

# ARC DOCUMENT SOLUTIONS, INC.

## FORM 8-K (Current report filing)

Filed 02/25/09 for the Period Ending 02/19/09

Address	1981 N. BROADWAY, SUITE 385 WALNUT CREEK, CA 94596
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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): February 19, 2009**

**AMERICAN REPROGRAPHICS COMPANY**

(Exact name of registrant as specified in its charter)

**STATE OF DELAWARE**

(State or other Jurisdiction of  
Incorporation)

**001-32407**

(Commission File Number)

**20-1700361**

(IRS Employer Identification No.)

**1981 N. Broadway, Suite 385, Walnut Creek, California**

(Address of Principal Executive Offices)

**94596**

(Zip Code)

Registrant's telephone number, including area code: **(925) 949-5100**

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

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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### Item 1.01. Entry into a Material Definitive Agreement.

On February 23, 2009, American Reprographics Company (the “Company” or “we”) entered into an indemnification agreement with Dilantha Wijesuriya, the Company’s Senior Vice President — National Operations (the “Indemnification Agreement”). The Indemnification Agreement provides for circumstances under which we will indemnify Mr. Wijesuriya if he becomes involved in litigation arising out of his service to the Company. The benefits provided under Mr. Wijesuriya’s indemnification agreement are in addition to indemnification benefits provided under our bylaws.

The foregoing summary of the Indemnification Agreement is not a complete description of the terms of the Indemnification Agreement and is qualified by reference to the full text of such agreement, which is attached hereto as Exhibit 10.1 and incorporated by reference herein.

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

#### (e) *Compensatory Arrangements of Certain Officers.*

##### *Employment Agreement with Senior Vice President — National Operations*

On February 23, 2009, we entered into an Executive Employment Agreement with Dilantha Wijesuriya (the “Employment Agreement”) in connection with Mr. Wijesuriya’s previously-disclosed appointment as the Company’s Senior Vice President — National Operations. Pursuant to the Employment Agreement, which includes an initial term of three years from the effective date, Mr. Wijesuriya is entitled to receive an annual base salary of \$250,000 and he is eligible to receive an annual incentive bonus of up to \$280,000, in accordance with the terms of the agreement. In addition, the Employment Agreement provides that Mr. Wijesuriya is entitled to receive severance benefits in the event of specified termination events, including payment of twelve months base salary and accelerated vesting of outstanding equity awards.

The foregoing summary of the Employment Agreement is not a complete description of the terms of the Employment Agreement and is qualified by reference to the full text of such agreement, which is attached hereto as Exhibit 10.2 and incorporated by reference herein.

##### *2008 Executive Bonuses*

On February 19, 2009, the Compensation Committee of the Company’s Board of Directors approved annual cash incentive bonuses based upon performance during fiscal year 2008 of the following executive officers of the Company:

<b>Executive Officer:</b>	<b>Cash Incentive Bonus Payments:</b>
Jonathan R. Mather	\$ 240,000
Rahul K. Roy	\$ 324,000
Dilantha Wijesuriya	\$ 285,917

In addition, on February 19, 2009, the Compensation Committee approved the grant to Mr. Wijesuriya, as a component of his annual incentive bonus, of an option to purchase 13,858 shares of the Company’s common stock under the Company’s 2005 Stock Plan, as amended. The Company’s 2005 Stock Plan was filed as Exhibit 10.7 to the Company’s Registration Statement on Form S-1/A (Reg. No. 333-119788), as filed on January 13, 2005. The exercise price of the option is \$6.20, which was the closing market price of the Company’s common stock on the New York Stock Exchange on the date of grant. Assuming Mr. Wijesuriya’s continued employment with the Company, the stock option vests 33 1/3% on each anniversary of the date of grant, and is otherwise subject to the terms of the Company’s standard form of stock option agreement, which was filed as Exhibit 10.8 to the Company’s Registration Statement on Form S-1 (Reg. No. 333-119788), as filed on October 15, 2004.

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**Item 9.01 Financial Statements and Exhibits.**

*(d) Exhibits.*

<u>Exhibit No.</u>	<u>Description</u>
10.1	Indemnification Agreement, dated February 23, 2009, by and between American Reprographics Company and Dilantha Wijesuriya
10.2	Executive Employment Agreement, dated February 23, 2009, by and between American Reprographics Company and Dilantha Wijesuriya

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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.

Dated: February 24, 2009

AMERICAN REPROGRAPHICS COMPANY

By: /s/ Kumarakulasingam Suriyakumar  
Kumarakulasingam Suriyakumar  
Chief Executive Officer and President

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## EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
10.1	Indemnification Agreement, dated February 23, 2009, by and between American Reprographics Company and Dilantha Wijesuriya
10.2	Executive Employment Agreement, dated February 23, 2009, by and between American Reprographics Company and Dilantha Wijesuriya

**INDEMNIFICATION AGREEMENT**

This Indemnification Agreement (the “Agreement”) on February 23, 2009, effective as of August 7, 2008, by and between American Reprographics Company, a Delaware corporation (the “Company”), and Dilantha Wijesuriya (the “Indemnitee”).

**RECITALS**

The Company and Indemnitee recognize the increasing difficulty in obtaining liability insurance for directors, officers and key employees, the significant increases in the cost of such insurance and the general reductions in the coverage of such insurance. The Company and Indemnitee further recognize the substantial increase in corporate litigation in general, subjecting directors, officers and key employees to expensive litigation risks at the same time as the availability and coverage of liability insurance has been severely limited. Indemnitee does not regard the current protection available as adequate under the present circumstances, and Indemnitee and agents of the Company may not be willing to continue to serve as agents of the Company without additional protection. The Company desires to attract and retain the services of highly qualified individuals, such as Indemnitee, and to indemnify its directors, officers and key employees so as to provide them with the maximum protection permitted by law.

