

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended:

March 31, 1999

or

Transition Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from: _____ to _____

Commission file number: 1-10686

MANPOWER INC.

(Exact name of registrant as specified in its charter)

Wisconsin
(State or other jurisdiction
of incorporation) 39-1672779
(IRS Employer
Identification No.)

5301 N. Ironwood Road
Milwaukee, Wisconsin 53217
(Address of principal executive offices) (Zip Code)

Registrant's telephone number,
Including area code: (414) 961-1000

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

Yes X No

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

Class	Shares Outstanding at March 31, 1999
Common Stock, \$.01 par value	79,145,307

MANPOWER INC. AND SUBSIDIARIES

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PART I - FINANCIAL INFORMATION

Item 1 - Financial Statements

MANPOWER INC. AND SUBSIDIARIES

Consolidated Balance Sheets
(in thousands)

ASSETS

	March 31, 1999 (unaudited)	December 31, 1998
CURRENT ASSETS:		
Cash and cash equivalents	\$ 173,560	\$ 180,456
Accounts receivable, less allowance for doubtful accounts of \$39,264 and \$39,504, respectively	1,504,488	1,674,729
Prepaid expenses and other assets	56,678	53,565
Future income tax benefits	50,852	52,812
Total current assets	1,785,578	1,961,562
OTHER ASSETS:		
Investments in licensees	34,285	33,055
Other assets	198,766	195,223
Total other assets	233,051	228,278
PROPERTY AND EQUIPMENT:		
Land, buildings, leasehold improvements and equipment	408,790	411,391
Less: accumulated depreciation and amortization	219,707	220,131
Net property and equipment	189,083	191,260
Total assets	\$2,207,712	\$2,381,100

The accompanying notes to consolidated financial statements are an integral part of these balance sheets.

MANPOWER INC. AND SUBSIDIARIES

Consolidated Balance Sheets
(in thousands, except share data)

LIABILITIES AND STOCKHOLDERS' EQUITY

	March 31, 1999 (unaudited)	December 31, 1998
CURRENT LIABILITIES:		
Payable to banks	\$ 25,324	\$ 99,268
Accounts payable	393,578	347,864
Employee compensation payable	73,203	77,084
Accrued liabilities	151,734	154,428
Accrued payroll taxes and insurance	234,936	319,053
Value added taxes payable	258,168	291,720
Income taxes payable	18,862	17,563
Current maturities of long-term debt	3,574	4,076
Total current liabilities	1,159,379	1,311,056
OTHER LIABILITIES:		
Long-term debt	150,127	154,594
Other long-term liabilities	245,765	246,512
Total other liabilities	395,892	401,106
STOCKHOLDERS' EQUITY:		
Preferred stock, \$.01 par value, authorized 25,000,000 shares, none issued	--	--
Common stock, \$.01 par value, authorized 125,000,000 shares, issued 83,494,707 and 83,279,149 shares, respectively	835	833
Capital in excess of par value	1,606,946	1,602,721
Accumulated deficit	(767,091)	(787,699)
Accumulated other comprehensive loss	(59,227)	(17,895)
Treasury stock at cost, 4,349,400 shares	(129,022)	(129,022)
Total stockholders' equity	652,441	668,938
Total liabilities and stockholders' equity	\$ 2,207,712	\$ 2,381,100

The accompanying notes to consolidated financial statements
are an integral part of these balance sheets.

MANPOWER INC. AND SUBSIDIARIES

Consolidated Statements of Operations (Unaudited)
(in thousands, except per share data)

	3 Months Ended March 31,	
	1999	1998
Revenues from services	\$ 2,175,236	\$ 1,872,866
Cost of services	1,795,002	1,545,508
Gross profit	380,234	327,358
Selling and administrative expenses	343,442	290,595
Operating profit	36,792	36,763
Interest and other income (expense)	(4,840)	(3,144)
Earnings before income taxes	31,952	33,619
Provision for income taxes	11,344	11,929
Net earnings	\$ 20,608	21,690
Net earnings per share	\$.26	\$.27
Net earnings per share - diluted	\$.26	\$.26
Weighted average common shares	79,044	80,557
Weighted average common shares-diluted	79,844	81,921

The accompanying notes to consolidated financial statements
are an integral part of these statements.

MANPOWER INC. AND SUBSIDIARIES

Supplemental Systemwide Information (Unaudited)
(in thousands)

	3 Months Ended March 31,	
	1999	1998
Systemwide Sales	\$ 2,562,470	\$2,276,913

Systemwide information represents the total of Company-owned branches
and franchises.

MANPOWER INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows (Unaudited)
(in thousands)

	3 Months Ended March 31,	
	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net earnings	\$ 20,608	\$ 21,690
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	17,673	12,549
Deferred income taxes	530	(1,701)
Provision for doubtful accounts	3,035	3,014
Changes in operating assets and liabilities:		
Accounts receivable	65,538	(2,920)
Other assets	(8,406)	2,573
Other liabilities	(12,873)	(8,694)
Cash provided by operating activities	86,105	26,511
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(21,331)	(28,188)
Proceeds from the sale of property and equipment	682	609
Acquisitions of businesses, net of cash acquired	(2,227)	(1,803)
Cash used by investing activities	(22,876)	(29,382)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net change in payable to banks	(63,969)	(19,940)
Proceeds from long-term debt	132	16,917
Repayment of long-term debt	(5,105)	(349)
Proceeds from stock option and purchase plans	4,228	7,232
Cash (used) provided by financing activities	(64,714)	3,860
Effect of exchange rate changes on cash	(5,411)	1,016
Net change in cash and cash equivalents	(6,896)	2,005
Cash and cash equivalents, beginning of period	180,456	142,246
Cash and cash equivalents, end of period	\$173,560	\$144,251
SUPPLEMENTAL CASH FLOW INFORMATION:		
Interest paid	\$ 3,897	\$ 3,074
Income taxes paid	\$ 14,220	\$ 14,458

The accompanying notes to consolidated financial statements are an integral part of these statements.

MANPOWER INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements (Unaudited)
For the Three Months Ended March 31, 1999 and 1998
(in thousands, except per share data)

(1) Basis of Presentation

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission, although the Company believes that the disclosures are adequate to make the information presented not misleading. These consolidated financial statements should be read in conjunction with the consolidated financial statements included in the Company's 1998 Annual Report to Shareholders.

The information furnished reflects all adjustments that, in the opinion of management, are necessary for a fair statement of the results of operations for the periods presented. Such adjustments are of a normal recurring nature.

(2) Accounting Policies

During the first quarter of 1999, the Company adopted the American Institute of Certified Public Accountants ('AICPA') Statement of Position ('SOP') 98-1, "Accounting for the Costs of Computer Software Developed or Obtained for Internal Use" and the AICPA SOP 98-5, "Reporting on the costs of Start-up Activities." These statements did not have a material impact on the Company's Consolidated Financial Statements.

In June of 1998, the Financial Accounting Standards Board issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities." This statement establishes accounting and reporting standards requiring that every derivative instrument be recorded on the balance sheet as either an asset or liability measured at its fair value. The statement requires that changes in the derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met, in which case, the gains or losses would offset the related results of the hedged item. This statement is effective for the Company beginning in 2000, but may be adopted earlier. The Company has not yet determined the timing or method of adoption or quantified the impact of adopting this statement. While the statement could increase volatility in earnings and other comprehensive income, it is not expected to have a material impact on the Consolidated Financial Statements due to the Company's limited use of derivative instruments.

(3) Earnings Per Share

The calculations of net earnings per share and net earnings per share - diluted for the three months ended March 31 are as follows:

Net earnings per share:		
Net earnings available to common shareholders	\$ 20,608	\$ 21,690
Weighted average common shares outstanding	79,044	80,557
	\$.26	\$.27
Net earnings per share - diluted:		
Net earnings available to common shareholders	\$ 20,608	\$ 21,690
Weighted average common shares outstanding	79,044	80,557
Effect of dilutive stock options	800	1,364
	79,844	81,921
	\$.26	\$.26

(4) Income Taxes

The Company has provided income taxes for the three month period ended March 31, 1999 at a rate of 35.5%, which is equal to the estimated annual effective tax rate based on the currently available information. This rate is higher than the U.S. Federal statutory rate due to foreign tax rate differences and U.S. state income taxes.

(5) Stockholders' Equity

Total comprehensive income consists of net earnings and foreign currency translation adjustments and is as follows for the three months ended March 31:

	1999	1998
Net earnings	\$ 20,608	\$ 21,690
Foreign currency translation adjustments	(41,332)	(10,560)
Total comprehensive income	\$ (20,724)	\$ 11,130

(6) Interest Rate Swap

The Company has an interest rate swap agreement, expiring in 2001, to fix the interest rate at 6.0% on \$50,000 of the Company's borrowings under the revolving credit agreement. This swap agreement had an immaterial impact on the recorded interest expense during the first quarter of 1999. As of March 31, 1999, the variable interest rate under the revolving credit agreement was 5.2%.

(7) Business Segment Data by Geographical Area

Geographical segment information is as follows for the three months ended March 31:

	1999	1998
Revenues from services:		
United States (a)	\$ 515,827	\$ 499,073
France	828,023	721,389
United Kingdom	272,803	248,234
Other Europe	326,923	230,838
Other Countries	231,660	173,332
	\$ 2,175,236	\$ 1,872,866
Operating unit profit:		
United States	\$ 13,318	\$ 15,261
France	13,364	12,067
United Kingdom	6,870	7,393
Other Europe	9,359	6,118
Other Countries	3,392	7,156

Corporate Expenses	(7,930)	(9,997)
Amortization of Intangible Assets	(1,581)	(1,235)
Operating Profit	36,792	36,763
Interest & Other Income (Expense)	(4,840)	(3,144)
Earnings before Income Taxes	31,952	33,619

(a) Total systemwide sales in the United States, which includes sales of Company-owned branches and franchises, was \$850,391 and \$831,250 for the three months ended March 31, 1999 and 1998, respectively.

(8) Subsequent Events

On April 26, 1999, the Company's Board of Directors declared a cash dividend of \$.10 per share which is payable on June 14, 1999 to shareholders of record on June 2, 1999.

