

Option 1: Our Payroll and Billing Operations will deduct the applicable Royalty for Career Placement Billings and Conversion Fees as Receipts are collected, or

Option 2: You are solely responsible for submitting each Career Placement Billings and Conversion Fee Royalty payment via wire transfer in order for Us to receive each payment on or before the 10th day of each month following the month in which Receipts were collected.

(2) During the term of this Agreement, within 60 days following Our fiscal year-end which is the last Friday of the calendar year, if Your Annual Gross Margin Dollars (AGMD) exceed \$500,000.00 (in the aggregate), and Your Average Gross Margin Percentage (AGMP) is 18% or greater, We will calculate and pay You a Royalty bonus rebate as reflected on Attachment 7 to this Agreement.

(3) You acknowledge that each week all Temporary Help Billings Client accounts in the aggregate must have a minimum Gross Margin of 10% before fees. If the weekly Gross Margin percentage is below the minimum, Our Payroll and Billing Operations will compute and collect what We would have received if the Gross Margin percentage had been 10%.

(4) If the prime interest rate as published in the Wall Street Journal equals or exceeds 12% at the end of a week Our cost of money to fund the payroll will increase and therefore the Temporary Help Billings Royalty Rate percentages described in this subsection 10(b) shall be increased as noted below beginning the subsequent week:

Prime Interest Rate	Additional Royalty Rate
Less than 12%	No Change
at least 12% but less than 14%	41% Gross Margin
at least 14% but less than 16%	42% Gross Margin
at least 16% but less than 18%	43% Gross Margin
at least 18% but less than 20%	44% Gross Margin
20% or more	45% Gross Margin

10(c) Ad Fund:

(1) We have established an "Ad Fund" to promote the Snelling brand name, the Network and the System. The Ad Fund will be maintained, administered and directed by Us or Our designee. We have the right to maintain, administer, and direct the Ad Fund informally or formally, as a separate legal entity.

(2) Each week Our Payroll and Billings Operations will charge the Distribution Account 0.5% of all Temporary Help Billings (including temp-to-hire Billings).

(3) With respect to Career Placement Billings and Conversion Fees you may elect one of the following options:

Option 1: Our Payroll and Billing Operations will 2% of all Career Placement Billings and/or Conversion Fees as Receipts are collected, or

Option 2: You are solely responsible for submitting the 2% Ad Fund Career Placement Billings and Conversion Fee Ad Fund payment via wire transfer in order for Us to receive each payment on or before the 10th day of each month following the month in which Receipts were collected.

(4) The Ad Fund shall be used to pay for all costs and expenses (direct or indirect), related without limitation to the promotion of the Snelling brand name, the Network, the System, and the administration of the Ad Fund. Each year, You may request a copy of the Ad Fund's annual accounting.

(5) We may, in Our sole discretion, determine what constitutes costs with respect to the Ad Fund. Such costs may include without limitation: (i) advertising agency fees and other costs related to preparing and conducting television, radio, magazine, newspaper advertising, and direct mail campaigns;

(ii) Internet advertising, Internet software application development, Internet site hosting (including computer hardware, equipment cost and third party telecommunications cost) and the cost of maintaining a presence on the Internet; (iii) campaigns; direct marketing promotions and outdoor billboard advertising; (iv) public relations activities; (v) internal sales incentive contests; (vi) employing agencies or vendors to produce and place advertising, (vii) Snelling's personnel and other departmental costs related to the Ad Fund, (viii) membership in trade organizations for Snelling, and related expenses for attending organization functions; (ix) creating trade show booths and purchasing exhibit space; (x) creating, purchasing and distributing promotional materials to franchisees, customers of franchisees or other third parties; (xi) field testing and developing promotions and incentives (xii) conducting marketing research and surveys; (xiii) establishing retention programs, including product giveaways; (xiv) franchise sales activities, and (xv) any other cost and expense related to advertising, promoting and enhancing the image or name recognition of the Snelling brand, System and Network.

(6) Each Snelling Personnel Services businesses operated by Us shall contribute to the Ad Fund on the same basis as franchisees. Except however, independent staffing businesses acquired by Us from time to time will not contribute in a like manner until after 3 full months of operation under the Proprietary Marks. Further, We may operate other staffing businesses not using the Proprietary Marks described herein, and those businesses will not contribute to the Ad Fund.

(7) We or Our designee will direct all advertising, public relations, promotional programs, and related activities, with sole discretion over the creative concepts, materials, and media used in them, and over their placement and allocation. We assume no obligation to spend Ad Fund monies in proportion to any given contribution or to ensure that any particular office within the Network benefits directly or proportionally from the Ad Fund. The Ad Fund and its earnings shall not otherwise inure to Our benefit. The Ad Fund is operated solely as a conduit for collecting and expending the advertising funds as outlined herein. Money remaining in the Ad Fund of any year shall be applied towards advertising and related programs to further promote the Snelling brand name as set forth above and for no other purpose.