**AGREEMENT**

In consideration of the mutual promises made in this Agreement, and for other good and valuable consideration, receipt of which is hereby acknowledged, the Company and Indemnitee hereby agree as follows:

**1. Indemnification .**

(a) **Third Party Proceedings**. The Company shall indemnify Indemnitee if Indemnitee is or was a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Company) by reason of the fact that Indemnitee is or was a director, officer, employee or agent of the Company, or any subsidiary of the Company, by reason of any action or inaction on the part of Indemnitee while an officer or director or by reason of the fact that Indemnitee is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys’ fees), judgments, fines and amounts paid in settlement (if such settlement is approved in advance by the Company, which approval shall not be unreasonably withheld) actually and reasonably incurred by Indemnitee in connection with such action, suit or proceeding if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe Indemnitee’s conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, or, with respect to any criminal action or proceeding, that Indemnitee had reasonable cause to believe that Indemnitee’s conduct was unlawful.

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**(b) Proceedings By or in the Right of the Company.** The Company shall indemnify Indemnitee if Indemnitee was or is a party or is threatened to be made a party to any threatened, pending or completed action or proceeding by or in the right of the Company or any subsidiary of the Company to procure a judgment in its favor by reason of the fact that Indemnitee is or was a director, officer, employee or agent of the Company, or any subsidiary of the Company, by reason of any action or inaction on the part of Indemnitee while an officer or director or by reason of the fact that Indemnitee is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) and, to the fullest extent permitted by law, amounts paid in settlement (if such settlement is approved in advance by the Company, which approval shall not be unreasonably withheld), in each case to the extent actually and reasonably incurred by Indemnitee in connection with the defense or settlement of such action or suit if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company and its stockholders, except that no indemnification shall be made in respect of any claim, issue or matter as to which Indemnitee shall have been finally adjudicated by court order or judgment to be liable to the Company in the performance of Indemnitee's duty to the Company and its stockholders unless and only to the extent that the court in which such action or proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

**(c) Mandatory Payment of Expenses.** To the extent that Indemnitee has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1(a) or Section 1(b) or the defense of any claim, issue or matter therein, Indemnitee shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by Indemnitee in connection therewith.

**2. No Employment Rights.** Nothing contained in this Agreement is intended to create in Indemnitee any right to continued employment.

**3. Expenses; Indemnification Procedure .**

**(a) Advancement of Expenses.** The Company shall advance all expenses incurred by Indemnitee in connection with the investigation, defense, settlement or appeal of any civil or criminal action, suit or proceeding referred to in Section 1(a) or Section 1(b) hereof (including amounts actually paid in settlement of any such action, suit or proceeding). Indemnitee hereby undertakes to repay such amounts advanced only if, and to the extent that, it shall ultimately be determined that Indemnitee is not entitled to be indemnified by the Company as authorized hereby.

**(b) Notice/Cooperation by Indemnitee.** Indemnitee shall, as a condition precedent to his or her right to be indemnified under this Agreement, give the Company notice in writing as soon as practicable of any claim made against Indemnitee for which indemnification will or could be sought under this Agreement. Notice to the Company shall be directed to the Chief Executive Officer of the Company and shall be given in accordance with the provisions of Section 12(d) below. In addition, Indemnitee shall give the Company such information and cooperation as it may reasonably require and as shall be within Indemnitee's power.

(c) **Procedure**. Any indemnification and advances provided for in Section 1 and this Section 3 shall be made no later than twenty (20) days after receipt of the written request of Indemnitee. If a claim under this Agreement, under any statute, or under any provision of the Company's Certificate of Incorporation or Bylaws providing for indemnification, is not paid in full by the Company within twenty (20) days after a written request for payment thereof has first been received by the Company, Indemnitee may, but need not, at any time thereafter bring an action against the Company to recover the unpaid amount of the claim and, subject to Section 11 of this Agreement, Indemnitee shall also be entitled to be paid for the expenses (including attorneys' fees) of bringing such action. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in connection with any action, suit or proceeding in advance of its final disposition) that Indemnitee has not met the standards of conduct which make it permissible under applicable law for the Company to indemnify Indemnitee for the amount claimed, but the burden of proving such defense shall be on the Company and Indemnitee shall be entitled to receive interim payments of expenses pursuant to Section 3(a) unless and until such defense may be finally adjudicated by court order or judgment from which no further right of appeal exists. It is the parties' intention that if the Company contests Indemnitee's right to indemnification, the question of Indemnitee's right to indemnification shall be for the court to decide, and neither the failure of the Company (including its Board of Directors, any committee or subgroup of the Board of Directors, independent legal counsel, or its stockholders) to have made a determination that indemnification of Indemnitee is proper in the circumstances because Indemnitee has met the applicable standard of conduct required by applicable law, nor an actual determination by the Company (including its Board of Directors, any committee or subgroup of the Board of Directors, independent legal counsel, or its stockholders) that Indemnitee has not met such applicable standard of conduct, shall create a presumption that Indemnitee has or has not met the applicable standard of conduct.

(d) **Notice to Insurers**. If, at the time of the receipt of a notice of a claim pursuant to Section 3(b) hereof, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

(e) **Selection of Counsel**. In the event the Company shall be obligated under Section 3(a) hereof to pay the expenses of any proceeding against Indemnitee, the Company, if appropriate, shall be entitled to assume the defense of such proceeding, with counsel approved by Indemnitee, upon the delivery to Indemnitee of written notice of its election so to do. After delivery of such notice, approval of such counsel by Indemnitee and the retention of such counsel by the Company, the Company will not be liable to Indemnitee under this Agreement for any fees of counsel subsequently incurred by Indemnitee with respect to the same proceeding, provided that (i) Indemnitee shall have the right to employ counsel in any such proceeding at Indemnitee's expense; and (ii) if (A) the employment of counsel by Indemnitee has been previously authorized by the Company, (B) Indemnitee shall have reasonably concluded that there may be a conflict of interest between the Company and Indemnitee in the conduct of any such defense or (C) the Company shall not, in fact, have employed counsel to assume the defense of such proceeding, then the fees and expenses of Indemnitee's counsel shall be at the expense of the Company.

#### **4. Additional Indemnification Rights; Nonexclusivity.**

(a) **Scope.** Notwithstanding any other provision of this Agreement, the Company hereby agrees to indemnify the Indemnitee to the fullest extent permitted by law, notwithstanding that such indemnification is not specifically authorized by the other provisions of this Agreement, the Company's Certificate of Incorporation, the Company's Bylaws or by statute. In the event of any change, after the date of this Agreement, in any applicable law, statute, or rule which expands the right of a Delaware corporation to indemnify a member of its board of directors or an officer, such changes shall be deemed to be within the purview of Indemnitee's rights and the Company's obligations under this Agreement. In the event of any change in any applicable law, statute or rule which narrows the right of a Delaware corporation to indemnify a member of its board of directors or an officer, such changes, to the extent not otherwise required by such law, statute or rule to be applied to this Agreement shall have no effect on this Agreement or the parties' rights and obligations hereunder.