Subsequent to March 31, 1999, the Company repurchased 406,800 shares of common stock at a cost of \$9.5 million.

Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations

Operating Results - Three Months Ended March 31, 1999 and 1998

Revenues increased 16.1% to \$2,175.2 million for the first quarter of 1999. Revenues were favorably impacted by changes in currency exchange rates during the first quarter of 1999 due to the weakening of the U.S. Dollar, as compared to the first quarter of 1998, relative to the currencies in most of the company's non-U.S. markets. At constant exchange rates, the increase in revenues would have been 13.1%. Volume, as measured by billable hours of branch operations, increased 16.9% in the quarter. All of the Company's major markets experienced revenue increases, as measured in their local currencies, including the United States (3.4%), France (10.2%) and the United Kingdom (10.8%). The Company's Other Europe and Other Countries segments reported revenue increases, as measured in their local currencies, of 38% and 23%, respectively.

Cost of services, which consists of payroll and related expenses of temporary workers, was 82.5% of revenues in the first quarter of 1999 and 1998. Gross margins in France increased during the first quarter, while gross margins in certain other foreign markets have decreased due to pricing pressures and a change in business mix.

Selling and administrative expenses increased to 18.2% to \$343.4 million in the quarter. This amount represents a decrease from the fourth quarter 1998 level and was achieved despite the Company's continued investments in new or expanding markets.

Interest and other expense was \$4.8 million in the first quarter of 1999 compared to \$3.1 million in the first quarter of 1998. Net interest expense, plus the cost of the U.S. accounts receivable securitization program in 1999, was \$4.0 million and \$.9 million in the first quarter of 1999 and 1998, respectively. This higher 1999 expense was partially offset by lower translation losses and a lower level of other expenses compared to 1998.

The Company provided income taxes at a rate of 35.5% during the first quarter of 1999, equal to the estimated annual effective tax rate for 1999. This rate is higher than the U.S. Federal statutory rate due to foreign tax rate differences and U.S. state income taxes.

On a diluted basis, net earnings per share was \$.26 in

the first quarter of 1999 and 1998. The diluted weighted average shares decreased by 2.5% for the quarter due to the Company's treasury stock purchases and a smaller effect of dilutive stock options (see Note 3 to the Consolidated Financial Statements) because of the lower average share price during the quarter.

Liquidity and Capital Resources

Cash provided by operating activities was \$86.1 million in the first quarter of 1999 compared to \$26.5 million in the first quarter of 1998. This increase in cash provided reflects the change in working capital requirements between periods, due to the lower revenue growth rates in many of the Company's major markets. Cash provided by changes in working capital was \$44.3 million in the first quarter of 1999 compared to cash used by changes in working capital of \$9.0 million in the first quarter of 1998. Cash provided by operating activities before the changes in working capital requirements was \$41.8 million in the first quarter of 1999 compared to \$35.5 million in the first quarter of 1998.

Capital expenditures were \$21.3 million in the first quarter of 1999 compared to \$28.2 million during the first quarter of 1998. The 1998 expenditures include capitalized software of \$7.4 million. The balance is comprised of purchases of computer equipment, office furniture and other costs related to office openings and refurbishments.

Net cash used to repay borrowings was \$68.9 million and \$3.4 million in the first quarter of 1999 and 1998, respectively.

Accounts receivable decreased to \$1,504.5 million at March 31, 1999 from \$1,674.7 million at December 31, 1998. Of this decrease, \$99.7 million is due to the change in exchange rates during the first quarter. The remaining decrease is primarily due to seasonality, as sales levels in the first quarter are typically lower than the fourth quarter.

As of March 31, 1999, the Company had borrowings of \$73.8 million and letters of credit of \$49.5 million outstanding under its \$415 million U.S. revolving credit facility, and borrowings of \$72.1 million outstanding under its U.S. commercial paper program. The commercial paper borrowings have been classified as long-term debt due to the availability to refinance them on a long-term basis under the revolving credit facility.

The Company and some of its foreign subsidiaries maintain separate lines of credit with foreign financial institutions to meet short-term working capital needs. As of March 31, 1999, such lines totaled \$161.4 million, of which \$136.1 million was unused.

In April, the Company's Board of Directors also declared a cash dividend of \$.10 per share which is payable on June 14, 1999 to shareholders of record on June 2, 1999.

Year 2000

State of Readiness - In order to address Year 2000 compliance, the Company has initiated a comprehensive project designed to eliminate or minimize any business disruption associated with its information technology ("IT") and non-IT systems. In connection with this project, all significant Company subsidiaries have done systems assessments to determine what modifications will be required and detailed plans and timetables have been developed to complete and test the necessary remediation.

Primarily due to changing customer requirements, the Company is in the process of converting and upgrading many of its IT systems, and these new IT systems are Year 2000 compliant. For those IT systems not otherwise being converted or upgraded, remediation efforts have been planned. In the U.S., initial remediation efforts are completed, and testing of this remediation is substantially complete. Any further remediation needed as a result of the testing, and additional testing of the system interfaces, will continue through July of 1999. For all other significant subsidiaries, initial remediation is scheduled to be completed by June of 1999 and testing of the remediation is scheduled to be completed during the second and third quarters of 1999. The remediation or replacement of all critical non-IT systems is scheduled to be completed during the second and third quarters of 1999. The Company presently believes that with these conversions, upgrades and remediation efforts, all significant Year 2000 Issues related to the Company's systems will be addressed.

In addition, the Company is contacting significant vendors and customers to determine the extent to which the Company is vulnerable to those third parties' potential failure to remediate their own systems to address Year 2000 Issues. Despite the Company's diligence, there can be no guarantee that companies that the Company relies upon to conduct its day-to-day business will be compliant.

Cost - To date, the Company has used both external and internal resources for the assessment, remediation and testing of its systems. As of March 31, 1999, approximately \$6.5 million has been expensed for external resources. The total expense for external resources is currently estimated to be \$10 million to \$12 million. Hardware purchases directly related to the project, which are expensed as incurred, have been minimal as of March 31, 1999, and the Company does not expect any remaining hardware purchases to be significant. The cost of internal resources is aggregated with the Company's information technology cost centers. The total cost of the project is not expected to have a material impact on the Company's financial position, results of operations or cash flows.

Risks - With respect to the risks associated with its systems, the Company believes that the most reasonably likely worst case scenario is that the Company will experience a number of minor system malfunctions and errors in the early days and weeks of the Year 2000. The Company does not expect these problems to have a material impact on the Company's ability to place and pay workers or invoice customers.

With respect to the risks associated with third parties, the Company believes that the most reasonably likely worst case scenario is that some of the Company's vendors and customers will not be compliant. The Company believes that the number of such third parties will have been minimized by the Company's program of contacting significant vendors and larger customers. However, failure by these companies, or any governmental entities, to remediate their systems on a timely basis could have a material adverse effect on the Company.

Contingency Plans - The Company is currently preparing to handle the most reasonably likely worst case scenarios described above. The Company is evaluating and developing contingency plans for these risks and is scheduled to have them completed by October of 1999.

The Euro

On January 1, 1999, eleven of the fifteen member countries of the European Union (the "participating countries") established fixed conversion rates between their existing sovereign currencies (the "legacy currencies") and the Euro and have agreed to adopt the Euro as their common legal currency. The legacy currencies will remain legal tender in the participating countries as denominations of the Euro between January 1, 1999 and January 1, 2002 (the "transition period"). During the transition period, public and private parties may pay for goods and services using either the Euro or the participating country's legacy currency.

The Company is currently assessing the impact of the Euro in its business operations in all participating countries. In some countries, the Company has made system modifications to

generate dual currency invoices, allowing customers to pay in either the legacy currency or in Euro. To date, the Company has not had significant customer requests for specific invoicing or reporting formats that are not handled by the current systems. However, modifications will be necessary to convert database information to report information in either Euro or in both currencies. Such modifications will occur throughout the transition period and will be coordinated with other system-related upgrades and enhancements. The Company expenses all such system modification costs as incurred. To date, all modification costs have been minimal, and the Company currently does not expect significant costs related to future modifications.

Forward-Looking Statements

Certain information included or incorporated by reference in this filing and identified by use of the words 'expects,' 'believes,' 'plans' or the like constitutes forward-looking statements, as such term is defined in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. In addition, any information included or incorporated by reference in future filings by the Company with the Securities and Exchange Commission, as well as information contained in written material, releases and oral statements issued by or on behalf of the Company may include forward-looking statements. All statements which address operating performance, events or developments that the Company expects or anticipates will occur or future financial performance are forward-looking statements.

These forward-looking statements speak only as of the date on which they are made. They rely on a number of assumptions concerning future events and are subject to a number of risks and uncertainties, many of which are outside of the Company's control, that could cause actual results to differ materially from such statements. These risks and uncertainties include, but are not limited to:

- * material changes in the demand from larger customers, including customers with which the Company has national or global arrangements
- * availability of temporary workers or increases in the wages paid to these workers
- * competitive market pressures, including pricing pressures
- * ability to successfully invest in and implement information systems
- * unanticipated technological changes, including obsolescence or impairment of information systems
- * changes in customer attitudes toward the use of staffing services
- * government or regulatory policies adverse to the employment services industry
- * general economic conditions in international markets
- * interest rate and exchange rate fluctuations

The Company disclaims any obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Item 3 - Quantitative and Qualitative Disclosures About Market Risk

The Company's annual report on Form 10-K contains certain disclosures about market risks affecting the Company. There have been no material changes to the information provided which would require additional disclosures as of the date of this filing.

PART II - OTHER INFORMATION

Item 6 - Exhibits and Reports on Form 8-K

(a) Exhibits

- 10.1 Employment Agreement between Jeffrey A. Joerres and Manpower Inc. dated as of February 22, 1999
- 10.2 Severance Agreement between Jeffrey A. Joerres and Manpower Inc. dated as of February 22, 1999.
- 10.3 Employment Agreement between Michael J. Van Handel and Manpower Inc. dated as of February 22, 1999.
- 10.4 Severance Agreement between Michael J. Van Handel and Manpower Inc. dated as of February 22, 1999
- 27 Financial Data Schedule

(b) Reports on Form 8-K - None

SIGNATURES

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

MANPOWER INC.

