, subject to customary and usual deductions and withholdings, and payable biweekly, unless and until changed by the Board of Directors as provided herein.

2. Company, acting through its Board of Directors, may (but shall not be required to) increase, but may not decrease (other than as permitted by Section I.F.2(ii)), Executive's compensation and award to Executive such bonuses as the Board of Directors may see fit, in its sole and unrestricted discretion, commensurate with Executive's performance and the overall performance of Company. Executive's compensation shall be reviewed annually by the Compensation Committee of the Board of Directors.

**D. Benefits.**

1. Executive shall be entitled to all benefits offered generally to employees of Company.

2. Executive shall be entitled each year during the term of this Agreement to a vacation of twenty-five (25) business days, no two of which need be consecutive, during which time his compensation shall be paid in full.

3. To the fullest extent permitted by law, Company shall indemnify and hold harmless Executive for any and all losses, cost, damage and expense including attorneys' fees and court costs incurred or sustained by Executive, in accordance with the present provisions Article 5G of Company's Articles of Incorporation.

4. In addition, if (i) Company terminates the employment of Executive without Cause, (ii) Executive terminates employment with Good Reason or (iii) Executive otherwise terminates and gives the Company at least one (1) year prior written notice in order to provide

for an orderly transition, and in the good faith determination of the Board has formulated and implemented an orderly transition for a new Chief Executive Officer, and Executive elects to continue health care coverage for Executive and his family pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), then Company shall reimburse Executive for up to (18) eighteen months on an after-tax basis the portion of Executive's COBRA premiums for such coverage that exceeds the amount that Executive would have incurred in premiums for coverage under the Company's health plan if then employed by the Company. The entitlement of Executive and his family under this Paragraph 4 shall also be subject to (i) each of the conditions precedent set forth in Paragraph I(E)(2), and (ii) the inability of Executive and his spouse to obtain comparable health insurance benefits under the plan of another employer of either the Executive or his spouse.

**E. Termination by Company.** Company may terminate this Agreement under either of the following circumstances:

1. Company may terminate this Agreement and Executive's employment for Cause (as defined herein below) at any time upon written notice to Executive. The notice of termination must specify those actions or inactions upon which the termination is based. Cause shall exist if any of the following occurs:

- (a) Executive is convicted of or takes a plea of nolo contendere to a crime involving dishonesty, fraud or moral turpitude;
- (b) Executive has engaged in (i) fraud, embezzlement, theft or other dishonest acts, (ii) unprofessional conduct, or (iii) gross negligence related to the business;
- (c) Executive materially violates a significant Company policy, such as policies required by the Sarbanes-Oxley Act, Company's Drug Free Workplace Policy or Company's policy against harassment, and does not cure such violation (if curable) within ten (10) days after written notice from Company;
- (d) Executive willfully takes any action that materially damages the assets (including tangible and intangible assets, such as name or reputation) of Company;
- (e) Executive fails to perform his duties in good faith, within ten (10) days after written notice from Company or, if notice and cure have previously taken place regarding a similar failure to perform, if the circumstance recurs;
- (f) Executive uses or discloses Confidential Information, as defined in this Agreement, without authorization;
- (g) Executive fails to commence implementation of actions approved by resolution of the board of directors, within ten (10) days after written notice from Company, or to thereafter diligently pursue the completion thereof; or

(h) Executive breaches this Agreement in any other material respect and does not cure such breach (if curable) within ten (10) days after written notice from Company or, if notice and cure have previously taken place regarding a similar breach, if the breach recurs.

2. Company shall have the right to terminate this Agreement at any time without Cause by written notice to Executive. In the event of termination under this subparagraph 2, Company shall pay Executive all wages due under this Agreement which are then accrued but unpaid, within thirty (30) days after Executive's last day of employment. Additionally, provided that no Cause exists and subject to the following conditions precedent, Company shall provide to Executive payments at a rate equal to his pro-rated base salary at the time of termination for a period of eighteen (18) months, in accordance with Company's normal payroll practices.

3. In addition, provided that no Cause exists, Executive may also receive any short-term or other incentive payments which are applicable to the Executive and based solely on the year in which termination occurs, provided that (i) any amount of such incentive which is based on the Executive's individual performance shall remain subject to any discretionary judgments of the Board as provided in the applicable plan or agreement and (ii) any incentive payment whether based on Company or the individual performance of the Executive shall be prorated based on the months of service actually performed by the Executive during the applicable fiscal year. For avoidance of doubt this section is not intended to apply to (i) equity incentive awards which are addressed in Section I.G.1 nor (ii) any incentive plan which is based on Company or individual performance in more than one fiscal year, it being the intent that if such a plan is subsequently adopted by the Company that any benefit payable under such plan would be addressed in the plan or in a specific amendment to this agreement.

4. As conditions precedent to being entitled to receive the payments set forth in Sections E(2) and E(3), Executive must: (i) within twenty-one (21) days of the termination of Executive's employment, sign and deliver and thereafter not revoke a release in the form of Exhibit A to this Agreement in accordance with its terms or a form otherwise acceptable to Company; (ii) be and remain in full compliance with all provisions of this Agreement; and (iii) be and remain in full compliance with Company's Non-Competition Agreement and any other covenants in this and in any other agreements between Company and the Executive. Company shall have no obligation to make any payments or provide any benefits to the Executive hereunder unless and until the effective date of the Waiver and Release Agreement, as defined therein. Monthly salary payments shall be made on Company's normal pay days and any incentive payment shall be made on or about the same days as such payments are or would have been payable to executive officers receiving similar incentive payments or, in the absence of such other payments, on the date that corresponds to the date on which incentive payments were last made to other executive officers.

5. Except as provided in Sections E(1), 2 and (3) no other amounts are owed to Executive upon termination of his employment by Company.

## **F. Termination by Executive.**

1. Notwithstanding any other term or provision of this Agreement, including, without limitation, Section I., Paragraph A., Executive may terminate this Agreement and his employment with Company at any time, upon giving Company written notice. Executive shall make reasonable best efforts to give sufficient notice and otherwise assist in an orderly transition to a new chief executive officer. In the event of termination under this Paragraph F.1., Company shall pay Executive all wages due under this Agreement which are then accrued but unpaid, within thirty (30) days after Executive's last day of employment.