(b) **Nonexclusivity.** The indemnification provided by this Agreement shall not be deemed exclusive of any rights to which Indemnitee may be entitled under the Company's Certificate of Incorporation, its Bylaws, any agreement, any vote of stockholders or disinterested members of the Company's Board of Directors, the General Corporation Law of the State of Delaware, or otherwise, both as to action in Indemnitee's official capacity and as to action in another capacity while holding such office. The indemnification provided under this Agreement shall continue as to Indemnitee for any action taken or not taken while serving in an indemnified capacity even though he or she may have ceased to serve in any such capacity at the time of any action, suit or other covered proceeding.

**5. Partial Indemnification.** If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the expenses, judgments, fines or penalties actually or reasonably incurred in the investigation, defense, appeal or settlement of any civil or criminal action, suit or proceeding, but not, however, for the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion of such expenses, judgments, fines or penalties to which Indemnitee is entitled.

**6. Mutual Acknowledgment.** Both the Company and Indemnitee acknowledge that in certain instances, Federal law or public policy may override applicable state law and prohibit the Company from indemnifying its directors and officers under this Agreement or otherwise. For example, the Company and Indemnitee acknowledge that the Securities and Exchange Commission (the "SEC") has taken the position that indemnification is not permissible for liabilities arising under certain federal securities laws, and federal legislation prohibits indemnification for certain ERISA violations. Indemnitee understands and acknowledges that the Company has undertaken or may be required in the future to undertake with the SEC to submit the question of indemnification to a court in certain circumstances for a determination of the Company's right under public policy to indemnify Indemnitee.

**7. Officer and Director Liability Insurance.** The Company shall, from time to time, make the good faith determination whether or not it is practicable for the Company to obtain and maintain a policy or policies of insurance with reputable insurance companies providing the officers and directors of the Company with coverage for losses from wrongful acts, or to ensure the Company's performance of its indemnification obligations under this Agreement. Among other considerations, the Company will weigh the costs of obtaining such insurance coverage against the protection afforded by such coverage. In all policies of director and officer liability insurance, Indemnitee shall be named as an insured in such a manner as to provide Indemnitee the same rights and benefits as are accorded to the most favorably insured of the Company's directors, if Indemnitee is a director; or of the Company's officers, if Indemnitee is not a director of the Company but is an officer; or of the Company's key employees, if Indemnitee is not an officer or director but is a key employee. Notwithstanding the foregoing, the Company shall have no obligation to obtain or maintain such insurance if the Company determines in good faith that such insurance is not reasonably available, if the premium costs for such insurance are disproportionate to the amount of coverage provided, if the coverage provided by such insurance is limited by exclusions so as to provide an insufficient benefit, or if Indemnitee is covered by similar insurance maintained by a parent or subsidiary of the Company.

**8. Severability.** Nothing in this Agreement is intended to require or shall be construed as requiring the Company to do or fail to do any act in violation of applicable law. The Company's inability, pursuant to court order, to perform its obligations under this Agreement shall not constitute a breach of this Agreement. The provisions of this Agreement shall be severable as provided in this Section 8. If this Agreement or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify Indemnitee to the full extent permitted by any applicable portion of this Agreement that shall not have been invalidated, and the balance of this Agreement not so invalidated shall be enforceable in accordance with its terms.

**9. Exceptions.** Any other provision herein to the contrary notwithstanding, the Company shall not be obligated pursuant to the terms of this Agreement:

(a) **Claims Initiated by Indemnitee.** To indemnify or advance expenses to Indemnitee with respect to proceedings or claims initiated or brought voluntarily by Indemnitee and not by way of defense, except with respect to proceedings brought to establish or enforce a right to indemnification under this Agreement or any other statute or law or otherwise as required under Section 145 of the Delaware General Corporation Law, but such indemnification or advancement of expenses may be provided by the Company in specific cases if the Board of Directors finds it to be appropriate;

(b) **Lack of Good Faith.** To indemnify Indemnitee for any expenses incurred by Indemnitee with respect to any proceeding instituted by Indemnitee to enforce or interpret this Agreement, if a court of competent jurisdiction determines that each of the material assertions made by Indemnitee in such proceeding was not made in good faith or was frivolous;

(c) **Insured Claims**. To indemnify Indemnitee for expenses or liabilities of any type whatsoever (including, but not limited to, judgments, fines, ERISA excise taxes or penalties, and amounts paid in settlement) to the extent such expenses or liabilities have been paid directly to Indemnitee by an insurance carrier under a policy of officers' and directors' liability insurance maintained by the Company; or

(d) **Claims under Section 16(b)**. To indemnify Indemnitee for expenses or the payment of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 16(b) of the Securities Exchange Act of 1934, as amended, or any similar successor statute.

#### **10. Construction of Certain Phrases.**

(a) For purposes of this Agreement, references to the "Company" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that if Indemnitee is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, Indemnitee shall stand in the same position under the provisions of this Agreement with respect to the resulting or surviving corporation as Indemnitee would have with respect to such constituent corporation if its separate existence had continued.

(b) For purposes of this Agreement, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on Indemnitee with respect to an employee benefit plan; and references to "serving at the request of the Company" shall include any service as a director, officer, employee or agent of the Company which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants, or beneficiaries; and if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan, Indemnitee shall be deemed to have acted in a manner "not opposed to the best interests of the Company" as referred to in this Agreement.

**11. Attorneys' Fees**. In the event that any action is instituted by Indemnitee under this Agreement to enforce or interpret any of the terms hereof, Indemnitee shall be entitled to be paid all court costs and expenses, including reasonable attorneys' fees, incurred by Indemnitee with respect to such action, unless as a part of such action, the court of competent jurisdiction determines that each of the material assertions made by Indemnitee as a basis for such action were not made in good faith or were frivolous. In the event of an action instituted by or in the name of the Company under this Agreement or to enforce or interpret any of the terms of this Agreement, Indemnitee shall be entitled to be paid all court costs and expenses, including attorneys' fees, incurred by Indemnitee in defense of such action (including with respect to Indemnitee's counterclaims and cross-claims made in such action), unless as a part of such action the court determines that each of Indemnitee's material defenses to such action were made in bad faith or were frivolous.