(Registrant)

Date: May 14, 1999

/s/Michael J. Van Handel

Michael J. Van Handel
Senior Vice President
Chief Financial Officer,
Treasurer and Secretary
(Signing on behalf of the Registrant
and as the Principal Financial Officer
and Principal Accounting Officer)

Manpower Inc.
5301 North Ironwood Road
Milwaukee, Wisconsin 53217

February 22, 1999

Mr. Jeffrey Joerres:

We have agreed as follows with respect to the compensation to be paid and the other benefits to be provided to you in connection with your continuing employment by Manpower Inc. (the "Corporation"):

1. Term. The term of this agreement (the "Term") will begin on the date of this letter indicated above and end on the first to occur of the following: (a) the date two years after the occurrence of a Change of Control, as defined in the letter to you of even date regarding other rights and obligations on termination of your employment; (b) January 31, 2002, if no Change of Control occurs between the date of this letter indicated above and January 31, 2002; or (c) the Date of Termination, as defined in the letter from the Corporation to you of even date regarding other rights and obligations on termination of your employment.

2. Base Compensation. You will be paid a base salary for your services during the Term equal to Three Hundred Thousand Dollars (\$300,000) per year, as may be increased from time to time by the Corporation. Your base compensation will be paid in accordance with the Corporation's regular payroll practices with respect to such compensation as in effect from time to time.

3. Incentive Bonus. You also will be entitled to receive an incentive bonus for each full or partial fiscal year of the Corporation included within the Term. It is intended that the amount of this incentive bonus will be determined annually based upon objective criteria established at the beginning of each fiscal year, but until such criteria are established the amount will be determined by the Executive Compensation Committee of the Corporation, subject to ratification by the Board of Directors, in its sole discretion. This incentive bonus will be paid within 45 days after the close of each such fiscal year.

4. Benefits. During the entire Term, the Corporation will provide you with, and you will be eligible for, all benefits of employment generally made available to the senior executives of the Corporation from time to time (collectively, the "Benefits Plans"), subject to and on a basis

consistent with the terms, conditions and overall administration of such Benefit Plans. You will be considered for participation in Benefit Plans which by the terms thereof are discretionary in nature (such as stock option plans) on the same basis as other executive personnel of the Corporation of similar rank. You also will be entitled to vacations and perquisites in accordance with the Corporation's policies as in effect from time to time for senior executives of the Corporation.

5. Expenses. The Corporation will reimburse to you on a monthly basis for all traveling, hotel, entertainment and other expenses reasonably incurred by you in the proper performance of your duties during the Term, subject to your compliance with the guidelines and regulations concerning expense reimbursement issued by the Corporation.

6. Nondisclosure and Nonsolicitation.

(a) Nondisclosure.

(i) You will not, directly or indirectly, at any time during the term of your employment with the Corporation or any of its direct or indirect subsidiaries (collectively, the "Manpower Group") or during the two-year period following your termination of employment with the Manpower Group, use for yourself or others, or disclose to others, any Confidential Information (as defined below), whether or not conceived, developed, or perfected by you and no matter how it became known to you, unless (a) you first secure written consent of the Corporation to such disclosure or use, (b) the same shall have lawfully become a matter of public knowledge other than by your act or omission, or (c) you are ordered to disclose the same by a court of competent jurisdiction or are otherwise required to disclose the same by law, and you promptly notify the Corporation of such disclosure.

"Confidential Information" shall mean all business information (whether or not in written form) which relates to any company in the Manpower Group and which is not known to the public generally (absent your disclosure), including but not limited to confidential knowledge, operating instructions, training materials and systems, customer lists, sales records and documents, marketing and sales strategies and plans, market surveys, cost and profitability analyses, pricing information, competitive strategies, personnel-related information, and supplier lists. This obligation will survive the termination of your employment for a period of two years and will not be construed to in any way limit the Corporation's rights to protect confidential information which constitute trade secrets under applicable trade secrets law even after such two-year period.

(ii) Upon your termination of employment with the Manpower Group, or at any other time upon request of the Corporation, you will promptly surrender to the Corporation, or destroy and certify such destruction to the Corporation, any documents, materials, or computer or electronic records containing any Confidential Information which are in your possession or under your control.

(b) Nonsolicitation of Employees. You agree that you will not, at any time during the term of your employment with the Manpower Group or during the one-year period following your termination of employment with the Manpower Group, either on your own account or in conjunction with or on behalf of any other person, company, business entity, or other organization whatsoever, directly or indirectly induce, solicit, entice or procure any person who is an employee of any company in the Manpower Group, or has been such an employee within the three months preceding such action, to terminate his or her employment with the Manpower Group so as to accept employment elsewhere.

(c) Injunction. You recognize that irreparable and incalculable injury will result to the Manpower Group and its businesses and properties in the event of your breach of any of the restrictions imposed by Sections 6(a) - (b), above. You therefore agree that, in the event of any such actual, impending or threatened breach, the Corporation will be entitled, in addition to any other remedies and damages available to it, to temporary and permanent injunctive relief (without the necessity of posting a bond or other security) restraining the violation, or further violation, of such restrictions by you and by any other person or entity from whom you may be acting or who is acting for you or in concert with you.

7. Successors; Binding Agreement. This letter agreement will be binding on the Corporation and its successors and will inure to the benefit of and be enforceable by your personal or legal representatives, heirs and successors.

8. Notice. Notices and all other communications provided for in this letter will be in writing and will be deemed to have been duly given when delivered in person, sent by telecopy, or mailed by United States registered or certified mail, return receipt requested, postage prepaid, and properly addressed to the other party.

9. No Right to Remain Employed. Nothing contained in this letter will be construed as conferring upon you any right to remain employed by the Corporation or any member of the Manpower Group or affect the right of the Corporation or any member of the Manpower Group to terminate your employment at any time for any reason or no reason, subject to the obligations of the Corporation and the Manpower Group as set forth herein.

10. Modification. No provision of this letter may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing by you and the Corporation.

11. Withholding. The Corporation shall be entitled to withhold from amounts to be paid to you hereunder any federal, state, or local withholding or other taxes or charges which it is, from time to time, required to withhold under applicable law.

12. Previous Agreement. This letter and the letter of even date from the Corporation to you, regarding other rights and obligations on termination of your employment, upon acceptance

by you, expressly supersede any and all previous agreements or understandings relating to your employment by the Corporation or the Manpower Group or the termination of such employment, and any such agreement or agreements shall, as of the date of your acceptance, have no further force or effect.

If you are in agreement with the foregoing, please sign and return one copy of this letter which will constitute our agreement with respect to the subject matter of this letter.

Sincerely,

MANPOWER INC.

By: /s/Mitchell S. Fromstein

Agreed as of the 22nd day of February, 1999.

/s/Jeffrey Jorres

Jeffrey Joerres

Manpower Inc.
5301 North Ironwood Road
Milwaukee, Wisconsin 53217

February 22, 1999

Mr. Jeffrey Joerres:

Manpower Inc. (the "Corporation") desires to retain experienced, well-qualified executives, like you, to assure the continued growth and success of the Corporation and its direct and indirect subsidiaries (collectively, the "Manpower Group"). Accordingly, as an inducement for you to continue your employment in order to assure the continued availability of your services to the Manpower Group, we have agreed as follows:

1. Definitions. For purposes of this letter:

- (a) Cause. Termination by the Corporation of your employment with the Corporation for "Cause" will mean termination upon (i) your willful and continued failure to substantially perform your duties with the Manpower Group after a written demand for substantial performance is delivered to you that specifically identifies the manner in which the Corporation believes that you have not substantially performed your duties, and you have failed to resume substantial performance of your duties on a continuous basis within ten days after receiving such demand, (ii) your commission of any material act of dishonesty or disloyalty involving the Manpower Group, (iii) your chronic absence from work other than by reason of a serious health condition, (iv) your commission of a crime which substantially relates to the circumstances of your position with the Manpower Group or which has material adverse effect on the business of the Manpower Group, or (v) the willful engaging by you in conduct which is demonstrably and materially injurious to the Manpower Group. For purposes of this Subsection 1(a), no act, or failure to act, on your part will be deemed "willful" unless done, or omitted to be done, by you not in good faith.
- (b) Change of Control. A "Change of Control" will mean the first to occur of the following:
 - (i) the acquisition (other than from the Corporation), by any person, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities

Exchange Act of 1934 (the "Exchange Act")), directly or indirectly, of beneficial ownership (within the meaning of Exchange Act Rule 13d-3) of more than 50% of the then outstanding shares of common stock of the Corporation or voting securities representing more than 50% of the combined voting power of the Corporation's then outstanding voting securities entitled to vote generally in the election of directors; provided, however, no Change of Control shall be deemed to have occurred as a result of an acquisition of shares of common stock or voting securities of the Corporation (A) by the Corporation, any of its subsidiaries, or any employee benefit plan (or related trust) sponsored or maintained by the Corporation or any of its subsidiaries or (B) by any other corporation or other

entity with respect to which, following such acquisition, more than 60% of the outstanding shares of the common stock, and voting securities representing more than 60% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, of such other corporation or entity are then beneficially owned, directly or indirectly, by the persons who were the Corporation's shareholders immediately prior to such acquisition in substantially the same proportions as their ownership, immediately prior to such acquisition, of the Corporation's then outstanding common stock or then outstanding voting securities, as the case may be; or

- (ii) any merger or consolidation of the Corporation with any other corporation, other than a merger or consolidation which results in more than 60% of the outstanding shares of the common stock, and voting securities representing more than 60% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, of the surviving or consolidated corporation being then beneficially owned, directly or indirectly, by the persons who were the Corporation's shareholders immediately prior to such acquisition in substantially the same proportions as their ownership, immediately prior to such acquisition, of the Corporation's then outstanding common stock or then outstanding voting securities, as the case may be; or
- (iii) any liquidation or dissolution of the Corporation or the sale or other disposition of all or substantially all of the assets of the Corporation; or
- (iv) individuals who, as of the date of this letter, constitute the Board of Directors of the Corporation (as of such date, the "Incumbent Board") cease for any reason to constitute at least a majority of such Board; provided, however, that any person becoming a director subsequent to the date of this letter whose election, or nomination for election by the shareholders of the Corporation, was approved by at least a majority of the directors then comprising the Incumbent Board shall be, for purposes of this letter, considered as though such person were a member of the

Incumbent Board but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest which was (or, if threatened, would have been) subject to Exchange Act Rule 14a-11; or

- (v) the Corporation shall enter into any agreement (whether or not conditioned on shareholder approval) providing for or contemplating, or the Board of Directors of the Corporation shall approve and recommend that the shareholders of the Corporation accept, or approve or adopt, or the shareholders of the Corporation shall approve, any acquisition that would be a Change of Control under clause (i), above, or a merger or consolidation that would be a Change of Control under clause (ii), above, or a liquidation or dissolution of the Corporation or the sale or other disposition of all or substantially all of the assets of the Corporation; or
- (vi) whether or not conditioned on shareholder approval, the issuance by the Corporation of common stock of the Corporation representing a majority of the outstanding common stock, or voting securities representing a majority of the combined voting power of the outstanding voting securities of the Corporation entitled to vote generally in the election of directors, after giving effect to such transaction.