2. Executive may terminate this Agreement for Good Reason upon prior written notice to Company, provided that Executive notifies Company of the existence of the condition constituting Good Reason within ninety (90) days after the initial existence of the condition, Company is given at least thirty (30) days after being notified of the existence of the condition to remedy the condition and Company has failed to remedy the condition within the allotted cure period, and the termination of the Agreement is effective no later than five (5) months after the initial existence of the condition. Good Reason shall exist if (i) there is any material breach of this Agreement by Company which has not been consented to or waived by Executive; (ii) Company materially reduces Executive's base salary, other than with Executive's consent or as part of an across-the-board salary reduction generally imposed on executives of the Company; or (iii) Company assigns Executive, without Executive's consent, to a position other than Chief Executive Officer. If termination of the Agreement occurs pursuant to this subparagraph 2, provided that no Cause exists and subject to the following conditions precedent, Company shall provide to Executive payments at a rate equal to his pro-rated base salary at the time of termination for a period of eighteen (18) months, in accordance with Company's normal payroll practices.

3. In addition, provided that no Cause exists, Executive may also receive any short-term or other incentive payments which are applicable to the Executive and based solely on the year in which termination occurs, provided that (i) any amount of such incentive which is based on the Executive's individual performance shall remain subject to any discretionary judgments of the Board as provided in the applicable plan or agreement and (ii) any incentive payment whether based on Company or the individual performance of the Executive shall be prorated based on the months of service actually performed by the Executive during the applicable fiscal year. For avoidance of doubt this section is not intended to apply to (i) equity incentive awards which are addressed in Section I.G.1 nor (ii) any incentive plan which is based on Company or individual performance in more than one fiscal year, it being the intent that if such a plan is subsequently adopted by the Company that any benefit payable under such plan would be addressed in the plan or in a specific amendment to this agreement.

4. As conditions precedent to being entitled to receive the payments set forth in Sections F(2) and F(3), Executive must: (i) within twenty-one (21) days of the termination of Executive's employment, sign and deliver and thereafter not revoke a release in the form of Exhibit A to this Agreement in accordance with its terms or a form otherwise acceptable to Company; (ii) be and remain in full compliance with all provisions of this Agreement; and (iii) be and remain in full compliance with Company's Non-Competition Agreement and any other

covenants in this and in any other agreements between Company and the Executive. Company shall have no obligation to make any payments or provide any benefits to the Executive hereunder unless and until the effective date of the Waiver and Release Agreement, as defined therein. Salary payments shall be made on Company's normal pay days and any incentive payment shall be made on or about the same days as such payments are or would have been payable to executive officers receiving similar incentive payments or, in the absence of such other payments, on a date that reasonably corresponds to the date on which incentive payments were last made to other executive officers.

5. Except as provided in Sections F(1), (2) and (3) no other amounts are owed to Executive upon termination of his employment by Executive.

#### **G. Stock Options and Excess Parachute Provision.**

1. In addition to any payments to which Executive may be entitled under Sections E(2), E(3), F(2) or F(3), if Company terminates the employment of Executive without Cause or if Executive terminates employment with Good Reason, all of Executive's unvested stock options and restricted stock awards shall vest on the termination date unless otherwise specifically prohibited under applicable laws, or by the rules and regulations of any applicable governmental agencies or national securities exchanges, provided that Executive provides Company with a final release of claims in the form attached as Exhibit A or otherwise acceptable to Company, and provided that Executive is in full compliance with all covenants in this and any other agreement with Company entered into by Executive.

2. If Executive is deemed to receive an "excess parachute payment" as defined in Section 280G of the Internal Revenue Code of 1986 by reason of his vesting of the Unvested Awards pursuant to Paragraph 1 of this Section G, (taking into account any other compensation paid or deemed paid to Executive), the amount of such payments or deemed payments shall be reduced, or, alternatively the provisions of Paragraph 1 of this Section G shall not act to vest Unvested Awards to Executive, so that no such payments or deemed payments shall constitute excess parachute payments. The determination of whether a payment or deemed payment constitutes an excess parachute payment shall be in the sole discretion of the Board of Directors.

#### **H. Arbitration. Dispute Resolution; Arbitration; Exigent Relief.**

Company and Executive agree that any claim arising out of or relating to this Agreement, or the breach of this Agreement, or Executive's application, employment, or termination of employment, shall be submitted to and resolved by binding arbitration under the Federal Arbitration Act. Company and Executive agree that all claims shall be submitted to arbitration including, but not limited to, claims based on any alleged violation of Title VII or any other federal or state laws; claims of discrimination, harassment, retaliation, wrongful termination, compensation due or violation of civil rights; or any claim based in tort, contract, or equity. Any arbitration between Company and Executive will be administered by the American Arbitration Association under its Employment Arbitration Rules then in effect. The award entered by the arbitrator will be based solely upon the law governing the claims and defenses pleaded, and will

be final and binding in all respects. Judgment on the award may be entered in any court having jurisdiction. In any such arbitration, neither Executive nor Company shall be entitled to join or consolidate claims in arbitration or arbitrate any claim as a representative or member of a class. Company agrees to pay for the arbiter's fees where required by law. In any claim or jurisdiction where this agreement to arbitrate is not enforced, Company and Executive waive any right either may have to bring or join a class action or representative action, and further waive any right either may have under statute or common law or any other legal doctrine to a jury trial.

Notwithstanding any other provisions of this Agreement regarding dispute resolution, including this Section I. H., Executive agrees that Executive's violation or breach, or threatened violation or breach, of any provision of Sections II or III of this Agreement and/or Executive's violation or breach, or threatened violation or breach, of other provisions of this Agreement which otherwise place Company in peril that cannot be readily remedied by monetary damages, would cause Company irreparable harm which would not be adequately compensated by monetary damages and that a temporary and/or preliminary or permanent injunction may be granted by any court or courts having jurisdiction (subject to the venue provision of Section V.F.), restraining the Executive from violation or breach of the terms of this Agreement. The preceding sentence shall not be construed to limit Company from any other relief or damages to which it may be entitled as a result of the Executive's breach of any provision of this Agreement.

**I. Duty of Loyalty.** Executive agrees during working hours to devote his full and undivided time, energy, knowledge, skill and ability to Company's business, to the exclusion of all other business and sideline interests. Executive also agrees not to be employed elsewhere unless first authorized by Company in writing. In no event will Executive allow other activities to interfere with Executive's duties to Company. Executive agrees to faithfully and diligently to perform all duties to the best of Executive's ability. Executive recognizes that the services to be rendered under this Agreement require certain training, skills and experience, and that this Agreement is entered into for the purpose of obtaining such services for Company. Upon request, Executive agrees to provide Company with any information which Executive possesses and which will be of benefit to Company. Executive agrees to perform his duties in a careful, safe, loyal and prudent manner. Executive agrees to conduct himself in a way which will be a credit to TrueBlue's reputation and interests.