## 12. Miscellaneous

(a) **Governing Law**. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflict of law.

(b) **Entire Agreement; Enforcement of Rights**. This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and merges all prior discussions between them. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

(c) **Construction**. This Agreement is the result of negotiations between and has been reviewed by each of the parties hereto and their respective counsel, if any; accordingly, this Agreement shall be deemed to be the product of all of the parties hereto, and no ambiguity shall be construed in favor of or against any one of the parties hereto.

(d) **Notices**. Any notice, demand or request required or permitted to be given under this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by telegram or fax, or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the party to be notified at such party's address as set forth below or as subsequently modified by written notice.

(e) **Counterparts**. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(f) **Successors and Assigns**. This Agreement shall be binding upon the Company and its successors and assigns, and inure to the benefit of Indemnitee and Indemnitee's heirs, legal representatives and assigns.

(g) **Subrogation**. In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all documents required and shall do all acts that may be necessary to secure such rights and to enable the Company to effectively bring suit to enforce such rights.

[Signature Page Follows]

The parties hereto have executed this Agreement as of the day and year set forth on the first page of this Agreement.

**AMERICAN REPROGRAPHICS COMPANY**  
a Delaware corporation

By: /s/ Kumarakulasingam Suriyakumar  
Name: Kumarakulasingam Suriyakumar  
Title: Chief Executive Officer, President and  
Chairman of the Board

Address: 1981 N. Broadway, Suite 385  
Walnut Creek, CA 94596

AGREED TO AND ACCEPTED :

/s/ Dilantha Wijesuriya  
Dilantha Wijesuriya

Address: 1132 Flowerwood Place  
Walnut Creek, CA 94598, USA

**EXECUTIVE EMPLOYMENT AGREEMENT**

This Executive Employment Agreement (the "Agreement") is entered into by and between **American Reprographics Company**, a Delaware corporation ("ARC") as the employer; and **Dilantha Wijesuriya**, a resident of California, an individual ("Executive"), as the employee, on February 23, 2009, effective as of August 7, 2008 ("Effective Date"). ARC and Executive may be referred to collectively in this Agreement as the "Parties" and individually as a "Party."

**RECITALS**

ARC has agreed to employ Executive and Executive has agreed to accept such employment, subject to the terms and conditions set forth herein.

Now, therefore, in consideration of the promises, covenants and agreements set forth in this Agreement, the Parties agree as follows:

**1. Position and Duties**

(a) ARC hereby employs Executive as its Senior Vice President National Operations, and Executive agrees to serve ARC in such capacity, upon the terms and conditions set forth herein.

(b) Executive shall report to ARC's Chief Executive Officer ("CEO"). Executive's primary responsibilities shall be: (i) to manage ARC's operations effectively and efficiently and to implement ARC's initiatives to facilitate continuous performance improvement across all ARC activities, (ii) to expand ARC's business in the United States and overseas, and (iii) to oversee technology development and licensing programs. Executive, in his capacity as Senior Vice President National Operations, shall also perform such other duties and have such other powers as the Board of Directors or ARC's CEO shall designate from time to time. Executive shall have the authority generally incident and necessary to perform such duties.

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(c) During the term of this Agreement, Executive will devote all of his employment time and attention to the affairs of ARC and use his best efforts to promote the business and interests of ARC. Executive owes a fiduciary duty of loyalty, fidelity and allegiance to act at all times in the best interests of ARC, and not to do any act which would injure the business, interests, or reputation of ARC or any of its subsidiaries or affiliates.

## **2. Term**

The term of this Agreement and of Executive's employment hereunder shall commence on the Effective Date hereof and continue until the third (3rd) anniversary of the Effective Date unless otherwise terminated in accordance with the provisions hereof; provided, however, that this Agreement will automatically be extended on a year-to-year basis on the terms and conditions set forth herein, including the bonus provisions of Section 3(b), unless either party gives written notice to the other at least one hundred twenty (120) days prior to the expiration of the term of this Agreement, which includes any extensions, that this Agreement shall terminate at the end of such term, or extension thereof.

## **3. Direct Compensation**

In consideration of the services to be provided by Executive, Executive shall receive compensation, less all applicable taxes, social security payments and other items that ARC is required by law to withhold or deduct therefrom, as follows:

(a) **Base Salary**. Executive's annual Base Salary shall be \$250,000, paid in installments in accordance with ARC's customary payroll procedures.

(b) **Incentive Bonus** . During the term of this Agreement, Executive will be eligible to receive an annual Incentive Bonus (“Incentive Bonus”) of up to \$280,000 per fiscal year under performance criteria to be established by ARC’s CEO in consultation with Executive. The value of the Incentive Bonus will be paid in the form of cash and stock options, as follows: (i) 90% of the value of the Incentive Bonus will be paid in cash no later the 60th day after the close of each fiscal year; and, (ii) the remaining value of the Incentive Bonus will be paid in the form of a stock option award to Executive under ARC’s 2005 Stock Plan, with a grant date occurring on the last day of the February after the close of each fiscal year; the option will cover a number of shares of ARC common stock so that the option’s value, as calculated under the Black-Scholes valuation formula or other generally accepted reasonable valuation formula as determined by ARC, is equal to 10% of the value of the Incentive Bonus and the option will vest over three years. As a condition to receiving the stock option award, Executive must deposit with ARC on or before the date the award’s issuance cash in the amount, if any, by which the total of employee withholding taxes required to be withheld with respect to the entire Incentive Bonus exceeds the cash portion of the Incentive Bonus available for withholding. To be eligible to receive a bonus, Executive must have been employed by ARC during the entire fiscal year to which such Incentive Bonus relates.

(c) **Additional Bonuses** . ARC may from time to time, in its absolute discretion, establish additional bonus programs for Executive.

#### **4. General Benefits**

During the term of this Agreement, Executive shall be entitled to other benefits provided by ARC to its senior executives from time to time, including but not limited to, 401(k) and other retirement plans, deferred compensation, paid holidays, sick leave and other similar benefits. Executive shall be entitled to four (4) weeks paid vacation each calendar year accrued and vested in accordance with ARC’s vacation policy applicable to senior management. During the term of this Agreement, Executive shall receive an automobile allowance in the sum of \$15,000 per year.