Following the occurrence of an event which is not a Change of Control whereby there is a successor holding company to the Corporation, or, if there is no such successor, whereby the Corporation is not the surviving corporation in a merger or consolidation, the surviving corporation or successor holding company (as the case may be), for purposes of this definition, shall thereafter be referred to as the Corporation.

- (c) Good Reason. "Good Reason" will mean, without your consent, the occurrence of any one or more of the following during the Term:
 - (i) the assignment to you of a position which represents a material reduction from your current position of Senior Vice President - Marketing and Major Account Development and Senior Vice President - European Operations, or the assignment to you of duties, other than incidental duties, inconsistent with your current position or such other position, provided you object to such assignment by written notice to the Corporation within twenty (20) business days after it is made and the Corporation fails to cure, if necessary, within ten (10) business days after such notice is given;
 - (ii) any material violation of this agreement or of Sections 2 through 5 of the Compensation Agreement by the Corporation which remains uncured ten (10) business days after you give written notice to the Corporation which specifies the violation;
 - (iii) being required by the Corporation to change the location of your principal office to one in excess of seventy-five (75) miles from the Corporation's home office in Glendale, Wisconsin, provided your employment with the Manpower Group is terminated within ninety (90) days after any such change of location; or
 - (iv) any reduction in the amount of incentive bonus received by you for a given fiscal year during the Term within two years after the occurrence of a Change of Control, as compared to the amount of the incentive bonus received by you for the fiscal year immediately preceding the fiscal year in which a Change of Control occurred, unless the incentive bonus for such given fiscal year is based on the same objective criteria as applied in the prior fiscal year or other objective criteria to which you have agreed.

Your continued employment or failure to give Notice of Termination will not constitute consent to, or a waiver of rights with respect to, any circumstance constituting Good Reason hereunder except as otherwise provided.

- (d) Notice of Termination. Any termination of your employment by the Corporation, or termination by you for Good Reason during the Term will be communicated by Notice of Termination to the other party hereto. A "Notice of Termination" will mean a written notice which specifies a Date of Termination (which date shall be on or after the date of the Notice of Termination) and, if applicable, indicates the provision in this letter applying to the termination and sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of your employment under the provision so indicated.
- (e) Date of Termination. "Date of Termination" will mean the date specified in the Notice of Termination where required (which date shall be on or after the date of the Notice of Termination) or in any other case

upon your ceasing to perform services for the Manpower Group.

- (f) Term. The "Term" will be a period beginning on the date of this letter indicated above and ending on the first to occur of the following: (a) the date two years after the occurrence of a Change of Control; (b) January 31, 2002, if no Change of Control occurs between the date of this letter indicated above and January 31, 2002; and (c) the Date of Termination.
- (g) Benefit Plans. "Benefit Plans" means all benefits of employment generally made available to the senior executives of the Corporation from time to time.
- (h) Compensation Agreement. The "Compensation Agreement" means the letter of even date from the Corporation to you, as accepted by you, regarding your compensation and benefits.

2. Compensation and Benefits on Termination.

- (a) Termination by the Corporation for Cause or by You Other Than for Good Reason. If your employment with the Manpower Group is terminated by the Corporation for Cause or by you other than for Good Reason, the Corporation will pay you or provide you with (a) your full base salary as then in effect through the Date of Termination, (b) your unpaid incentive bonus, if any, attributable to any complete fiscal year of the Corporation ended before the Date of Termination (but no incentive bonus will be payable for the fiscal year in which termination occurs, notwithstanding the terms of the Compensation Agreement), and (c) all benefits to which you are entitled under any Benefit Plans in accordance with the terms of such plans. The Manpower Group will have no further obligations to you.
- (b) Termination of Reason of Disability or Death. If your employment with the Manpower Group terminates during the Term by reason of your disability or death, the Corporation will pay you or provide you with (a) your full base salary as then in effect through the Date of Termination, (b) all benefits to which you are entitled under any Benefit Plans in accordance with the terms of such plans, (c) your unpaid incentive bonus, if any, attributable to any complete fiscal year of the Corporation ended before the Date of Termination, and (d) as the incentive bonus for the year in which termination occurs to be paid pursuant to the Compensation Agreement, an amount equal to the amount determined based on the applicable objective criteria for the full year in which the Date of Termination occurs (or alternatively your annual incentive bonus for the fiscal year of the Corporation immediately preceding the Date of Termination if the incentive bonus for the year in which the Date of Termination occurs would have been determined on a discretionary basis), prorated for the actual number of days you were employed by the Manpower Group during the fiscal year in which the Date of Termination occurs, payable within 45 days after the close of such fiscal year. The Corporation shall be entitled to terminate your employment by reason of your disability if you become disabled and entitled to benefits under the terms of the long-term disability plan of the Corporation. The Manpower Group will have no further obligations to you.
- (c) Termination for Any Other Reason.
 - (i) If, during the Term and within two years after the occurrence of a Change of Control, your employment with the Manpower Group is terminated for any reason not

specified in Subsection 2(a) or (b), above, you will be entitled to the following:

- (A) the Corporation will pay you your full base salary through the Date of Termination at the rate in effect at the time Notice of Termination is given;
- (B) the Corporation will pay you your unpaid incentive bonus, if any, attributable to any complete fiscal year of the Corporation ended before the Date of Termination;
- (C) as the incentive bonus for the year in which termination occurs to be paid under the Compensation Agreement, the Corporation will pay you an amount equal to the amount which would have been payable to you had your employment not terminated (which shall be determined based on the objective criteria for the full fiscal year in which the Date of Termination occurs, if applicable, but which shall not be less than the largest annual incentive bonus awarded to you for the three fiscal years of the Corporation immediately preceding the Date of Termination unless such incentive bonus for the year during which the Date of Termination occurs is determined on the basis of objective criteria which also applied in the prior fiscal year or to which you have agreed), prorated for the actual number of days you were employed by the Manpower Group during the year in which the termination occurs, payable within 45 days after the close of such fiscal year unless objective criteria for such bonus will not be relevant;
- (D) the Corporation will pay as a severance benefit to you a lump-sum payment equal to two and a half times the sum of (i) your annual base salary in effect at the time Notice of Termination is given and (ii) the amount of your largest incentive bonus for the three fiscal years of the Corporation immediately preceding the Date of Termination or, if greater, the incentive bonus for the fiscal year during which the Date of Termination occurs (determined as provided in Subsection 2(c)(i)(C), above); and
- (E) for an eighteen-month period after the Date of Termination, the Corporation will arrange to provide you and your eligible dependents, at the Corporation's expense, with benefits under the medical, dental, life, and disability plans of the Manpower Group, or benefits substantially similar to the benefits you were receiving during the 90-day period immediately prior to the time Notice of Termination is given under the named plans; provided, however, that benefits otherwise receivable by you pursuant to this Subsection 2(c)(i)(E) will be reduced to the extent other comparable benefits are actually received by you during the eighteen-month period following your termination, and any such benefits actually received by you will be reported to the Corporation; provided, further that any insurance continuation coverage that you may be entitled to receive under the Consolidated

Omnibus Budget Reconciliation Act of 1986 ("COBRA") will commence on the Date of Termination.

- (ii) If your employment with the Manpower Group is terminated during the Term for any reason not specified in Subsection 2(a) or (b), above, and Subsection 2(c)(i) does not apply to the termination, you will be entitled to the following:

- (A) the Corporation will pay you your full base salary through the Date of Termination at the rate then in

effect;

- (B) the Corporation will pay you your unpaid incentive bonus, if any, attributable to any complete fiscal year of the Corporation ended before the Date of Termination;
- (C) as the incentive bonus for the year in which termination occurs to be paid pursuant to the Compensation Agreement, the Corporation will pay you an amount equal to the amount which would have been payable to you had your employment not terminated (which shall be determined based on the objective criteria for the full fiscal year in which the Date of Termination occurs, if applicable, but which shall not be less than the largest annual incentive bonus awarded to you for the three fiscal years of the Corporation immediately preceding the Date of Termination unless such incentive bonus for the year during which the Date of Termination occurs is determined on the basis of objective criteria which also applied in the prior fiscal year or to which you have agreed), prorated for the actual number of days you were employed by the Manpower Group during the fiscal year in which the Date of Termination occurs, payable within 45 days after the close of such fiscal year unless objective criteria for such bonus will not be relevant;
- (D) the Corporation will pay as a severance benefit to you a lump-sum payment equal to the amount of your annual base salary as then in effect plus an amount equal to your largest annual incentive bonus for the three fiscal years of the Corporation immediately preceding the Date of Termination or, if greater, the incentive bonus for the fiscal year during which the Date of Termination occurs (determined as provided in Subsection 2(c) (ii) (C), above); and
- (E) for the twelve-month period after the Date of Termination, you and your eligible dependents will continue to receive benefits under the medical and dental plans of the Corporation as if your employment by the Corporation did not terminate; provided, that the payments

or benefits otherwise receivable by you pursuant to this Subsection 2(c) (ii) (E) will be reduced to the extent other comparable payments or benefits are actually received by you during the twelve-month period following your termination, and any such payments or benefits actually received by you will be reported to the Corporation; and provided, further that any insurance continuation coverage that you may be entitled to receive under the Consolidated Omnibus Budget Reconciliation Act of 1986 or similar state laws will commence on the Date of Termination;

The amounts paid to you pursuant to Subsection 2(c) (i) (D) or 2(C) (ii) (D) will not be included as compensation for purposes of any qualified or nonqualified pension or welfare benefit plan of the Manpower Group.