**J. Reimbursement.** If Executive ever possesses any TrueBlue funds (including without limitation cash and travel advances, overpayments made to Executive by TrueBlue, amounts received by Executive due to TrueBlue's error, unpaid credit or phone charges, excess sick or vacation pay, or any debt owed TrueBlue for any reason, including misuse or misappropriation of Company assets), Executive will remit them to TrueBlue corporate headquarters in Tacoma, Washington daily unless directed otherwise in writing. If Executive's employment ends, Executive will fully and accurately account to TrueBlue for any TrueBlue funds and other property in Executive's possession. If Executive fails to do so, Executive hereby authorizes Company (subject to any limitations under applicable law) to make appropriate deductions from any payment otherwise due Executive (including without limitation, Executive's paycheck, salary, bonus, commissions, expense reimbursements and benefits), in addition to all other remedies available to Company.

**K. Background Investigation.** Executive agrees that at any time during employment Company may, subject to any applicable legal requirements, investigate Executive's background for any relevant information on any subject which might have a bearing on job performance including, but not limited to, employment history, education, financial integrity and credit worthiness, and confirm that Executive has no criminal record during the last ten years. Executive shall sign any and all documents necessary for Company to conduct such investigation. For this purpose, Executive specifically authorizes Company to obtain any credit reports, background checks and other information which may be useful. Executive acknowledges and, except as may be limited by applicable law, agrees to abide at all times by the terms of TrueBlue's drug and alcohol policy. Executive understands that failure to comply with TrueBlue's policies, including its drug and alcohol policies, may result in termination of employment.

**L. Required Six-Month Delay In Severance Payments .** Notwithstanding anything in this Agreement to the contrary, if at the time of the Executive's termination of employment the Executive is considered a "specified employee" subject to the required six-month delay in benefit payments under Section 409A(a)(2)(B)(i) of the Internal Revenue Code of 1986, as amended ("Code"), then any separation payments that are subject to Code Section 409A (e.g., not exempt from 409A as separation pay pursuant to Treasury Regulation Section 1.409A-1(b)(9)(iii)) and would otherwise have been paid within the first six (6) months after the Executive's termination of employment shall instead be paid in a single lump sum on (or within 15 days after) the six-month anniversary of such termination of employment. Any remaining severance payments shall be made monthly after such six-month anniversary. For purposes of this Agreement, the Executive will be considered to have terminated employment when the Executive has incurred a "separation from service" for purposes of Code Section 409A(a)(2)(A)(i).

## **II. NON-COMPETITION AND NON-SOLICITATION.**

The Amended and Restated Non-Competition Agreement dated November 16, 2009, shall supersede the provisions formerly in Section II of this Agreement.

## **III. ASSIGNMENT OF INVENTIONS.**

**A. Assignment.** Executive will make prompt and full disclosure to Company, will hold in trust for the sole benefit of Company, and will assign exclusively to Company all right, title and interest in and to any and all inventions, discoveries, designs, developments, improvements, copyrightable material and trade secrets (collectively herein "Inventions") that Executive solely or jointly may conceive, develop, author, reduce to practice or otherwise produce during his employment with Company.

**B. Outside Inventions.** Executive's obligation to assign shall not apply to any Invention about which Executive can prove all the following: (a) it was developed entirely on Executive's own time; (b) no equipment, supplies, facility, services or trade secret information of TrueBlue was used in its development; (c) it does not relate (i) directly to the business of TrueBlue or (ii) to the actual or demonstrably anticipated business, research or development of TrueBlue; and (d) it does not result from any work performed by Executive for TrueBlue. Executive shall attach a list of all existing Inventions meeting these requirements to this Agreement.

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#### **IV. COMPLIANCE WITH LAWS AND CODE OF CONDUCT.**

**A. Commitment to Compliance.** Company is committed to providing equal employment opportunity for all persons regardless of race, color, gender, creed, religion, age, marital or family status, national origin, citizenship, mental or physical disabilities, veteran status, ancestry, citizenship, HIV or AIDS, sexual orientation, on-the-job-injuries, or the assertion of any other legally enforceable rights. Equal opportunity extends to all aspects of the employment relationship, including hiring, transfers, promotions, training, termination, working conditions, compensation, benefits, and other terms and conditions of employment. Company is likewise committed to ensuring that employees are accurately paid for all hours worked.

**B. Duty to Comply with the Law.** Executive agrees to comply with all federal, state and local laws and regulations, including equal employment opportunity laws and wage and hour laws. Executive agrees to notify immediately Company if Executive becomes aware of a violation of the law, or suspects a violation of the law has or will occur. Executive acknowledges that Executive may be held personally liable for intentional violations.

**C. Duty to Comply with TrueBlue's Code of Conduct.** Executive acknowledges and agrees that it is his duty to be familiar with TrueBlue's Code of Conduct, and to comply with all of its provisions.

#### **V. MISCELLANEOUS.**

**A. Integration.** Except with respect to Company's Non-Competition Agreement as amended herein, the Change in Control Agreement, and Company's Indemnification Agreement, (i) no promises or other communications made by either Company or Executive are intended to be, or are, binding unless they are set forth in this Agreement; and (ii) this Agreement contains the entire agreement between the parties and replaces and supersedes any prior agreements, including Previous Employment Agreement(s). This Agreement may not be modified except by a written instrument signed by an appropriate officer of Company and by Executive. This Agreement will be binding upon Executive's heirs, executors, administrators and other legal representatives.

**B. Choice of Law.** Company and Executive agree that this Agreement and all interpretations of the provisions of this Agreement will be governed by the laws of the State of Washington, without regard to choice of law principles.

**C. No Waiver.** If Company waives any condition or term of this Agreement, Company is not waiving any other condition or term, nor is Company waiving any rights with respect to any future violation of the same condition or term. If Company chooses to refrain from enforcing any condition or term, Company does not intend to waive the right to do so. Sections I(H), I(J), II and III of this Agreement are to remain in effect after termination of the remainder of this Agreement.

**D. Severability.** The provisions of this Agreement are intended to be severable from each other. No provision will be invalid because another provision is ruled invalid or unenforceable. If any provision in this Agreement is held to be unenforceable in any respect, such unenforceability shall not affect any other provision of this Agreement and shall be re-written to provide the maximum effect consistent with the intent of the provision.

**E. Assignment.** Company reserves the right to assign this Agreement to an affiliated company or to any successor in interest to Company's business without notifying Executive. All terms and conditions of this Agreement will remain in effect following any such assignment.