10(d) Other Financial Obligations; No Right of Set-off: You shall promptly pay any money due Us or Our subsidiaries, affiliates, or designees (including money owed under a separate promissory note, contract, or other obligation). You shall have no right to withhold or set-off any amounts owed under this Agreement (or any other agreement) for any reason.

10(e) Interest: Past due amounts shall accrue interest.

10(f) Security Interest: As security for the advancement of monies to You and for the payment of fees and other amounts owed to Us under this Agreement, You and Your Principal Owners hereby convey to Us a security interest in all present and later acquired interests in the Business, including contract rights, accounts receivable, fixed assets, general intangibles, and all cash or non-cash proceeds from the Business, as security for all Your present and future obligations to Us. Further, You and Your Principal Owners shall execute one or more financing statements, continuation statements, amendments or other documents as We deem necessary. We have the right to assign Our interest at any time upon notice to You.

11. RECORDKEEPING; REPORTING; AUDITS

11(a) Recordkeeping and Reporting: You shall provide Us immediate access to any information (including information concerning any Principal Owner), regardless of who possesses it, that relates in any way to the Business. Such access shall include access that allows Us to electronically receive and/or collect such information. You agree to timely prepare, preserve, and report full, complete, and accurate books, records, and accounts of the Business to Us in accordance with generally accepted accounting principles ("GAAP") and as instructed in the Materials.

11(b) Financial Audits: We, or Our designated agent, have the right to enter the Business during any Business Day with or without prior notice to You in order to audit the books, records, and/or automation systems used by You for the operation of the Business. You shall fully cooperate with the individuals

conducting such audits. Ordinarily, We will pay Our costs associated with the audit. However, You shall be obligated to immediately pay all costs and fees associated with the audit if: (i) You delay the time for the audit by more than 5 Business Days; (ii) You fail to cooperate with Us or Our designated agent; (iii) Your financial records require a substantial effort to be placed in a condition readily conducive to an audit; and/or (iv) the examination or audit reveals unreported Billings, Receipts or other delinquent financial liabilities to Us that total more than \$2,500. For purposes of this Agreement, "**Business Day**" means each day other than Sundays, Saturdays, and nationally recognized holidays.

11(c) Compliance Audits: We, or Our designated agent, may from time to time perform an operational compliance audit of the Business. If such operational audit reveals that You have failed to comply with this Agreement, including the Materials, You shall be obligated to immediately pay all costs associated with the audit. The performance of such an audit as well as its findings or lack of findings in no way waives any of Our rights under this Agreement. Should You fail 2 consecutive compliance audits, We may, at Our option, terminate this Agreement if You fail to cure the noted deficiencies.

11(d) Use of Information:

(1) We may, as We deem appropriate or as required by law, use all financial and operational information that We obtain concerning the Business.

(2) You acknowledge that the Confidential Information is owned by Us. Though the information is owned by Us, We agree to provide certain assurances to You that We will not intentionally use, divulge or otherwise permit access to any confidential payroll/billing information (the "P/B Confidential Information") pertaining to the Business operations with the intention of allowing the P/B Confidential Information to be used for any competitive purpose against You. However, from time to time, We may review the P/B Confidential Information in order to avoid conflicts or interest between You and Us during the bidding process and/or to prevent pricing errors. At the time the Franchise Agreement is terminated or expires without renewal, We are not restricted in how We choose to use the P/B Confidential Information. Further, We are not restricted if You are adjudicated as bankrupt, insolvent or are found to be in breach for any other action described in subsection 15(b)(8). In addition, in the event of an emergency where You are unable to perform Your duties to Clients and/or Field Employees, We may use the P/B Confidential Information.

12. OWNERSHIP STRUCTURE AND TRANSFER

12(a) Ownership Interest: "**Ownership Interest**" means any stock, limited liability company membership, partnership interest, or other direct or indirect beneficial interest or ownership in You, or Your parent, subsidiary or other affiliated business entities. For example: If a shareholder owns 25% interest in a corporation that owns 50% interest in You, then that shareholder owns 12.5% Ownership Interest in You; making that shareholder a Principal Owner of You. You must at all times keep Us informed of all Ownership Interest in You. You shall provide Us copies of all organizational documents and other materials or statements that We may require in order to document Your ownership structure throughout the term of this Agreement.