(d) Golden Parachute Tax.

- (i) Notwithstanding anything contained in this letter to the contrary, in the event that any payment or distribution to or for your benefit pursuant to the terms of this letter (a "Payment" or "Payments") would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended (the "Code"), or any interest or penalties are incurred by you with respect to such excise tax (such excise tax, together with any interest and penalties, are collectively referred to as the "Excise Tax"), then you

shall be entitled to receive an additional payment (a "Gross-Up Payment") in an amount such that after payment by you of all taxes (including any interest or penalties imposed with respect to such taxes), including any Excise Tax, imposed upon the Gross-Up Payment, you retain an amount of the Gross-Up Payment equal to the Excise Tax imposed upon the Payments.

- (ii) A determination shall be made as to whether and when a Gross-Up Payment is required pursuant to this Subsection 2(d) and the amount of such Gross-Up Payment, such determination to be made within fifteen business days of the Date of Termination, or such other time as requested by the Corporation or by you (provided you reasonably believe that any of the Payments may be subject to the Excise Tax). Such determination shall be made by a national independent accounting firm selected by you (the "Accounting Firm"). All fees, costs and expenses (including, but not limited to, the cost of retaining experts) of the Accounting Firm shall be borne by the Corporation and the Corporation shall pay such fees, costs and expenses as they become due. The Accounting Firm shall provide detailed supporting calculations, acceptable to you, both to the Corporation and you. The Gross-Up Payment, if any, as determined pursuant to this Subsection

2(d)(ii) shall be paid by the Corporation to you within five business days of the receipt of the Accounting Firm's determination. Any such initial determination by the Accounting Firm of whether or when a Gross-Up Payment is required and, if such a payment is required, the amount thereof shall be binding upon the Corporation and you subject to the application of Subsection 2(d)(iii).

- (iii) As a result of the uncertainty in the application of Sections 4999 and 280G of the Code, it is possible that a Gross-Up Payment (or a portion thereof) will be paid which should not have been paid (an "Overpayment") or a Gross-Up Payment (or a portion thereof) which should have been paid will not have been paid (an "Underpayment"). An Underpayment shall be deemed to have occurred upon notice (formal or informal) to you from any governmental taxing authority that your tax liability (whether in respect of your then current taxable year or in respect of any prior taxable year) may be increased by reason of the imposition of the Excise Tax on a Payment or Payments with respect to which the Corporation has failed to make a sufficient Gross-Up Payment. An Overpayment shall be deemed to have occurred upon a "Final Determination" (as hereinafter defined) that the Excise Tax shall not be imposed upon a Payment or Payments with respect to which you had previously received a Gross-Up Payment. A Final Determination shall be deemed to have occurred when you have received from the applicable governmental taxing authority a refund of taxes or other reduction in your tax liability by reason of the Overpayment and upon either (A) the date a determination is made by, or an agreement is entered into with, the applicable governmental taxing authority which finally and conclusively binds you and such taxing authority, or in the event that a claim is brought before a court of competent jurisdiction, the date upon which a final determination has been made by such court and either all appeals have been taken and finally resolved or the time for all appeals has expired or (B) the expiration of the statute of limitations with your applicable tax return. If an Underpayment occurs, you shall promptly notify the Corporation and the Corporation shall pay to you at least five business days prior to the date on which the applicable governmental taxing authority has requested

payment, an additional Gross-Up Payment equal to the amount of the Underpayment plus any interest and penalties imposed on the Underpayment. If an Overpayment occurs, the amount of the Overpayment shall be treated as a loan by the Corporation to you and you shall, within ten business days of the occurrence of such Overpayment, pay to the Corporation the amount of the Overpayment plus interest at an annual rate equal to the rate provided for in Section 1274(b)(2)(B) of the Code from the date the Gross-Up Payment (to which the Overpayment relates) was paid to you.

- (iv) Notwithstanding anything contained in this letter to the contrary, in the event it is determined that an Excise Tax will be imposed on any Payment or Payments, the Corporation shall pay to the applicable governmental taxing authorities as Excise Tax withholding, the amount of the Excise Tax that the Corporation has actually withheld from the Payment or Payments.
- (e) Payment. The payments provided for in Subsections 2(c)(i)(A) through (D) or 2(c)(ii)(A) through (D), above, will be made not later than the fifteenth business day following the Date of Termination, except as otherwise provided. If any of such payments is not made when due (hereinafter a "Delinquent Payment"), in addition to such principal sum, the Corporation will pay you interest on any and all such Delinquent Payments from the date due computed at the prime rate as announced from time to time by Firststar Bank of Milwaukee, compounded monthly.
- (f) No Mitigation. You will not be required to mitigate the amount of any payment or benefit provided for in this Section 2 by seeking other employment or otherwise, nor will the amount of any payment provided for in this Section 2, unless otherwise provided herein, be reduced by any compensation earned by you as the result of employment by another employer after the Date of Termination, or otherwise.
- (g) Release of Claims. Notwithstanding the foregoing, the Corporation will not pay you, and you have no right to receive, any benefit described in Section 2, above, unless and until you execute, and there shall be effective following any statutory period for revocation, a release, in a form reasonably acceptable to the Corporation, that irrevocably and unconditionally releases, waives, and fully and forever discharges the Manpower Group and its past and current directors, officers, employees, and agents from and against any and all claims, liabilities, obligations, covenants, rights, demands and damages of any nature whatsoever, whether known or unknown, anticipated or unanticipated, relating to or arising out of your employment with the Manpower Group, including without limitation claims arising under the Age Discrimination in Employment Act of 1967, as amended, Title VII of the Civil Rights Act of 1964, as amended, the Civil Rights Act of 1991, the Equal Pay Act, as amended, and any other federal, state, or local law or regulation.
- (h) Forfeiture. Notwithstanding the foregoing, your right to receive the payments and benefits to be provided to you under this Section 2 beyond those described in Subsection 2(a), above, is conditioned upon your performance of the obligations stated in Section 3, below, and in Section 6 of the Compensation Agreement, and upon your breach of any such obligations, you will immediately return to the Corporation the amount of such payments and benefits and you will no longer have any right to receive any

such payments or benefits.

3. Noncompetition Agreement.

- (a) Noncompetition. During the term of your employment with the Manpower Group, you will not assist any competitor of any company in the Manpower Group in any capacity. During the one-year period which immediately follows the termination of your employment with the Manpower Group:
- (i) You will not, directly or indirectly, contact any customer or prospective customer of the Corporation with whom you have had contact on behalf of the Corporation during the two-year period preceding the date of such termination or any customer or prospective customer about whom you obtained confidential information in connection with your employment by the Corporation during such two-year period so as to cause or attempt to cause such customer or prospective customer of the Corporation not to do business or to reduce such customer's business with the Corporation or divert any business from the Corporation.
- (ii) You will not, directly or indirectly, provide services or assistance of a nature similar to the services provided to the Manpower Group during the term of your employment with the Manpower Group, to any entity engaged in the business of providing temporary staffing services anywhere in the United States or any other country in which the Manpower Group conducts business as of the Date of Termination which has, together with its affiliated entities, annual revenues from such business in excess of \$500,000,000. You acknowledge that the scope of this limitation is reasonable in that, among other things, providing any such services or assistance during such one-year period would permit you to use unfairly your close identification with the Manpower Group and the customer contacts you developed while employed by the Manpower Group and would involve the use and disclosure of confidential information pertaining to the Manpower Group.
- (b) Injunction. You recognize that irreparable and incalculable injury will result to the Manpower Group and its businesses and properties in the event of your breach of any of the restrictions imposed by Subsection 3(a), above. You therefore agree that, in the event of any such actual, impending or threatened breach, the Corporation will be entitled, in addition to the remedies set forth in Subsection 2(h), above, and any other remedies and damages, to temporary and permanent injunctive relief (without the necessity of posting a bond or other security) restraining the violation, or further violation, of such restrictions by you and by any other person or entity from whom you may be acting or who is acting for you or in concert with you.
- (c) Nonapplication. Notwithstanding the above, this Section 3 will not apply if your employment with the Corporation is terminated by you for Good Reason or by the Corporation without Cause within two years after the occurrence of a Change of Control.

4. Nondisparagement. Upon your termination of employment with the Manpower Group for any reason, the Manpower Group agrees to maintain a positive and constructive attitude and demeanor toward you, and agrees to refrain from making any derogatory comments

or statements of a negative nature about you. Upon your termination of employment with the Manpower Group for any reason, you agree to maintain a positive and constructive attitude and demeanor toward the Manpower Group, and agree to refrain from making derogatory comments or statements of a negative nature about the Manpower Group, its officers, directors, shareholders, agents, partners, representatives and employees, to anyone.