**F. Venue and Consent to Jurisdiction.** Where the parties have mutually waived their right to arbitration in writing or have not yet sought to enforce their right to compel arbitration, or where a temporary and/or preliminary or permanent injunction may be necessary to protect the interests of Company, venue for any legal action in connection with this Agreement will be limited exclusively to the Washington State Superior Court for Pierce County, or the United States District Court for the Western District of Washington at Tacoma, or a proper superior court or United State District Court in the jurisdiction in which Executive last worked, or where Executive is engaged in violating the Agreement. Executive and Company agree that the choice of venue lies solely in the discretion of Company. Executive agrees to submit to the personal jurisdiction of the courts identified herein, and agrees to waive any objection to personal jurisdiction in these courts, including but not limited to any claim that any such suit, action or proceeding has been brought in an inconvenient forum.

**G . Survival.** Notwithstanding any provision of this Agreement to the contrary, the parties' respective rights and obligations under Sections I. G., H. and L., Section II., Section III., and Section V. do and shall survive any termination of the Executive's employment and/or the assignment of this Agreement by Company to any successor in interest or other assignee.

TRUEBLUE, INC.

By:

Name: James E. Defebaugh

Title: Executive Vice President and General Counsel

EXECUTIVE

By:

Steven C. Cooper

Date Executed: November 16, 2009

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## EXHIBIT A

### RELEASE OF CLAIMS

This Release of Claims (“Release”) is hereby executed by Steven C. Cooper (“Executive”) in accordance with the Amended and Restated Employment Agreement between Executive and TrueBlue, Inc. (“Employer”), dated November 16, 2009 (“Employment Agreement”).

#### RECITALS

- A. Employer and Executive are parties to the Employment Agreement.
- B. The Employment Agreement provides for certain payments and benefits to Executive upon termination of Executive’s employment under certain circumstances, provided that Executive signs and delivers to Employer upon such termination a Release in substantially the form of this Release.
- C. Executive desires for Employer to make payments in accordance with the Employment Agreement and therefore executes this Release.

#### TERMS

1. **Waiver, Release and Covenant .** On behalf of Executive and Executive’s marital community, heirs, executors, administrators and assigns, Executive expressly waives, releases, discharges and acquires any and all claims against Employer and its present, former and future affiliates, related entities, predecessors, successors and assigns, and all of their present, former and future officers, directors, stockholders, employees, agents, partners, and members, in their individual and representative capacities (collectively “Released Parties”) that arise from or relate to Executive’s employment with Employer and/or the termination of such employment (“Released Claims”). This waiver and release includes any and all Released Claims (including claims to attorneys’ fees), damages, causes of action or disputes, whether known or unknown, based upon acts or omissions occurring or that could be alleged to have occurred before the execution of this Release. Released Claims include, without limitation, claims for wages, employee benefits, and damages of any kind whatsoever arising out of any: contract, express or implied, including without limitation the Employment Agreement, the employment agreement dated January 9, 2001 and the employment agreement dated March 23, 2005; tort; discrimination; wrongful termination; any federal, state, local or other governmental statute or ordinance, including, without limitation, Title VII of the Civil Rights Act of 1964, as amended; the Age Discrimination in Employment Act, as amended (“ADEA”); the Employee Retirement Income Security Act of 1974; and any other legal limitation on the employment relationship. Executive also covenants and promises never to file, press or join in any complaint or lawsuit for personal relief or any amounts of any nature based on any Released Claim and agrees that any such claim, if filed by Executive, shall be dismissed, except that this covenant and promise does not apply to any claim of Executive challenging the validity of this Release in connection with claims arising under the ADEA and/or the Older Workers’ Benefit Protection Act of 1990

(“OWBPA”). Executive represents and warrants that he is the sole owner of all Released Claims and has not assigned, transferred, or otherwise disposed of Executive’s right or interest in those matters. Notwithstanding the foregoing, this waiver and release does not apply to claims that arise after the date that the release is executed, claims to vested benefits under ERISA, workers’ compensation claims or any other claims that may not be released under this Release in accordance with applicable law.

2. Acknowledgment of Sufficiency of Consideration. Executive acknowledges and agrees that in the absence of Executive’s execution of this Release, Employer is not obligated to provide Executive with the payment and benefits described in Sections I.E.2 and I.E.3, or I.F.2 and I.F.3 of the Employment Agreement, and that the payment and benefits set forth in such sections are adequate consideration for the covenants and release herein.

3. Covenants and Obligations under Employment Agreement. Nothing in this Release supersedes or restricts any obligations that Executive owes to Employer, including, without limitation, the obligation to protect Employer’s interests in confidential information and trade secrets and inventions under the Employment Agreement and/or under applicable law.

4. Review and Revocation Period. Executive has a period of seven (7) calendar days after delivering the executed Release to Employer to revoke the Release. To revoke, Executive must deliver a notice revoking his agreement to this Release to the CEO of Employer. This Release shall become effective on the eighth day after delivery of this executed Release by Executive to Employer (“Effective Date”), provided that Executive has not revoked the Release. Employer shall have no obligation to provide Executive with any payment or benefits as described in Sections I.E.2 and I.E.3, or I.F.2 and I.F.3 of the Employment Agreement if Executive revokes this Release.

5. Governing Law. This Release shall be interpreted in accordance with the law of the State of Washington, without regard to the conflicts of law provisions of such laws.

6. Severability. If any provision of this Release constitutes a violation of any law or is or becomes unenforceable or void, then such provision, to the extent only that it is in violation of law, unenforceable or void, shall be deemed modified to the extent necessary so that it is no longer in violation of law, unenforceable or void, and such provision will be enforced to the fullest extent permitted by law. If such modification is not possible, such provision, to the extent that it is in violation of law, unenforceable or void, shall be deemed severable from the remaining provisions of this Release, which shall remain binding.

7. Knowing and Voluntary Agreement. Executive hereby warrants and represents that (a) Executive has carefully read this Release and finds that it is written in a manner that he understands; (b) Executive knows the contents hereof; (c) Executive has been advised to consult with his personal attorney regarding the Release and its effects and has done so; (d) Executive understands that he is giving up all Released Claims and all damages and disputes that have arisen before the date of this Release, except as provided herein; (e) Executive has had ample time to review and analyze this entire Release; (f) Executive did not rely upon any representation or statement concerning the subject matter of this Release, except as expressly stated in the

Release; (g) Executive has been given at least twenty-one (21) days to consider this Release and seven (7) days to revoke this Release; (h) Executive understands this Release's final and binding effect; and (i) Executive has signed this Release as his free and voluntary act.