12(b) Ownership Structure: "**Principal Owner**" means each individual or entity that has a 5% or more Ownership Interest in You. Each Principal Owner must execute this Agreement and the applicable Guaranty attached hereto in the forms of Attachment 3.1 and/or Attachment 3.2. The identity of each Principal Owner is set forth in Attachment 5 to this Agreement as it may be amended from time to time. You and Your Principal Owners agree that none of You shall have any Ownership Interest in any staffing business other than each the Business licensed under this Agreement. Notwithstanding anything to the contrary herein, this restriction shall not apply to a publicly-traded ownership interest of less than 1% in any one company traded on any securities exchange.

12(c) Ownership Transfer and/or Change in Control:

(1) **"Ownership Transfer"** means the transfer, sale, assignment, pledge or other encumbrance of all or a part of the assets of the Business or Ownership Interest in You. During the term of this Agreement, no Ownership Interest may be transferred, sold, assigned or otherwise divested to any person or entity outside the Snelling System. You must obtain Our prior written consent to any Ownership Transfer.

(2) **"Control"** shall mean an Ownership Interest of 50% or more in You (or in some cases, less than 50% if We determine a Principal Owner with less than 50% Ownership Interest has substantial authority and/or power over You and/or Your operation of the Business).

12(d) Transfer by Franchisee:

(1) The rights and duties set forth in this Agreement are personal to You and Your Principal Owners. We granted You rights under this Agreement in reliance on Your Principal Owners' business skill, financial status and personal character. We have legitimate reasons to evaluate the qualifications of any potential new owner. We have the right to analyze the terms of the proposed purchase contract with You. We will investigate any potential owner's qualifications, including whether sufficient financial resources are available to operate the Business and bear the burden of the purchase terms. Therefore, You and Your Principal Owners acknowledge and agree that Our contact with any potential owner is for the purpose of protecting Our business interests and the integrity of the System, and does not constitute improper or unlawful conduct and/or tortious interference with Your contractual or business relationships.

(2) No one may sell, assign, transfer, convey, pledge, mortgage, encumber, or give away, any direct or indirect Ownership Interest except as provided for in this Agreement. If any such action occurs by operation of law or otherwise that is not in accordance with the provisions of this Agreement, the transaction shall be null and void and shall constitute a material breach of this Agreement .

(3) In computing changes of Ownership Interest, limited partners will not be distinguished from general or managing partners. Our judgment will be final if there is any question as to the definition of Ownership Interest or as to the computation of Ownership Interest. The principal considerations in computing Ownership Interest include: (i) total shares and control of voting stock, (ii) direct and indirect power to exercise control over Your affairs; (iii) direct and indirect rights to share in Your profits; and (iv) amounts directly or indirectly exposed to risk in Your franchise business.

(4) Your Principal Owners must collectively at all times retain 100% of the ownership shares of Your Voting Stock. **"Voting Stock"** means restricted, non-registered, non-public shares held by Your Principal Owners. Your financial business representative shall certify annually to Us that You are in compliance with the provisions of this subsection 12(d). Such certification shall be delivered to Us along with Your annual financial statements required in accordance with the Materials.

12(e) Conditions for Ownership Transfer:

(1) We may, in Our sole discretion, require any or all of the following as conditions of Our approval to any proposed transfer of Ownership Interest:

(i) You may not be in breach of this Agreement.

(ii) You must obtain Our prior written consent to the transfer and Our approval of the new owner(s).

(iii) You must provide Us with a copy of any buy/sell agreement or other instrument of transfer, as well as any other information We require to analyze the proposed purchase terms, at least 30 days prior to Your proposed closing date.

(iv) You and the proposed new owner shall supply Us, at Your cost, with all information We require to investigate the proposed new owner, including a personal interview at Our corporate headquarters.

(v) If We determine, in Our sole discretion, that training is required, We will designate the Principal Owner(s) and/or Manager who must attend and complete to Our satisfaction Our then-current initial training program. The training must be completed within the time frame We stipulate following the transfer.

(3) If the transfer results in a transfer of more than 51% Ownership Interest or Change in Control, the new franchisee and its principals must enter into Our then-current form of franchise agreement. Further, the new franchisee must renovate, modernize and/or upgrade those items that we identify, including but not limited to, signage, furniture, fixtures, equipment, computer hardware and/or software, to our then-current standards for new franchise locations. Such renovations, modernization and/or upgrades must be completed within 90 days following the date of transfer.

(4) Regardless of the total percentage of Ownership Interest transferred, We require the applicable parties to sign a mutual release, in a form satisfactory to Us, at the time of transfer. In general, (except for post-termination covenants under this Agreement) the mutual release will provide for a release of any and all existing claims against either party and their respective affiliates, and the officers, directors, shareholders, partners, agents, managers, members, and representatives of each of them, in their corporate and individual capacities, including claims arising under this Agreement and under any law.