5. Successors; Binding Agreement. This letter agreement will be binding on the Corporation and its successors and will inure to the benefit of and be enforceable by your personal or legal representatives, heirs and successors.
6. Notice. Notices and all other communications provided for in this letter will be in writing and will be deemed to have been duly given when delivered in person, sent by telecopy, or mailed by United States registered or certified mail, return receipt requested, postage prepaid, and properly addressed to the other party.
7. No Right to Remain Employed. Nothing contained in this letter will be construed as conferring upon you any right to remain employed by the Corporation or any member of the Manpower Group or affect the right of the Corporation or any member of the Manpower Group to terminate your employment at any time for any reason or no reason, subject to the obligations of the Corporation and the Manpower Group as set forth herein.
8. Modification. No provision of this letter may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing by you and the Corporation.
9. Withholding. The Corporation shall be entitled to withhold from amounts to be paid to you hereunder any federal, state, or local withholding or other taxes or charges which it is, from time to time, required to withhold under applicable law.
10. Previous Agreement. This letter, upon acceptance by you, and the Compensation Agreement expressly supersede any and all previous agreements or understandings relating to your employment by the Corporation or the Manpower Group or the termination of such employment, and any such agreement or agreements shall, as of the date of your acceptance, have no further force or effect.

If you are in agreement with the foregoing, please sign and return one copy of this letter which will constitute our agreement with respect to the subject matter of this letter.

Sincerely,

MANPOWER INC.

By: /s/Mitchell S. Fromstein

Agreed as of the 22nd day of February, 1999.

/s/Jeffrey Jorres

Jeffrey Joerres

Manpower Inc.
5301 North Ironwood Road
Milwaukee, Wisconsin 53217

February 22, 1999

Mr. Michael J. Van Handel:

We have agreed as follows with respect to the compensation to be paid and the other benefits to be provided to you in connection with your continuing employment by Manpower Inc. (the "Corporation"):

1. Term. The term of this agreement (the "Term") will begin on the date of this letter indicated above and end on the first to occur of the following: (a) the date two years after the occurrence of a Change of Control, as defined in the letter to you of even date regarding other rights and obligations on termination of your employment; (b) January 31, 2002, if no Change of Control occurs between the date of this letter indicated above and January 31, 2002; or (c) the Date of Termination, as defined in the letter from the Corporation to you of even date regarding other rights and obligations on termination of your employment.

2. Base Compensation. You will be paid a base salary for your services during the Term equal to Two Hundred Twenty-Five Thousand Dollars (\$225,000) per year, as may be increased from time to time by the Corporation. Your base compensation will be paid in accordance with the Corporation's regular payroll practices with respect to such compensation as in effect from time to time.

3. Incentive Bonus. You also will be entitled to receive an incentive bonus for each full or partial fiscal year of the Corporation included within the Term. The amount of this incentive bonus will be the amount approved by the Executive Compensation Committee, in its sole discretion, based upon recommendation of the Chief Executive Officer of the Corporation. This incentive bonus will be paid within 45 days after the close of each such fiscal year.

4. Benefits. During the entire Term, the Corporation will provide you with, and you will be eligible for, all benefits of employment generally made available to the executives of the Corporation from time to time (collectively, the "Benefits Plans"), subject to and on a basis consistent with the terms, conditions and overall administration of such Benefit Plans. You will be considered for participation in Benefit Plans which by the terms thereof are discretionary in

nature (such as stock option plans) on the same basis as other executive personnel of the Corporation of similar rank. You also will be entitled to vacations and perquisites in accordance with the Corporation's policies as in effect from time to time for executives of the Corporation.

5. Expenses. The Corporation will reimburse to you on a monthly basis for all traveling, hotel, entertainment and other expenses reasonably incurred by you in the proper performance of your duties during the Term, subject to your compliance with the guidelines and regulations concerning expense reimbursement issued by the Corporation.

6. Nondisclosure and Nonsolicitation.

(a) Nondisclosure.

(i) You will not, directly or indirectly, at any time during the term of your employment with the Corporation or any of its direct or indirect subsidiaries (collectively, the "Manpower Group") or during the two-year period following your termination of employment with the Manpower Group, use for yourself or others, or disclose to others, any Confidential Information (as defined below), whether or not conceived, developed, or perfected by you and no matter how it became known to you, unless (a) you first secure written consent of the Corporation to such disclosure or use, (b) the same shall have lawfully become a matter of public knowledge other than by your act or omission, or (c) you are ordered to disclose the same by a court of competent jurisdiction or are otherwise required to disclose the same by law, and you promptly notify the Corporation of such disclosure.

"Confidential Information" shall mean all business information (whether or not in written form) which relates to any company in the Manpower Group and which is not known to the public generally (absent your disclosure), including but not limited to confidential knowledge, operating instructions, training materials and systems, customer lists, sales records and documents, marketing and sales strategies and plans, market surveys, cost and profitability analyses, pricing information, competitive strategies, personnel-related information, and supplier lists. This obligation will survive the termination of your employment for a period of two years and will not be construed to in any way limit the Corporation's rights to protect confidential information which constitute trade secrets under applicable trade secrets law even after such two-year period.

(ii) Upon your termination of employment with the Manpower Group, or at any other time upon request of the Corporation, you will promptly surrender to the Corporation, or destroy and certify such destruction to the Corporation, any documents, materials, or computer or electronic records containing any Confidential Information which are in your possession or under your control.

(b) Nonsolicitation of Employees. You agree that you will not, at any time during the term of your employment with the Manpower Group or during the one-year period following your termination of employment with the Manpower Group, either on your own account or in conjunction with or on behalf of any other person, company, business entity, or other organization whatsoever, directly or indirectly induce, solicit, entice or procure any person who is an employee of any company in the Manpower Group, or has been such an employee within the three months preceding such action, to terminate his or her employment with the Manpower Group so as to accept employment elsewhere.

(c) Injunction. You recognize that irreparable and incalculable injury will result to the Manpower Group and its businesses and properties in the event of your breach of any of the restrictions imposed by Sections 6(a) - (b), above. You therefore agree that, in the event of any such actual, impending or threatened breach, the Corporation will be entitled, in addition to any other remedies and damages available to it, to temporary and permanent injunctive relief (without the necessity of posting a bond or other security) restraining the violation, or further violation, of such restrictions by you and by any other person or entity from whom you may be acting or who is acting for you or in concert with you.

7. Successors; Binding Agreement. This letter agreement will be binding on the Corporation and its successors and will inure to the benefit of and be enforceable by your personal or

legal representatives, heirs and successors.

8. Notice. Notices and all other communications provided for in this letter will be in writing and will be deemed to have been duly given when delivered in person, sent by telecopy, or mailed by United States registered or certified mail, return receipt requested, postage prepaid, and properly addressed to the other party.

9. No Right to Remain Employed. Nothing contained in this letter will be construed as conferring upon you any right to remain employed by the Corporation or any member of the Manpower Group or affect the right of the Corporation or any member of the Manpower Group to terminate your employment at any time for any reason or no reason, subject to the obligations of the Corporation and the Manpower Group as set forth herein.

10. Modification. No provision of this letter may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing by you and the Corporation.

11. Withholding. The Corporation shall be entitled to withhold from amounts to be paid to you hereunder any federal, state, or local withholding or other taxes or charges which it is, from time to time, required to withhold under applicable law.

12. Previous Agreement. This letter and the letter of even date from the Corporation to you, regarding other rights and obligations on termination of your employment, upon acceptance by you, expressly supersede any and all previous agreements or understandings relating to your employment by the Corporation or the Manpower Group or the termination of such employment, and any such agreement or agreements shall, as of the date of your acceptance, have no further force or effect.

If you are in agreement with the foregoing, please sign and return one copy of this letter which will constitute our agreement with respect to the subject matter of this letter.

Sincerely,

MANPOWER INC.

By: /s/Mitchell S. Fromstein

Agreed as of the 22nd day of February, 1999.

/s/Michael J. Van Handel

Michael J. Van Handel

Manpower Inc.
5301 North Ironwood Road
Milwaukee, Wisconsin 53217

February 22, 1999

Mr. Michael J. Van Handel:

Manpower Inc. (the "Corporation") desires to retain experienced, well-qualified executives, like you, to assure the continued growth and success of the Corporation and its direct and indirect subsidiaries (collectively, the "Manpower Group"). Accordingly, as an inducement for you to continue your employment in order to assure the continued availability of your services to the Manpower Group, we have agreed as follows:

1. Definitions. For purposes of this letter:

- (a) Cause. Termination by the Corporation of your employment with the Corporation for "Cause" will mean termination upon (i) your willful and continued failure to substantially perform your duties with the Manpower Group after a written demand for substantial performance is delivered to you that specifically identifies the manner in which the Corporation believes that you have not substantially performed your duties, and you have failed to resume substantial performance of your duties on a continuous basis within ten days after receiving such demand, (ii) your commission of any material act of dishonesty or disloyalty involving the Manpower Group, (iii) your chronic absence from work other than by reason of a serious health condition, (iv) your commission of a crime which substantially relates to the circumstances of your position with the Manpower Group or which has material adverse effect on the business of the Manpower Group, or (v) the willful engaging by you in conduct which is demonstrably and materially injurious to the Manpower Group. For purposes of this Subsection 1(a), no act, or failure to act, on your part will be deemed "willful" unless done, or omitted to be done, by you not in good faith.
- (b) Change of Control. A "Change of Control" will mean the first to occur of the following:
 - (i) the acquisition (other than from the Corporation), by any person, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934 (the "Exchange Act")), directly or indirectly, of beneficial ownership (within the meaning of Exchange Act Rule 13d-3) of more than 50% of the then outstanding shares of common stock of the Corporation or voting securities representing more than 50% of the combined voting power of the Corporation's then outstanding voting securities entitled to vote generally in the election of directors; provided, however, no Change of Control shall be deemed to have occurred as a result of an acquisition of shares of common stock or voting securities of the Corporation (A) by the Corporation, any of its subsidiaries, or any employee benefit plan (or related trust) sponsored or maintained by the Corporation or any of its subsidiaries or (B) by any other corporation or other entity with respect to which, following such

acquisition, more than 60% of the outstanding shares of the common stock, and voting securities representing more than 60% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, of such other corporation or entity are then beneficially owned, directly or indirectly, by the persons who were the Corporation's shareholders immediately prior to such acquisition in substantially the same proportions as their ownership, immediately prior to such acquisition, of the Corporation's then outstanding common stock or then outstanding voting securities, as the case may be; or