8. Arbitration and Venue. Employer and Executive agree that any claim arising out of or relating to this Release, or the breach of this Release shall be submitted to and resolved by binding arbitration under the Federal Arbitration Act. Employer and Executive agree that all claims shall be submitted to arbitration including, but not limited to, claims based on any alleged violation of Title VII or any other federal or state laws; claims of discrimination, harassment, retaliation, wrongful termination, compensation due or violation of civil rights; or any claim based in tort, contract, or equity. Any arbitration between Employer and Executive will be administered by the American Arbitration Association under its Employment Arbitration Rules then in effect. The award entered by the arbitrator will be based solely upon the law governing the claims and defenses pleaded, and will be final and binding in all respects. Judgment on the award may be entered in any court having jurisdiction. In any such arbitration Employer shall be entitled to join or consolidate claims in arbitration or arbitrate any claim as a representative or member of a class. Employer agrees to pay for the arbiter's fees where required by law. In any claim or jurisdiction where this agreement to arbitrate is not enforced, Employer and Executive waive any right either may have to bring or join a class action or representative action, and further waive any right either may have under statute or common law to a jury trial. Where the parties have mutually waived their right to arbitration in writing or have not yet sought to enforce their right to compel arbitration, venue for any legal action in connection with this Release will be limited exclusively to the Washington State Superior Court for Pierce County, or the United States District Court for the Western District of Washington at Tacoma. Executive agrees to submit to the personal jurisdiction of the courts identified herein, and agrees to waive any objection to personal jurisdiction in these courts.

EXECUTED this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.  
  
\_\_\_\_\_  
Steven C. Cooper

**AMENDED AND RESTATED**  
**NON-COMPETITION AGREEMENT**

In consideration of TrueBlue, Inc., or the TrueBlue, Inc. subsidiary, affiliate, related business entity, successor, or assign employing Executive (collectively “TrueBlue” or the “Company”), employing me, compensating me, providing me with benefits, providing me with administrative support; providing me with the benefit of TrueBlue’s research, know how, market strategies and business plans; and specifically in consideration of the additional consideration provided in the First Amendment to the Executive Employment Agreement and the Amended and Restated Executive Employment Agreement effective as of November 16, 2009, which amends the Executive Employment Agreement between the Company and Executive originally effective as of May 17, 2006 (as amended, the “Executive Employment Agreement”), and Change In Control Agreement effective December 31, 2006, sufficiency and receipt of which is hereby acknowledged, and intending to be legally bound, I, Steven C. Cooper (“Executive”), hereby acknowledge that I understand and agree that the provisions hereof are part of and a condition of my employment with TrueBlue, and are effective as of November 16, 2009. Each reference to TrueBlue or the Company shall include each of its direct or indirect subsidiaries and “affiliates” as that term is defined in Rule 12b-2 under the Securities Exchange Act of 1934.

**I. NON-COMPETITION, NON-INTERFERENCE, NON-SOLICITATION, AND CONFIDENTIALITY**

**A. Definitions.**

1. *“Business Area”* means any location in which TrueBlue conducts or plans to conduct business. Executive acknowledges that TrueBlue has operations in all 50 states, the District of Columbia and at least three other countries that TrueBlue plans to continue to expand its operations and presence both domestically and internationally and that as a member of TrueBlue’s senior management, Executive’s services are integral to these operations and expansion plans.
2. *“Candidate”* means, any individual who has applied for and/or accepted placement in a job by TrueBlue with a Client, and (i) about whom Executive obtained information, or (ii) with whom Executive interacted on behalf of TrueBlue.
3. *“Client”* means, any individual, business or other entity to which TrueBlue provided any services, at any time within twenty-four (24) months prior to Executive’s last date of employment with TrueBlue.
4. *“Colleague”* means any TrueBlue employee who has been employed by TrueBlue during the six months prior to the termination of Executive’s employment with TrueBlue.
5. *“Confidential Information”* means, whether original, duplicated, computerized, memorized, handwritten, or in any other form, and all information contained therein, including, without limitation: (a) the ideas, methods, techniques, formats, specifications, procedures, designs, strategies, systems, processes, data and software products which are unique to TrueBlue; (b) all of TrueBlue’s business plans, present, future or potential customers or clients (including

the names, addresses and any other information concerning any customer or client), marketing, marketing strategies, pricing and financial information, research, training, know-how, operations, processes, products, inventions, business practices, databases and information contained therein, its wage rates, margins, mark-ups, finances, banking, books, records, contracts, agreements, principals, vendors, suppliers, contractors, employees, applicants, Candidates, skill sets of applicants, skill sets of Candidates, marketing methods, costs, prices, price structures, methods for calculating and/or determining prices, contractual relationships, business relationships, compensation paid to employees and/or contractors, and/or other terms of employment, employee evaluations, and/or employee skill sets; (c) the content of all of TrueBlue's operations, sales and training manuals; (d) all other information now in existence or later developed which is similar to the foregoing; (e) all information which is marked as confidential or explained to be confidential or which, by its nature, is confidential or otherwise constitutes the intellectual property or proprietary information of TrueBlue; and/or (f) any of TrueBlue's "trade secrets". For the purposes of this Section, all references to, and agreements regarding, Confidential Information or Confidential Information of TrueBlue also apply to Confidential Information belonging to any affiliate of TrueBlue, and to any confidential or proprietary information of third party clients that TrueBlue has an obligation to keep confidential. Executive's covenants in this Section shall protect affiliates and clients of TrueBlue to the same extent that they protect TrueBlue. Confidential Information shall not include any portion of the foregoing which (i) is or becomes generally available to the public in any manner or form through no fault of Executive, or (ii) is approved for Executive's disclosure or use by the express written consent of the Chief Executive Officer of TrueBlue, Inc.

6. "*Conflicting Organization*" means, any person, entity or organization engaged (or about to become engaged) in a business similar to, or that competes with, the business of TrueBlue, including without limitation any person or organization that provides any product, process or service that is similar to or competes with any product, process or service provided by TrueBlue.

#### **B. Confidentiality, Non-Disclosure and Non-Use Obligations.**

1. Executive agrees that all records and Confidential Information obtained by Executive as a result of Executive's employment with TrueBlue, whether original, duplicated, computerized, memorized, handwritten, or in any other form, and all information contained therein, are confidential and the sole and exclusive property of TrueBlue. Executive understands and agrees that the business of TrueBlue and the nature of Executive's employment will require Executive to have access to Confidential Information of and about TrueBlue, its business, its Candidates, and its Clients. During Executive's employment and thereafter, Executive will not use Confidential Information or remove any such records from the offices of TrueBlue except for the sole purpose of conducting business on behalf of TrueBlue. Executive further agrees that during Executive's employment and thereafter, Executive will not divulge or disclose this Confidential Information to any third party and under no circumstances will Executive reveal or permit this information to become known by any competitor of TrueBlue.