## **5. Stock Plans**

In the sole discretion of the Board of Directors of ARC, Executive shall be eligible to participate in stock option, stock purchase, stock bonus and similar plans of ARC (“Stock Plans”) established from time to time by ARC.

## **6. Group Insurance or Benefit Plans**

During the term of this Agreement, Executive shall be automatically covered by ARC group insurance programs (including any self-insured programs sponsored by ARC), including medical, dental, vision, disability, and life, if any. Executive’s spouse and children who are eligible for coverage may join the insurance programs, subject to ARC’s policies and applicable laws. The premiums for all insurance programs for Executive and Executive’s spouse and eligible children shall be paid by ARC.

## **7. Reimbursement of Business Related Expenses**

Executive shall be entitled to receive prompt reimbursement for reasonable expenses incurred by him in performing services hereunder during the term of this Agreement in accordance with the policies and procedures then in effect and established by ARC for its employees. Executive shall also be entitled to reimbursement of Executive membership dues and related ongoing costs of appropriate professional organizations which are approved by ARC’s CEO.

## **8. Obligations and Restrictive Covenants**

(a) **Obligations** . During the term of this Agreement, Executive shall not engage in any other employment, occupation or consulting activity for any direct or indirect remuneration. This obligation shall not preclude Executive from: (i) serving in any volunteer capacity with any professional, community, industry, civic, educational or charitable organization; (ii) serving as a member of corporate boards of directors, provided that ARC’s CEO has given written consent, and these activities or services do not materially interfere or conflict with Executive’s responsibilities or ability to perform his duties under this Agreement; or (iii) engaging in personal investment activities for himself and his family which do not interfere with the performance of his duties and obligations hereunder.

(b) **Non-Competition; Non-Solicitation**. The Parties hereto recognize that Executive's services are unique and the restrictive covenants set forth in this Section 8 are essential to protect the business (including trade secret and other confidential information disclosed by ARC to, learned by, or developed by, Executive during the course of employment by ARC) and the goodwill of ARC. For purposes of this Section 8, all references to "ARC" shall include ARC's predecessors, subsidiaries and affiliates. As part of the consideration for the compensation and benefits to be paid to Executive hereunder, during the term of this Agreement Executive shall not:

(i) Engage in any business similar or related to or competitive with the business conducted by ARC described from time to time in ARC's Annual Report on Form 10-K to its shareholders and Board of Directors (the "Core Business of ARC");

(ii) Render advice or services to, or otherwise assist, any other person, association, corporation, or other entity that is engaged, directly or indirectly, in any business similar or related to, or competitive with, the Core Business of ARC;

(iii) Transact any business in any manner with or pertaining to suppliers or customers of ARC which, in any manner, would have, or is likely to have, an adverse effect upon the Core Business of ARC; or

(iv) Induce any employee of ARC to terminate his or her employment with ARC, or hire or assist in the hiring of any such employee by any person or entity not affiliated with ARC.

For purposes of this Agreement, “affiliate” shall mean any entity which owns or controls, is owned or controlled by, or is under common ownership or control, with ARC.

## **9. Confidentiality**

Executive acknowledges that it is the policy of ARC to maintain as secret and confidential all valuable and unique information heretofore or hereafter acquired, developed or used by ARC relating to the business, operations, employees and customers of ARC, which information gives ARC a competitive advantage in the industry, and which information includes technical knowledge, know-how or trade secrets and information concerning operations, sales, personnel, suppliers, customers, costs, profits, markets, pricing policies, and other confidential information and materials (the “Confidential Information”).

(a) **Non-Disclosure** . Executive recognizes that the services to be performed by Executive are special and unique, and that by reason of his duties he will be given, acquire or learn Confidential Information. Executive recognizes that all such Confidential Information is the sole and exclusive property of ARC. Executive shall not, either during or after his employment by ARC, disclose the Confidential Information to anyone outside ARC or use the Confidential Information for any purpose whatsoever, other than for the performance of his duties hereunder, except as authorized by ARC in connection with performance of such duties.

(b) **Return of Confidential Information** . Executive shall deliver promptly upon termination of employment with ARC, or at any time requested by ARC, all memos, notes, records, reports, manuals, drawings, and any other documents, whether in electronic form or otherwise, containing any Confidential Information, including without limitation all copies of such materials in any format which Executive may then possess or have under his control.

(c) **Ownership of Inventions; Assignment of Rights**. Executive agrees that all information, inventions, intellectual property, trade secrets, copyrights, trademarks, content, know-how, documents, reports, plans, proposals, marketing and sales plans, client lists, client files and materials made by him or by ARC (the "Work Product") are the property of ARC and shall not be used by him in any way adverse to the interests of ARC. Executive assigns to ARC any and all rights of every nature which Executive may have in any such Work Product; provided, however, that such assignment does not apply to any right which qualifies fully under California Labor Code Section 2870. This section shall survive any termination of this Agreement and the employment relationship between Executive and ARC. Executive shall not deliver, reproduce or in any way allow such documents or things to be delivered or used by any third party without specific direction or consent of the Board of Directors. Likewise, Executive shall not disclose to ARC, use in ARC's business, or cause ARC to use, any information or material that is a trade secret of others.

(d) **Predecessors, Subsidiaries and Affiliates**. For purposes of this Section 9, references to ARC include its predecessors, subsidiaries and affiliates.

## **10. Termination**

Notwithstanding any other term or provision contained in this Agreement, this Agreement and the employment hereunder will terminate prior to the expiration of the term of this Agreement under the following circumstances:

(a) **Death**. Upon Executive's death.

(b) **Disability**. Upon Executive becoming "Permanently Disabled", which, for purposes of this Agreement, shall mean Executive's incapacity due to physical or mental illness or cause, which, in the written opinion of Executive's regular licensed physician, results in the Executive being unable to perform his duties on a full-time basis for six (6) months during a period of twelve (12) months.