- (ii) any merger or consolidation of the Corporation with any other corporation, other than a merger or consolidation which results in more than 60% of the outstanding shares of the common stock, and voting securities representing more than 60% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, of the surviving or consolidated corporation being then beneficially owned, directly or indirectly, by the persons who were the Corporation's shareholders immediately prior to such acquisition in substantially the same proportions as their ownership, immediately prior to such acquisition, of the Corporation's then outstanding common stock or then outstanding voting securities, as the case may be; or
- (iii) any liquidation or dissolution of the Corporation or the sale or other disposition of all or substantially all of the assets of the Corporation; or
- (iv) individuals who, as of the date of this letter, constitute the Board of Directors of the Corporation (as of such date, the "Incumbent Board") cease for any reason to constitute at least a majority of such Board; provided, however, that any person becoming a director subsequent to the date of this letter whose election, or nomination for election by the

shareholders of the Corporation, was approved by at least a majority of the directors then comprising the Incumbent Board shall be, for purposes of this letter, considered as though such person were a member of the Incumbent Board but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest which was (or, if threatened, would have been) subject to Exchange Act Rule 14a-11; or

- (v) the Corporation shall enter into any agreement (whether or not conditioned on shareholder approval) providing for or contemplating, or the Board of Directors of the Corporation shall approve and recommend that the shareholders of the Corporation accept, or approve or adopt, or the shareholders of the Corporation shall approve, any acquisition that would be a Change of Control under clause (i), above, or a merger or consolidation that would be a Change of Control under clause (ii), above, or a liquidation or dissolution of the Corporation or the sale or other disposition of all or substantially all of the assets of the Corporation; or
- (vi) whether or not conditioned on shareholder approval, the issuance by the Corporation of common stock of the Corporation representing a majority of the outstanding common stock, or voting securities representing a majority of the combined voting power of the outstanding voting securities of the Corporation entitled to vote generally in the election of directors, after giving effect to such transaction.

Following the occurrence of an event which is not a Change of Control whereby there is a successor holding company to the Corporation, or, if there is no such successor, whereby the Corporation is not the surviving corporation in a merger or consolidation, the surviving corporation or successor holding company (as the case may be), for purposes of this definition, shall thereafter be referred to as the Corporation.

- (c) Good Reason. "Good Reason" will mean, without your consent, the occurrence of any one or more of the following during the Term:
 - (i) the assignment to you of a position which represents a material reduction from your current positions of Senior Vice President, Chief Financial Officer, Secretary and Treasurer or the assignment to you of duties, other than incidental duties, inconsistent with your current positions or such other positions, provided you object to such assignment by written notice to the Corporation within twenty (20) business days after it is made and the Corporation fails to cure, if necessary, within ten (10) business days after such notice is given;
 - (ii) any material violation of this agreement or of Sections 2 through 5 of the Compensation Agreement by the Corporation which remains uncured ten (10) business days after you give written notice to the Corporation which specifies the violation;
 - (iii) any reduction in the amount of incentive bonus received by you for a given fiscal year during the Term within two years after the occurrence of a Change of Control, as compared to the amount of the incentive bonus received by you for the fiscal year immediately preceding the fiscal year in which the Change of Control occurred; or
 - (iv) being required by the Corporation to change the location of your principal office to one in excess of seventy-five (75) miles from the Corporation's home office in Glendale, Wisconsin, provided your employment with the Manpower Group is terminated within ninety (90) days after any such change of location.

Your continued employment or failure to give Notice of Termination will not constitute consent to, or a waiver of rights with respect to, any circumstance constituting Good Reason hereunder except as otherwise provided.

- (d) Notice of Termination. Any termination of your employment by the Corporation, or termination by you for Good Reason during the Term will be communicated by Notice of Termination to the other party hereto. A "Notice of Termination" will mean a written notice which specifies a Date of Termination (which date shall be on or after the date of the Notice of Termination) and, if applicable, indicates the provision in this letter applying to the termination and sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of your employment under the provision so indicated.
- (e) Date of Termination. "Date of Termination" will mean the date specified in the Notice of Termination where required (which date shall be on or after the date of the Notice of Termination) or in any other case upon your ceasing to perform services for the Manpower Group.

- (f) Term. The "Term" will be a period beginning on the date of this letter indicated above and ending on the first to occur of the following: (a) the date two years after the occurrence of a Change of Control; (b) January 31, 2002, if no Change of Control occurs between the date of this letter indicated above and January 31, 2002; and (c) the Date of Termination.
- (g) Benefit Plans. "Benefit Plans" means all benefits of employment generally made available to the executives of the Corporation from time to time.
- (h) Compensation Agreement. The "Compensation Agreement" means the letter of even date from the Corporation to you, as accepted by you, regarding your compensation and benefits.

2. Compensation and Benefits on Termination.

- (a) Termination by the Corporation for Cause or by You Other Than for Good Reason. If your employment with the Manpower Group is terminated by the Corporation for Cause or by you other than for Good Reason, the Corporation will pay you or provide you with (i) your full base salary as then in effect through the Date of Termination, (ii) your unpaid incentive bonus, if any, attributable to any complete fiscal year of the Corporation ended before the Date of Termination (but no incentive bonus will be payable for the fiscal year in which termination occurs, notwithstanding the terms of the Compensation Agreement), and (iii) all benefits to which you are entitled under any Benefit Plans in accordance with the terms of such plans. The Manpower Group will have no further obligations to you.
- (b) Termination of Reason of Disability or Death. If your employment with the Manpower Group terminates during the Term by reason of your disability or death, the Corporation will pay you or provide you with (i) your full base salary as then in effect through the Date of Termination, (ii) all benefits to which you are entitled under any Benefit Plans in accordance with the terms of such plans, (iii) your unpaid incentive bonus, if any, attributable to any complete fiscal year of the Corporation ended before the Date of Termination, and (iv) as the incentive bonus for the year in which termination occurs to be paid pursuant to the Compensation Agreement, an amount equal to your annual incentive bonus for the fiscal year of the Corporation immediately preceding the Date of Termination, prorated for the actual number of days you were employed by the Manpower Group during the fiscal year in which the Date of Termination occurs, payable within 45 days after the close of such fiscal year. The Corporation shall be entitled to terminate your employment by reason of your disability if you become disabled and entitled to benefits under the terms of the long-term disability plan of the Corporation. The Manpower Group will have no further obligations to you.
- (c) Termination for Any Other Reason.
 - (i) If, during the Term and within two years after the occurrence of a Change of Control, your employment with the Manpower Group is terminated for any reason not specified in Subsection 2(a) or (b), above, you will be entitled to the following:
 - (A) the Corporation will pay you your full base salary through the Date of Termination at the rate in effect at the time Notice of Termination is given;

- (B) the Corporation will pay you your unpaid incentive bonus, if any, attributable to any complete fiscal year of the Corporation ended before the Date of Termination;
 - (C) as the incentive bonus for the year in which termination occurs to be paid under the Compensation Agreement, the Corporation will pay you an amount equal to the largest annual bonus awarded to you for the three fiscal years of the Corporation immediately preceding the Date of Termination, prorated for the actual number of days you were employed by the Manpower Group during the year in which the termination occurs;
 - (D) the Corporation will pay as a severance benefit to you a lump-sum payment equal to twice the sum of (i) your annual base salary in effect at the time Notice of Termination is given and (ii) the amount of your largest incentive bonus for the three fiscal years of the Corporation immediately preceding the Date of Termination; and
 - (E) for an eighteen-month period after the Date of Termination, the Corporation will arrange to provide you and your eligible dependents, at the Corporation's expense, with benefits under the medical, dental, life, and disability plans of the Manpower Group, or benefits substantially similar to the benefits you were receiving during the 90-day period immediately prior to the time Notice of Termination is given under the named plans; provided, however, that benefits otherwise receivable by you pursuant to this Subsection 2(c)(i)(E) will be reduced to the extent other comparable benefits are actually received by you during the eighteen-month period following your termination, and any such benefits actually received by you will be reported to the Corporation; provided, further that any insurance continuation coverage that you may be entitled to receive under the Consolidated Omnibus Budget Reconciliation Act of 1986 ("COBRA") will commence on the Date of Termination.
- (ii) If your employment with the Manpower Group is terminated during the Term for any reason not specified in Subsection 2(a) or (b), above, and Subsection 2(c)(i) does not apply to the termination, you will be entitled to the following:
- (A) the Corporation will pay you your full base salary through the Date of Termination at the rate then in effect;
 - (B) the Corporation will pay you your unpaid incentive bonus, if any, attributable to any complete fiscal year of the Corporation ended before the Date of Termination;
 - (C) as the incentive bonus for the year in which termination occurs to be paid pursuant to the Compensation Agreement, the Corporation will pay you an amount equal to your largest annual incentive bonus for the three fiscal years of the Corporation immediately preceding the Date of Termination, prorated for the actual number of days you were employed by the Manpower Group during the fiscal year in which the Date of termination occurs;
 - (D) the Corporation will pay as a severance benefit to you a lump-sum payment equal to the amount of your annual base salary as then in effect plus the amount of your largest annual incentive bonus for the three fiscal years of the Corporation immediately preceding the Date of Termination; and

- (E) for the twelve-month period after the Date of Termination, you and your eligible dependents will continue to receive benefits under the medical and dental plans of the Corporation as if your employment by the Corporation did not terminate; provided, that the payments or benefits otherwise receivable by you pursuant to this Subsection 2(c)(ii)(E) will be reduced to the extent other comparable payments or benefits are actually received by you during the twelve-month period following your termination, and any such payments or benefits actually received by you will be reported to the Corporation; and provided, further that any insurance continuation coverage that you may be entitled to receive under the Consolidated Omnibus Budget Reconciliation Act of 1986 or similar state laws will commence on the Date of Termination;

The amounts paid to you pursuant to Subsections 2(c)(i)(D) or 2(c)(ii)(D) will not be included as compensation for purposes of any qualified or nonqualified pension or welfare benefit plan of the Manpower Group.

(d) Golden Parachute Tax.