2. Executive agrees and acknowledges that all Confidential Information is to be held in confidence and is the sole and exclusive property of TrueBlue and/or its affiliates or clients. Executive recognizes the importance of protecting the confidentiality and secrecy of Confidential Information. Executive agrees to use Executive's best efforts to protect Confidential Information

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from unauthorized disclosure to others. Executive understands that protecting Confidential Information from unauthorized disclosure is critically important to TrueBlue's success and competitive advantage, and that the unauthorized use or disclosure of Confidential Information would greatly damage TrueBlue. Executive recognizes and agrees that taking and using Confidential Information, including trade secrets, by memory is no different from taking it on paper or in some other tangible form, and that all of such conduct is prohibited. Executive agrees that, prior to use or disclosure, Executive will request clarification from TrueBlue's legal department if Executive is at all uncertain as to whether any information or materials are "Confidential Information."

3. During Executive's employment and in perpetuity after the termination of Executive's employment for any or no cause or reason, Executive agrees: (a) not to use (or allow others to wrongfully use) any Confidential Information for the benefit of any person (including, without limitation, Executive's benefit) or entity other than TrueBlue; and (b) not to, except as necessary or appropriate for Executive to perform Executive's job responsibilities, disclose (or allow others to wrongfully disclose) any Confidential Information to others or download or make copies of any Confidential Information without Company's written consent, or remove any such records from the offices of TrueBlue except for the sole purpose of conducting business on behalf of TrueBlue. If at any time Executive ever believes that any person has received or disclosed or intends to receive or disclose Confidential Information without Company's consent, Executive agrees to immediately notify Company.

4. At any time during Executive's employment upon Company's request, and at the end of Executive's employment with Company, even without Company's request, Executive covenants, agrees to, and shall immediately return to TrueBlue, at its headquarters in Tacoma, Washington, all Confidential Information as defined herein, and all other material and records of any kind concerning TrueBlue's business, and all other property of Company that Executive may possess or control.

5. At all times, Executive agrees not to directly or indirectly take, possess, download, allow others to take or possess or download, provide to others, delete or destroy or allow others to delete or destroy, any of TrueBlue's Confidential Information or other property, other than in the normal course of business.

6. Executive agrees that these covenants are necessary to protect Company's Confidential Information, and Company's legitimate business interests (including, without limitation, the confidentiality of TrueBlue's business information and other legitimate interests), in view of Executive's key role with each branch of Company and its affiliates and the extent of confidential and proprietary information about the entire Company and its affiliates and clients to which Executive has information. Company and Executive agree that the provisions of this Section do not impose an undue hardship on Executive and are not injurious to the public; that they are necessary to protect the business of Company and its affiliates and clients; that the nature of Executive's responsibilities with Company under this Agreement and Executive's former responsibilities with Company provide and/or have provided Executive with access to Confidential Information that is valuable and confidential to Company; that Company would not employ or continue to employ Executive if Executive did not agree to the provisions of this Section; that this Section is reasonable in its terms and that consideration supports this Section, including new consideration as set forth in the First Amendment and the Amended and Restated Executive Employment Agreement effective as of November 16, 2009 and the Change In Control Agreement.

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### **C. Duty of Loyalty.**

1. Executive agrees that at all times during Executive's employment with TrueBlue, Executive owes TrueBlue a duty of loyalty and a duty to act in good faith. Executive agrees that during Executive's employment, Executive will not individually, or in combination with any other Executive, individual, or competitor of TrueBlue, violate or breach the terms of this Agreement.
2. Executive agrees to devote all time that is reasonably necessary to execute and complete Executive's duties to Company. During the time necessary to execute Executive's duties, Executive agrees to devote Executive's full and undivided time, energy, knowledge, skill and ability to Company's business, to the exclusion of all other business and sideline interests. Because of the agreement in the preceding sentence, during Executive's employment with Company, Executive also agrees not to be employed or provide any type of services, whether as an advisor, consultant, independent contractor or otherwise in **any** capacity elsewhere unless first authorized, in writing, by a proper representative of Company. In no event will Executive allow other activities to conflict or interfere with Executive's duties to Company. Executive agrees to faithfully and diligently perform all duties to the best of Executive's ability. Executive recognizes that the services to be rendered under this Agreement require certain training, skills and experience, and that this Agreement is entered into for the purpose of obtaining such service for Company. Upon request, Executive agrees to provide Company with any information which Executive possesses and which will be of benefit to Company. Executive agrees to perform Executive's duties in a careful, safe, loyal and prudent manner. Executive agrees to conduct him/herself in a way which will be a credit to TrueBlue's reputation and interests, and to otherwise fulfill all fiduciary and other duties Executive has to Company.

**D. Return of Information, Records, and Materials.** Executive agrees that upon the termination of Executive's employment with TrueBlue or at the request of TrueBlue at any time, Executive will immediately deliver to TrueBlue all TrueBlue property, including without limitation all information, records, materials, and copies thereof in any form whatsoever, that are related in any way to TrueBlue or its business, or which are otherwise referred to in Sections I.A.5 and I.B. above.

Executive acknowledges and agrees that unless otherwise expressly prohibited by law, Company has the complete right to review, inspect and monitor all Company property, including, without limitation, email, voicemail, and computer property of Company, and to review, inspect and monitor Executive's use of the internet or other computer related transmission of information, including, without limitation, the identity and use of USB and other computer related drives. Executive acknowledges that Executive has no expectation of privacy in Company's property, including, without limitation, email, voicemail, and computer property.

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#### **E. Non-Competition Covenant**

1. Executive agrees that during Executive's employment with the Company and for a period of eighteen (18) months (except as provided in Section I.E.3 below) following the termination of Executive's employment for any reason, Executive shall not, directly or indirectly, in any Business Area, engage in, work for, provide services to, own, manage, operate, control or otherwise engage or participate in, or be connected as an owner, partner, principal, creditor, salesman, guarantor, advisor, member of the board of directors of, Executive of, independent contractor of, or consultant to, any Conflicting Organization. The restrictions in this Section I.E.1 include without limitation the solicitation on behalf of a Conflicting Organization of any Client located in any Business Area (e.g., Executive may not on behalf of a Conflicting Organization solicit a Client located within a Business Area by telephoning the Client from a site located outside the Business Area).

2. Notwithstanding the foregoing provisions of Section I.E and the restrictions set forth therein, Executive may own securities in any publicly held corporation that is covered by the restrictions set forth in Section I.E, but only to the extent that Executive does not own, of record or beneficially, more than 5% of the outstanding beneficial ownership of such corporation.