(c) **Termination by ARC for Cause.** Upon written notice to Executive, ARC may terminate this Agreement for “Cause,” which, for purposes of this Agreement, shall mean termination by ARC in its reasonable discretion because of Executive’s:

(i) willful refusal without proper cause to perform (other than by reason of physical or mental disability or death) the duties set forth in this Agreement or delegated from time to time in writing by the Board of Directors or ARC’s CEO, which remains uncorrected for thirty (30) days following written notice to Executive by ARC’s CEO; or

(ii) gross negligence, self dealing or willful misconduct of Executive in connection with the performance of his duties hereunder, including, without limitation, misappropriation of funds or property of ARC or its affiliates, securing or attempting to secure personally any profit in connection with any transaction entered into on behalf of ARC or its affiliates, or any willful act or gross negligence having the effect of injuring the reputation, business or business relationships of ARC or its affiliates; or

(iii) fraud, dishonesty or misappropriation of ARC business and assets that harms the business of ARC or its affiliates; or

(iv) habitual insobriety, abuse of alcohol, abuse of prescription drugs, or use of illegal drugs; or

(v) engaging in any criminal activity involving moral turpitude; or

(vi) indictment or being held for trial in connection with a misdemeanor involving moral turpitude or any felony; or

(vii) conviction of a felony or entry into a guilty plea that negatively reflects on Executive’s fitness to perform the duties or harms the reputation or business of ARC or its affiliates; or

(viii) any material breach of any covenants under this Agreement or other material policy of ARC, other than under clauses (i) through (vii) of this Section 10(c), which remains uncorrected for thirty (30) days following written notice to Executive by ARC’s CEO.

(d) **Termination by ARC without Cause**. Upon written notice to Executive, ARC may terminate this Agreement at any time without any Cause or reason whatsoever.

(e) **Termination by Executive with Good Reason**. Upon written notice to ARC of any of the following “Good Reasons,” and the failure of ARC to correct the reduction, change or breach within thirty (30) days after receipt of such notice, Executive may terminate this Agreement after the occurrence of:

(i) a material change by ARC in the nature of Executive’s title, duties, authorities and responsibilities set forth in this Agreement without Executive’s express consent; or

(ii) a reduction in Executive’s compensation as established under this Agreement, other than as expressly permitted in this Agreement, without Executive’s express consent; or

(iii) a change in the officers (other than a change in the persons who occupy such positions) to whom Executive reports without Executive’s express consent; or

(iv) a material breach by ARC of any material sections of this Agreement, other than as set forth in clauses (i) through (iii) of this Section 10(e); or

(v) a Change of Control, as defined in Section 10(g), as a result of which Executive is not offered the same or comparable position in the surviving company, or is offered such position but within twelve (12) months after Executive accepts such position, Executive’s employment is terminated either without Cause or for a Good Reason described in subsections (i), (ii), (iii) of this Section 10(e) or in subsection (iv) as to the employment agreement then applicable to Executive.

(f) **Termination by Executive without Good Reason** . Upon forty-five (45) days prior written notice to ARC, Executive may terminate this Agreement and resign from Executive's employment hereunder without any Good Reason.

(g) **Change of Control** .

(i) For purposes of this Agreement, "Change of Control" shall mean:

(A) ARC merges or consolidates with any other corporation (other than one of ARC's affiliates), as a result of which ARC is not the surviving company, or the shares of ARC voting stock outstanding immediately after such transaction do not constitute, become exchanged for or converted into, more than fifty percent (50%) of the Voting Shares of the merged or consolidated company (as defined below);

(B) ARC sells or otherwise transfers or disposes of all or substantially all of its assets;

(C) Any third person or entity shall become the Beneficial Owner, as defined by Rule 13(d)-3 under the Securities Exchange Act of 1934, in one transaction or a series of related transactions within any twelve (12) month period, of at least fifty percent (50%) of the Voting Shares of ARC's then outstanding voting securities.

(ii) For purposes of this Agreement, "Voting Shares" shall mean the combined voting securities entitled to vote in the election of directors of a corporation, including ARC, or the merged, consolidated or surviving company, if other than ARC.

(h) **Expiration** . For purposes of this Agreement, the expiration of this Agreement at the end of its term, including any extensions, does not constitute a termination.

## **11. Severance Benefits**

(a) **Basic Benefits**. Upon expiration or termination of this Agreement for any reason, and subject to the provisions of Section 11(e), Executive will be entitled to: (i) payment for all Base Salary and unused vacation accrued and prorated, but unpaid, as of the effective date of termination, (ii) payment, when due, of any earned but unpaid Incentive Bonus for the preceding fiscal year, (iii) any unreimbursed business expenses authorized by this Agreement, provided that such reimbursement will be paid to Executive no later than 30 days after the effective date of termination, (iv) continuation of any benefits under Section 6 as required by applicable law (e.g., COBRA), and (v) such rights as then exist with respect to then vested stock options, restricted stock or other rights under similar plans.

(b) **Termination by ARC for Cause or by Executive without Good Reason**. If this Agreement and Executive's employment hereunder is terminated by ARC for Cause pursuant to Section 10(c), or by Executive without Good Reason pursuant to Section 10(f), Executive shall not be entitled to any additional payments or benefits hereunder.

(c) **Termination by ARC without Cause; Termination by Executive with Good Reason**. If this Agreement and Executive's employment hereunder is terminated by ARC without Cause pursuant to Section 10(d), or by Executive for Good Reason as defined in Section 10(e), subject to Executive's compliance with the provisions of Section 14 below, Executive shall receive the following additional payments or benefits:

(i) Executive's Base Salary for twelve (12) months following the effective date of such termination, paid as and when due as if this Agreement had not been terminated;

(ii) Continuation of coverage and premium payments by ARC under ARC's group insurance programs for Executive and his eligible family members under Section 6 for the period during which Base Salary is paid under Section 11(c) (i) above; and

(iii) all unvested stock options, restricted stock or similar rights granted to Executive shall accelerate and become vested and exercisable immediately as of the effective date of termination.

(d) **Termination because of Death or Disability of Executive** . If this Agreement and Executive's employment hereunder is terminated under Sections 10(a) or (b) by reason of Executive's death or by reason of being Permanently Disabled, Executive or his family shall be entitled to continuation of coverage and premium payments by ARC under ARC's group insurance programs for Executive and his eligible family members under Section 6 for a period of twelve (12) months after the termination of employment.