- (i) Notwithstanding anything contained in this letter to the contrary, in the event that any payment or distribution to or for your benefit pursuant to the terms of this letter (a "Payment" or "Payments") would be subject to the excise tax imposed by Section 4999 of the Internal

Revenue Code of 1986, as amended (the "Code"), or any interest or penalties are incurred by you with respect to such excise tax (such excise tax, together with any interest and penalties, are collectively referred to as the "Excise Tax"), then you shall be entitled to receive an additional payment (a "Gross-Up Payment") in an amount such that after payment by you of all taxes (including any interest or penalties imposed with respect to such taxes), including any Excise Tax, imposed upon the Gross-Up Payment, you retain an amount of the Gross-Up Payment equal to the Excise Tax imposed upon the Payments.

- (ii) A determination shall be made as to whether and when a Gross-Up Payment is required pursuant to this Subsection 2(d) and the amount of such Gross-Up Payment, such determination to be made within fifteen business days of the Date of Termination, or such other time as requested by the Corporation or by you (provided you reasonably believe that any of the Payments may be subject to the Excise Tax). Such determination shall be made by a national independent accounting firm selected by you (the "Accounting Firm"). All fees, costs and expenses (including, but not limited to, the cost of retaining experts) of the Accounting Firm shall be borne by the Corporation and the Corporation shall pay such fees, costs and expenses as they become due. The Accounting Firm shall provide detailed supporting calculations, acceptable to you, both to the Corporation and you. The Gross-Up Payment, if any, as determined pursuant to this Subsection 2(d)(ii) shall be paid by the Corporation to you within five business days of the receipt of the Accounting Firm's determination. Any such initial determination by the Accounting Firm of whether or when a Gross-Up Payment is required and, if such a payment is required, the amount thereof shall be binding upon the Corporation and you subject to the application of Subsection 2(d)(iii).
- (iii) As a result of the uncertainty in the

application of Sections 4999 and 280G of the Code, it is possible that a Gross-Up Payment (or a portion thereof) will be paid which should not have been paid (an "Overpayment") or a Gross-Up Payment (or a portion thereof) which should have been paid will not have been paid (an "Underpayment"). An Underpayment shall be deemed to have occurred upon notice (formal or informal) to you from any governmental taxing authority that your tax liability (whether in respect of your then current taxable year or in respect of any prior taxable year) may be increased by reason of the imposition of the Excise Tax on a Payment or Payments with respect to which the Corporation has failed to make a sufficient Gross-Up Payment. An Overpayment shall be deemed to have

occurred upon a "Final Determination" (as hereinafter defined) that the Excise Tax shall not be imposed upon a Payment or Payments with respect to which you had previously received a Gross-Up Payment. A Final Determination shall be deemed to have occurred when you have received from the applicable governmental taxing authority a refund of taxes or other reduction in your tax liability by reason of the Overpayment and upon either (A) the date a determination is made by, or an agreement is entered into with, the applicable governmental taxing authority which finally and conclusively binds you and such taxing authority, or in the event that a claim is brought before a court of competent jurisdiction, the date upon which a final determination has been made by such court and either all appeals have been taken and finally resolved or the time for all appeals has expired or (B) the expiration of the statute of limitations with your applicable tax return. If an Underpayment occurs, you shall promptly notify the Corporation and the Corporation shall pay to you at least five business days prior to the date on which the applicable governmental taxing authority has requested payment, an additional Gross-Up Payment equal to the amount of the Underpayment plus any interest and penalties imposed on the Underpayment. If an Overpayment occurs, the amount of the Overpayment shall be treated as a loan by the Corporation to you and you shall, within ten business days of the occurrence of such Overpayment, pay to the Corporation the amount of the Overpayment plus interest at an annual rate equal to the rate provided for in Section 1274(b)(2)(B) of the Code from the date the Gross-Up Payment (to which the Overpayment relates) was paid to you.

(iv) Notwithstanding anything contained in this letter to the contrary, in the event it is determined that an Excise Tax will be imposed on any Payment or Payments, the Corporation shall pay to the applicable governmental taxing authorities as Excise Tax withholding, the amount of the Excise Tax that the Corporation has actually withheld from the Payment or Payments.

(e) Payment. The payments provided for in Subsections 2(c)(i)(A) through (D) or 2(c)(ii)(A) through (D), above, will be made not later than the fifteenth business day following the Date of Termination, except as otherwise provided. If any of such payments is not made when due (hereinafter a "Delinquent Payment"), in addition to such principal sum, the Corporation will pay you interest on any and all such Delinquent Payments from the date due computed at the prime rate as announced from time to time by Firststar Bank of Milwaukee, compounded monthly.

- (f) No Mitigation. You will not be required to mitigate the amount of any payment or benefit provided for in this Section 2 by seeking other employment or otherwise, nor will the amount of any payment provided for in this Section 2, unless otherwise provided herein, be reduced by any compensation earned by you as the result of employment by another employer after the Date of Termination, or otherwise.
- (g) Release of Claims. Notwithstanding the foregoing, the Corporation will not pay you, and you have no right to receive, any benefits described in Section 2, above, unless and until you execute, and there shall be effective following any statutory period for revocation, a release, in a form reasonably acceptable to the Corporation, that irrevocably and unconditionally releases, waives, and fully and forever discharges the Manpower Group and its past and current directors, officers, employees, and agents from and against any and all claims, liabilities, obligations, covenants, rights, demands and damages of any nature whatsoever, whether known or unknown, anticipated or unanticipated, relating to or arising out of your employment with the Manpower Group, including without limitation claims arising under the Age Discrimination in Employment Act of 1967, as amended, Title VII of the Civil Rights Act of 1964, as amended, the Civil Rights Act of 1991, the Equal Pay Act, as amended, and any other federal, state, or local law or regulation.
- (h) Forfeiture. Notwithstanding the foregoing, your right to receive the payments and benefits to be provided to you under this Section 2 beyond those described in Subsection 2(a), above, is conditioned upon your performance of the obligations stated in Section 3, below, and in Section 6 of the Compensation Agreement, and upon your breach of any such obligations, you will immediately return to the Corporation the amount of such payments and benefits and you will no longer have any right to receive any such payments or benefits.

3. Noncompetition Agreement.

- (a) Noncompetition. During the term of your employment with the Manpower Group, you will not assist any competitor of any company in the Manpower Group in any capacity. During the one-year period which immediately follows the termination of your employment with the Manpower Group, you will not, directly or indirectly, provide services or assistance of a nature similar to the services provided to the Manpower Group during the term of your employment with the Manpower Group to any entity engaged in the business of providing temporary staffing services anywhere in the United States or any other country in which the Manpower Group conducts business as of the Date of Termination which has, together with its affiliated entities, annual revenues from such business in excess of \$500,000,000. You acknowledge that the scope of this limitation is reasonable in that, among other things, providing any such services or assistance

during such one-year period would permit you to use unfairly your close identification with the Manpower Group and would involve the use or disclosure of confidential information pertaining to the Manpower Group.

- (b) Injunction. You recognize that irreparable and incalculable injury will result to the Manpower Group and its businesses and properties in the event of your breach of any of the restrictions imposed by Subsection 3(a), above. You therefore agree that, in the event of

any such actual, impending or threatened breach, the Corporation will be entitled, in addition to the remedies set forth in Subsection 2(h), above, and any other remedies and damages, to temporary and permanent injunctive relief (without the necessity of posting a bond or other security) restraining the violation, or further violation, of such restrictions by you and by any other person or entity from whom you may be acting or who is acting for you or in concert with you.

- (c) Nonapplication. Notwithstanding the above, this Section 3 will not apply if your employment with the Corporation is terminated by you for Good Reason or by the Corporation without Cause within two years after the occurrence of a Change of Control.
4. Nondisparagement. Upon your termination of employment with the Manpower Group for any reason, the Manpower Group agrees to maintain a positive and constructive attitude and demeanor toward you, and agrees to refrain from making any derogatory comments or statements of a negative nature about you. Upon your termination of employment with the Manpower Group for any reason, you agree to maintain a positive and constructive attitude and demeanor toward the Manpower Group, and agree to refrain from making derogatory comments or statements of a negative nature about the Manpower Group, its officers, directors, shareholders, agents, partners, representatives and employees, to anyone.
 5. Successors; Binding Agreement. This letter agreement will be binding on the Corporation and its successors and will inure to the benefit of and be enforceable by your personal or legal representatives, heirs and successors.
 6. Notice. Notices and all other communications provided for in this letter will be in writing and will be deemed to have been duly given when delivered in person, sent by telecopy, or mailed by United States registered or certified mail, return receipt requested, postage prepaid, and properly addressed to the other party.
 7. No Right to Remain Employed. Nothing contained in this letter will be construed as conferring upon you any right to remain employed by the Corporation or any member of the Manpower Group or affect the right of the Corporation or any member of the Manpower Group to terminate your employment at any time for any reason or no reason, subject to the obligations of the Corporation and the Manpower Group as set forth herein.
 8. Modification. No provision of this letter may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing by you and the Corporation.
 9. Withholding. The Corporation shall be entitled to withhold from amounts to be paid to you hereunder any federal, state, or local withholding or other taxes or charges which it is, from time to time, required to withhold under applicable law.
 10. Previous Agreement. This letter, upon acceptance by you, and the Compensation Agreement expressly supersede any and all previous agreements or understandings relating to your employment by the Corporation or the Manpower Group or the termination of such employment, and any such agreement or agreements shall, as of the date of your acceptance, have no further force or effect.

If you are in agreement with the foregoing, please sign and return one copy of this letter which will constitute our agreement with respect to the subject matter of this letter.

Sincerely,

MANPOWER INC.

By: /s/Mitchell S. Fromstein

Agreed as of the 22nd day of February, 1999.

/s/Michael J. Van Handel

- -----

Michael J. Van Handel

WARNING: THE EDGAR SYSTEM ENCOUNTERED ERROR(S) WHILE PROCESSING THIS SCHEDULE.

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SUMMARY FINANCIAL INFORMATION
EXTRACTED FROM THE FINANCIAL
STATEMENTS OF THE REGISTRANT
FOR THE THREE MONTHS ENDED
MARCH 31, 1999 AND IS
QUALIFIED IN ITS ENTIRETY BY
REFERENCE TO SUCH FINANCIAL
STATEMENTS.

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