3. Notwithstanding anything in this Agreement to the contrary, within fifteen (15) days after the termination of Executive's employment for any reason, the Company in its sole discretion may elect to extend the non-competition period set forth in Section I.E.1 from eighteen (18) months to twenty-four (24) months by delivering written notice to Executive of the Company's election to extend such period. If the Company elects to extend the non-competition period to twenty-four (24) months and either the Company terminated the Executive's employment without Cause as defined in the Executive Employment Agreement, or the Executive terminated employment with Good Reason as defined in the Executive Employment Agreement, then, provided that the Executive has complied with all conditions precedent to the Executive being entitled to receive any separation payments pursuant to the Executive Employment Agreement, the period during which the Executive is entitled to receive separation payments pursuant to the Executive Employment Agreement will automatically and without further action be extended from eighteen (18) months to twenty-four (24) months.

#### **F. Non-Solicitation/Non-Interference with Executives/Candidates.**

1. Executive acknowledges that TrueBlue has a legitimate protectable interest in maintaining a stable and undisrupted workforce. Executive agrees that during Executive's employment and for a period of twenty-four (24) months following the termination of Executive's employment for any reason, Executive will not, directly or indirectly, on behalf of himself/herself, or on behalf of any other person, entity, or organization, employ, solicit for employment, or otherwise seek to employ or retain any Colleague, or in any way assist or facilitate any such employment, solicitation, or retention effort.

2. Executive agrees that during Executive's employment and for a period of twenty-four (24) months following the termination of Executive's employment for any reason, Executive shall not, directly or indirectly, engage in any conduct intended or reasonably calculated to induce or urge any Colleague to discontinue, in whole or in part, his/her employment relationship with TrueBlue.

3. Executive agrees that during Executive's employment and for a period of twenty-four (24) months following the termination of Executive's employment for any reason, Executive will not directly or indirectly, on behalf of himself/herself, or on behalf of any other person, entity, or organization, initiate contact with any Candidate for the purpose of employing, soliciting for employment, or otherwise seeking to employ or retain any Candidate.

#### **G. Non-Solicitation/Non-Interference with Clients.**

1. During Executive's employment and for a period of twenty-four (24) months following the termination of Executive's employment for any reason, Executive shall not, directly or indirectly, solicit any Client for the purpose of providing temporary and/or permanent staffing services on behalf of a Conflicting Organization. Executive's agreement "not to solicit" as set forth in this Section I.G.1 means that Executive will not, either directly or indirectly, for any reason, initiate any contact or communication with any Client for the purpose of soliciting, inviting, encouraging, recommending or requesting any Client to do business with Executive and/or a Conflicting Organization in connection with the provision of temporary and/or permanent staffing services.

2. During Executive's employment and for a period of twenty-four (24) months following the termination of Executive's employment for any reason, Executive shall not, directly or indirectly, engage in any conduct intended or reasonably calculated to induce or urge any Client to discontinue, in whole or in part, its patronage or business relationship with TrueBlue.

3. During Executive's employment and for a period of twenty-four (24) months following the termination of Executive's employment for any reason, Executive shall not, directly or indirectly, accept any business from, or do any business with, any Client in connection with the provision of temporary and/or permanent staffing services.

#### **H. Representations and Acknowledgments of Executive.**

Executive represents that:

1. Executive is familiar with the covenants not to compete and not to interfere with Clients, Candidates and Executives set forth in Article I of this Agreement;

2. TrueBlue has a legitimate business interest in enforcement of the restrictions contained in Article I, including without limitation, TrueBlue's need to protect the goodwill of TrueBlue, its investment in training of the Executive, the client relationships of TrueBlue, the stability of TrueBlue's workforce, and the confidentiality of TrueBlue's business information and other legitimate interests;

3. Executive is fully aware of Executive's obligations under this Agreement, including, without limitation, the length of time, scope and geographic coverage of these covenants and has had an opportunity to consult an attorney and TrueBlue and Executive agree that the provisions of Article I do not impose an undue hardship on Executive and are not injurious to the public; that they are necessary to protect the business of TrueBlue and its affiliates and clients; that the nature of Executive's responsibilities with TrueBlue under this Agreement and Executive's former responsibilities with TrueBlue provide and/or have provided Executive with access to Confidential Information that is valuable and confidential to TrueBlue; that TrueBlue would not employ or continue to employ Executive if Executive did not agree to the provisions of Article I; that Article I is reasonable in its terms and that consideration supports Article I, including new consideration as set forth in the First and Second Amendments to the Executive Employment Agreement and the Change In Control Agreement;

4. Executive's execution of this agreement, and Executive's employment by TrueBlue, does not violate any agreement that Executive has entered into with a third party, and Executive acknowledges that any inaccuracy in this representation and warranty will constitute grounds for Executive's immediate termination by TrueBlue which will, upon any such termination, have no further obligation to Executive. Executive agrees to indemnify and hold TrueBlue harmless from any and all suits and claims arising out of any breach of any terms and conditions contained in any such agreements entered into by Executive; and

5. Executive understands that the identity of TrueBlue's Clients sometimes may be ascertainable by observation or through publicly available resources. Nonetheless, Executive acknowledges that as a result of Executive's employment with TrueBlue, Executive will be acting as a representative of TrueBlue and will be utilizing TrueBlue's assets, resources and will be benefiting from TrueBlue's goodwill, name recognition, reputation, and experience in regard to these Clients, and Executive will gain Confidential Information about these Clients, and consequently, the covenants set forth above are reasonable and necessary to protect TrueBlue's legitimate business interests.