(e) **Parachute Payments** . In the event that the severance, acceleration of stock options and other benefits provided for in this Agreement or otherwise payable to Executive (i) constitute "parachute payments" within the meaning of Section 280G (as it may be amended or replaced) of the Internal Revenue Code of 1986, as amended or replaced (the "Code"), and (ii) but for this Section 11(e), would be subject to the excise tax imposed by Section 4999 (as it may be amended or replaced) of the Code (the "Excise Tax"), then Executive's benefits hereunder shall be either:

(i) provided to Executive in full; or

(ii) provided to Executive only as to such lesser extent which would result in no portion of such benefits being subject to the Excise Tax, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the Excise Tax, results in the receipt by Executive on an after-tax basis, of the greatest amount of benefits, notwithstanding that all or some portion of such benefits may be taxable under the Excise Tax. Unless ARC and Executive otherwise agree in writing, any determination required under this Section 11(e) shall be made in writing in good faith by ARC's independent public accountants (the "Accountants"). In the event of a reduction in benefits hereunder, Executive shall be given the choice of which benefits to reduce. For purposes of making the calculations required by this Section 11(e), the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of the Code. ARC and Executive shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section 11(e). ARC shall bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Section 11(e).

**(f) 409A Compliance .**

(i) **6-Month Delay Rule .** Except as provided in paragraph (ii) below, in the event that Executive is a "specified employee" (as defined in Section 409A(a)(2)(B)(i) of the Code and regulations thereunder) at the time of the termination of his employment with ARC, payment of all amounts subject to Section 409A of the Code that would otherwise be made under Section 11 of this Agreement, including any installments, may not be paid before a date that is six (6) months and two (2) days after the date of termination from employment (including death). Such amounts that otherwise would have been paid during such six- (6-) month period will be paid as of the date that is six (6) months and two (2) days after the date of employment termination.

(ii) **Exception .** In the event that payment of amounts under Section 11 of this Agreement at the time(s) of payment specified under its terms (without regard to this Section 11(f)) does not cause any amount of the payment to fail to comply with the provisions of Section 409A, and does not result in any excise tax or additional tax penalty under Section 409A, then the six- (6-) month delay rule of paragraph (i) above will not apply and payment of such amounts will be made at the time(s) specified under the applicable terms of Section 11 of this Agreement without regard to this Section 11(f).

(iii) **General Compliance**. During the term of this Agreement, ARC and Executive agree to modify and administer the Agreement to the extent possible to comply with Section 409A and to avoid incurring any excise and other additional tax liability that might be imposed on Executive or ARC.

## **12. Arbitration and Equitable Relief**

(a) **Arbitration**. In consideration of Executive's employment with ARC, its promise to arbitrate all employment-related disputes, and Executive's receipt of the compensation paid to Executive by ARC, at present and in the future, Executive agrees that any and all controversies, claims, or disputes with anyone (including ARC and any employee, officer, director, shareholder or benefit plan of ARC in their capacity as such or otherwise) arising out of, relating to, or resulting from Executive's employment with ARC or the termination of that employment with ARC, including any provision of this Agreement, shall be subject to binding arbitration under the arbitration rules set forth in the California Code of Civil Procedure Sections 1280 through 1294.2, including section 1283.05 collectively (the "Rules") and pursuant to California law. Disputes which Executive agrees to arbitrate, and hereby agrees to waive any right to a trial by jury, include without limitation, any common law claims, statutory claims under Title VII of the Civil Rights Act of 1964, the Americans With Disabilities Act of 1990, the Age Discrimination In Employment Act of 1967, the Older Workers Benefit Protection Act, the California Fair Employment And Housing Act, the California Labor Code (except for workers compensation or unemployment insurance claims), or ERISA, claims of harassment, discrimination or wrongful termination and any other statutory claims under state or federal law.

(b) **Procedure**. Any arbitration will be administered by JAMS and a neutral arbitrator will be selected in a manner consistent with its rules for the resolution of employment disputes. The arbitrator shall have the power to decide any motions brought by any party to the arbitration, including motions for summary judgment and/or adjudication and motions to dismiss and demurrers, prior to any arbitration hearing. The arbitrator shall have the power to award any remedies, including attorneys' fees and costs, available under applicable law. ARC will pay for any administrative or hearing fees charged by the arbitrator or JAMS except that Executive shall pay the first \$200.00 of any filing fees associated with any arbitration Executive initiates. The arbitrator shall administer and conduct any arbitration in a manner consistent with the Rules. To the extent that the JAMS rules for the resolution of employment disputes conflict with the Rules, the Rules shall take precedence. The decision of the arbitrator shall be in writing.

(c) **Remedy**. Except as provided by the Rules and this Agreement, arbitration shall be the sole, exclusive and final remedy for any dispute between ARC and Executive. Accordingly, except as provided for by the Rules and this Agreement, neither ARC nor Executive will be permitted to pursue court action regarding claims that are subject to arbitration. The arbitrator will not have the authority to disregard or refuse to enforce any lawful ARC policy, and the arbitrator shall not order or require ARC to adopt a policy not otherwise required by law which ARC has not adopted.

(d) **Availability of Injunctive Relief**. In addition to the right under the Rules to petition the court for provisional relief, ARC may also petition the court for injunctive relief, notwithstanding any provision in this Agreement requiring arbitration, where ARC alleges or claims a violation of this Agreement, or any separate agreement between Executive and ARC regarding trade secrets, confidential information or non-solicitation, or California Labor Code Section 2870. No bond shall be required of ARC. Executive understands and agrees that any breach or threatened breach of this Agreement or of any such separate agreement will cause irreparable injury to ARC or its affiliates and that money damages will not provide an adequate remedy therefore, and Executive hereby consents to the issuance of an injunction. In the event either Party seeks injunctive relief, the prevailing Party shall be entitled to recover reasonable costs and attorneys' fees related thereto.

(e) **Administrative Relief**. This Agreement does not prohibit Executive from pursuing an administrative claim with a local, state or federal administrative body such as the Department of Fair Employment and Housing, the Equal Employment Opportunity Commission or the Workers' Compensation Board. This Agreement does, however, preclude Executive from pursuing court action regarding any such claim.