**I. Injunctive Relief; Further Remedies.** In the event that Executive breaches or threatens to breach, or TrueBlue reasonably believes that Executive is about to breach, any of the covenants of Sections I.B, I.C, I.D, I.E, I.F, or I.G, Executive agrees that TrueBlue will be entitled to injunctive relief as well as an equitable accounting of all earnings, profits and other benefits arising from violation of this Agreement, which rights shall be cumulative and in addition to any other rights or remedies to which TrueBlue may be entitled in law or equity. Executive agrees that TrueBlue will suffer immediate and irreparable harm and that money damages will not be adequate to compensate TrueBlue or to protect and preserve the status quo. Therefore, Executive HEREBY CONSENTS TO THE ISSUANCE OF A TEMPORARY RESTRAINING ORDER, WITH OR WITHOUT NOTICE, AND A PRELIMINARY OR PERMANENT INJUNCTION ordering:

1. that Executive immediately return to TrueBlue all Confidential Information as defined in this Agreement, and any other TrueBlue property described in Section I.B above, in any form whether original, copied, computerized, handwritten, or recreated, and that Executive be permanently enjoined and restrained from using or disclosing all said Confidential Information and records;

2. that, during Executive's employment with TrueBlue and for the greater period of twelve (12) months or twenty-four (24) months if elected by TrueBlue pursuant to Article I.E.3, following the termination of Executive's employment for any reason, Executive be enjoined from engaging in, working for, providing services to, owning, managing, operating, controlling or otherwise engaging or participating in, or being connected as an owner, partner, principal, creditor, salesman, guarantor, advisor, member of the board of directors of, employee of, independent contractor of, or consultant to, any Conflicting Organization and/or any Client within any Business Area;

3. that, during Executive's employment with TrueBlue and for a period of twenty-four (24) months following the termination of Executive's employment for any reason, Executive be enjoined from employing, soliciting for employment, or otherwise seeking to employ, retain, divert or take away any Colleague, or in any other way assisting or facilitating any such employment, solicitation or retention effort; and further that Executive be enjoined from engaging in any conduct intended or reasonably calculated to induce or urge any Colleague to discontinue, in whole or in part, his/her employment relationship with TrueBlue;

4. that, during Executive's employment and for a period of twenty-four (24) months following the termination of Executive's employment for any reason, Executive be enjoined from directly or indirectly, on behalf of himself/herself, or on behalf of any other person, entity, or organization, initiating contact with any Candidate for the purpose of employing, soliciting for employment, or otherwise seeking to employ or retain any Candidate; and

5. that, during Executive's employment with TrueBlue and for a period of twenty-four (24) months following the termination of Executive's employment for any reason, Executive be enjoined from soliciting any Client for the purpose of providing temporary and/or permanent staffing services, including without limitation that Executive be enjoined from initiating any contact or communication with any Client for the purpose of soliciting, inviting, encouraging, recommending or requesting any Client to do business with a Conflicting Organization in connection with the provision of temporary and/or permanent staffing services; and further, that Executive be enjoined from accepting or doing business with any Client in connection with the provision of temporary and/or permanent staffing services; and further that Executive be enjoined from engaging in any conduct intended or reasonably calculated to induce or urge any Client to discontinue, in whole or in part, its patronage or business relationship with TrueBlue.

Executive hereby agrees that the duration of any injunction shall be increased in an amount equal to any period of time during which Executive failed to comply with the covenants contained in this Agreement.

**J. Notice of Agreement to Subsequent Employers, Business Partners, and/or Investors.** Executive agrees that Executive will tell any prospective new employer, business partners, and/or investors, prior to accepting employment or engaging in a business venture that this Agreement exists, and further, Executive agrees to provide a true and correct copy of this Agreement to any prospective employer, business partner and/or investor prior to accepting employment or engaging in any business venture. Executive further authorizes TrueBlue to provide a copy of this Agreement to any new employer, business partner and/or investor.

**K. Severability.** If any section, provision, paragraph, phrase, word, and/or line (collectively "Provision") of this Agreement is held to be unenforceable, then this Agreement will be deemed amended to the extent necessary to render the otherwise unenforceable Provision,

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and the rest of the Agreement, valid and enforceable. If a court declines to amend this Agreement as provided herein, the invalidity or unenforceability of any Provision of this Agreement shall not affect the validity or enforceability of the remaining Provisions, which shall be enforced as if the offending Provision had not been included in this Agreement.

## **II. MISCELLANEOUS PROVISIONS**

**A. Choice of Law.** This Agreement will be governed by, construed, interpreted, and its validity determined, under the law of the State in which Executive last worked for TrueBlue.

**B. Jurisdiction and Venue.** Executive and Company hereby irrevocably and unconditionally submit to the exclusive jurisdiction of the Washington State Superior Court for Pierce County, or the United States District Court for the Western District of Washington at Tacoma, or a proper superior court or United State District Court in the jurisdiction in which Executive last worked, or where Executive is engaged in violating the Agreement. Executive and Company agree that the choice of venue lies solely in the discretion of Company. Executive agrees to submit to the personal jurisdiction of the courts identified herein, and agrees to waive any objection to personal jurisdiction in these courts, including but not limited to any claim that any such suit, action or proceeding has been brought in an inconvenient forum.

**C. Binding Effect and Assignability.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors, assigns, affiliated entities, and any party-in-interest. Executive agrees and understands that, should TrueBlue be acquired by, merge with, or otherwise combine with another corporation or business entity, the surviving entity will have all rights to enforce the terms of this Agreement as if it were TrueBlue itself enforcing the Agreement. Company reserves the right to assign this Agreement to its affiliates, an affiliated company or to any successor in interest to Company's business without notifying Executive, and Executive hereby consents to any such assignment. All terms and conditions of this Agreement will remain in effect following any such assignment. Notwithstanding the foregoing, Executive may not assign this Agreement. This Agreement shall supersede and control in the event of any conflict with the Executive Employment Agreement.

**D. No Waiver of Rights .** A waiver by TrueBlue of the breach of any of the provisions of this Agreement by Executive shall not be deemed a waiver by TrueBlue of any subsequent breach, nor shall recourse to any remedy hereunder be deemed a waiver of any other or further relief or remedy provided for herein. No waiver shall be effective unless made in writing and signed by the Chief Executive Officer of TrueBlue, Inc. This Agreement shall be enforceable regardless of any claim Executive may have against TrueBlue.

**E. Attorneys' Fees.** Executive agrees that if TrueBlue prevails in any suit or proceeding to enforce its rights under this Agreement, Executive will indemnify TrueBlue for all expenses of every nature and character incurred by TrueBlue including, without limitation, all reasonable attorneys' fees, costs and disbursements.

**F. Headings for Convenience Only.** The headings contained in this Agreement are for the convenience of the parties and for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

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**G. Survival.** This Agreement shall survive the termination of Executive's employment, however caused.

**EXECUTIVE ACKNOWLEDGES AND AGREES THAT EXECUTIVE HAS READ AND UNDERSTANDS THIS AGREEMENT, THAT EXECUTIVE HAS BEEN GIVEN AN OPPORTUNITY TO CONSULT WITH LEGAL COUNSEL CONCERNING THE TERMS OF THIS AGREEMENT, AND THAT EXECUTIVE AGREES TO THE TERMS OF THIS AGREEMENT.**

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties hereto have executed this Agreement as of the date first written above.

**TRUEBLUE, INC.**, a Washington corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXECUTIVE:**

By: \_\_\_\_\_  
Name: Steven C. Cooper