(f) **Voluntary Nature of Agreement**. Executive acknowledges and agrees that he is executing this Agreement voluntarily and without any duress or undue influence by ARC or anyone else. Executive further acknowledges and agrees that he has carefully read this Agreement, that he has asked any questions needed for him to understand the terms, consequences and binding effect of this Agreement, and that he fully understands this Agreement, **including that he is waiving his right to a jury trial**. Finally, Executive acknowledges that he has been provided an opportunity to seek the advice of an attorney of his choice before signing this Agreement.

### **13. Governing Law**

This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of California without regard to California conflict of laws principles.

#### **14. Release**

In exchange for the benefits and other consideration under this Agreement to which Executive would not otherwise be entitled, Executive shall enter into and execute a release substantially in the form attached hereto as Exhibit A (the "Release") upon his termination of employment. Unless the Release is executed by Executive and delivered to ARC within thirty (30) days after the termination of Executive's employment with ARC, Executive shall receive only the basic severance benefits provided under Section 11(a) of this Agreement and no additional benefits under Section 11.

#### **15. Notices**

Any notices or other communications desired or required under this Agreement shall be in writing, signed by the Party making the same, and shall be deemed delivered when personally delivered or on the second business day after the same is sent by certified or registered mail, postage prepaid, addressed as follows (or to such other address as may be designated by like written notice):

If to Executive:        At the last residential address known by ARC

If to ARC:             American Reprographics Company  
                              1981 N. Broadway, Suite 385  
                              Walnut Creek, CA 94596  
                              Attn.: Chief Executive Officer

#### **16. Severability**

In the event that any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision.

### **17. Assignment**

Except as otherwise specifically provided herein, neither Party shall assign this Agreement or any rights hereunder without the consent of the other Party, and any attempted or purported assignment without such consent shall be void; provided that Executive's consent under this Agreement shall not be required hereby for any of the transactions involving a Change of Control. This Agreement shall otherwise bind and inure to the benefit of the Parties hereto and their respective successors, assigns, heirs, legatees, devisees, executors, administrators and legal representatives.

### **18. Entire Agreement**

This Agreement contains the entire agreement of the Parties and supersedes all prior or contemporaneous negotiations, correspondence, understandings and agreements between the Parties regarding the subject matter of this Agreement. Any prior employment agreement, bonus agreement or other compensation agreement between Executive and ARC or any predecessor, or affiliate of ARC, is hereby terminated on and as of the Effective Date. This Agreement may not be amended or modified except in writing signed by both Parties.

### **19. Waiver**

If either Party waives any breach of any provisions of this Agreement, he or it shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

### **20. Counterparts**

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned have executed this Agreement on the date first hereinabove set forth.

AMERICAN REPROGRAPHICS COMPANY,  
a Delaware corporation

EXECUTIVE

By: /s/ Kumarakulasingam Suriyakumar  
Kumarakulasingam Suriyakumar  
Title: Chief Executive Officer, President and  
Chairman of the Board

By: /s/ Dilantha Wijesuriya  
Dilantha Wijesuriya  
Address: 1132 Flowerwood Place  
Walnut Creek, CA 94598

**EXHIBIT A**

**RELEASE AGREEMENT**

I understand that my position with American Reprographics Company (“ARC”) terminated effective \_\_\_\_\_ (the “Separation Date”). ARC has agreed that if I choose to sign this Agreement, ARC will pay me severance benefits (minus the standard withholdings and deductions) pursuant to the terms of the Executive Employment Agreement entered into on \_\_\_\_\_, 2008 between myself and ARC (the “Severance Benefits”). I understand that I am not entitled to the Severance Benefits unless I sign this Agreement. I understand that in addition to the Severance Benefits, ARC will pay me all of my accrued salary and vacation, to which I am entitled by law.

In consideration for the Severance Benefits I am receiving under this Agreement, I agree not to use or disclose any of ARC’s proprietary information without written authorization from ARC, to immediately return all Company property and documents (including all embodiments of proprietary information) and all copies thereof in my possession or control, and to release ARC and its officers, directors, agents, attorneys, employees, shareholders, and affiliates from any and all claims, debts, liabilities, demands, causes of action, attorneys’ fees, damages, or obligations of every kind and nature, whether they are known or unknown, arising at any time prior to the date I sign this Agreement. This general release includes, but is not limited to: all federal and state statutory and common law claims, claims related to my employment or the termination of my employment or related to breach of contract, tort, wrongful termination, discrimination, wages or benefits, or claims for any form of compensation. This release is not intended to release any claims I have or may have against any of the released parties for (a) indemnification as a director, officer, agent or employee under applicable law, charter document or agreement, (b) severance and other termination benefits under my employment agreement and any related written documents, (c) health or other insurance benefits based on claims already submitted or which are covered claims properly submitted in the future, (d) vested rights under pension, retirement or other benefit plans, or (e) in respect of events, acts or omissions occurring after the date of this Release Agreement.

In releasing claims unknown to me at present, I am waiving all rights and benefits under Section 1542 of the California Civil Code, and any law or legal principle of similar effect in any jurisdiction:

**“A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.”**

I acknowledge that I am knowingly and voluntarily waiving and releasing any rights I may have under the federal Age Discrimination in Employment Act of 1967, as amended (“ADEA”). I also acknowledge that the consideration given for the waiver in the above paragraph is in addition to anything of value to which I was already entitled. I have been advised by this writing, as required by the ADEA that: (a) my waiver and release do not apply to any claims that may arise after my signing of this Agreement; (b) I should consult with an attorney prior to executing this release; (c) I have twenty-one (21) days within which to consider this release (although I may choose to voluntarily execute this release earlier); (d) I have seven (7) days following the execution of this release to revoke the Agreement; (e) this Agreement will not be effective until the eighth (8<sup>th</sup>) day after this Agreement has been signed both by me and by ARC; and I will not be paid any of the Severance Benefits until this Agreement has become effective.

This Agreement constitutes the complete, final and exclusive embodiment of the entire agreement between ARC and me with regard to the subject matter hereof I am not relying on any promise or representation by ARC that is not expressly stated herein. This Agreement may only be modified by a writing signed by both me and a duly authorized officer of ARC. I accept and agree to the terms and conditions stated above:

AMERICAN REPROGRAPHICS COMPANY,  
a Delaware corporation

EXECUTIVE

By: \_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Dilantha Wijesuriya

Address: \_\_\_\_\_  
\_\_\_\_\_

Title: \_\_\_\_\_