12(f) Right of First Refusal: We have the right to purchase Ownership Interest and/or the Business on substantially the same terms of any bona fide offer submitted to You. We will have 30 days following Our receipt of Your notice of the offer to make Our decision. We have the right, in Our sole discretion, to substitute cash for any other consideration offered and to pay the entire discounted present value of the purchase price at the time of closing. Any material change in the terms of the proposed offer prior to closing shall constitute a new offer subject to Our same right of first refusal. We will have 15 days following Our receipt of the modified offer to make Our decision.

12(g) Change of Control: A "**Change in Control**" occurs at the time of the death, incapacity, withdrawal, stock redemption, or other elimination of a Principal Owner.

12(h) Termination Due to Death or Incapacity: When a Change in Control occurs because of the death or incapacity of a Principal Owner (and there is no remaining Principal Owner) this Agreement shall terminate ninety (90) days after the occurrence. No later than 30 days prior to the termination, the successors or heirs, if any, of the deceased or incapacitated Principal Owner may apply to Us for a franchise license to continue operating the Business and at least one Principal Owner must attend Our then-current training programs. Our approval will not be unreasonably withheld.

13. RENEWAL OF AGREEMENT

13(a) Renewal: Unless We have reason to terminate this Agreement for cause, or We agree to purchase Your assets, We will renew the franchise for an additional 10 year term (the "**Renewal Term**") contingent upon each of the following factors:

(1) At least 180 days prior to the Scheduled Expiration Date We will provide You with a written renewal notice (the "**Renewal Notice**"), confirming Our offer to renew the franchise.

(2) No less than 30 days following Your receipt of the Renewal Notice, You must provide Us with Your written confirmation regarding Your intent to renew, or not to renew, the franchise ("**Renewal Intent**").

(3) if You elect to renew, at least 30 days prior to the Scheduled Expiration Date, You and Your Principal Owners must execute Our then-current form of franchise agreement and all other related documents required by Us at that time (cumulatively the "**Renewal Documents**"). You and Your Principal Owners acknowledge that the Renewal Documents may contain terms and conditions that are significantly different from this Agreement. In addition, the parties agree to execute a mutual release which is intended to release any and all claims the parties may have against each other arising out of or related to this Agreement. The release however will not purport to release the parties from any future claims arising out of or related to the Renewal Documents.

(4) You may not be in material default of this Agreement as of the scheduled renewal date.

(5) All monetary obligations You owe to Us under this Agreement, or any other Agreement between You and Us, must be paid current as of the scheduled renewal date.

(6) Those individuals We identify in the Renewal Notice (whether a Principal Owner, Manager, and/or Staff Employee), must successfully complete Our then-required training concerning the operation of the Business within the first 180 days following the scheduled renewal date.

14. NON-RENEWAL OF AGREEMENT

14(a) Non-Renewal Notice Requirement: If You do not desire to renew the franchise at the end of the then-current term, You must inform Us, in writing (the "**Non-Renewal Notice**") no later than 30 days after Your receipt of the Renewal Notice. In all cases, if You opt for non-renewal, You must enter into Our then-current exit agreement at least 30 days prior to the Scheduled Expiration Date. The exit agreement may, at Our sole option, provide that We may step in on or before the Scheduled Expiration Date and continue to operate one or more Locations licensed under this Agreement.

14(b) Continued Service Required to End of Term: The parties agree that it is imperative that the goodwill of Snelling and the Network be protected. Therefore, You agree to continue to service Clients, Job-seekers, and Field Employees, up to and including the day of the Scheduled Expiration Date. We are entitled to all Royalty, Ad Fund, and any other payments and other monies owed and accruing up to and including the Scheduled Expiration Date.

15. TERMINATION

15(a) Termination for Failure to Cure Breach: Except as otherwise provided in subsection 15(b), when You receive a written notice from Us informing You that You have failed to comply with the terms of this Agreement (as supplemented by the Materials), You will have 10 consecutive days (or such other time frame as required by law) to cure the breach to Our satisfaction. If You do not cure the breach within the applicable time period, this Agreement may terminate without further notice to You. In addition, if the breach is due to Your failure to timely pay monies due Us, We reserve the right to file a delinquency report with all appropriate credit reporting agencies.

15(b) Termination Without Opportunity to Cure Breach: After any one or more of the following events described below, We may, in Our sole discretion, terminate this Agreement without providing You any opportunity to cure the breach, and the termination is effective when You receive Our written notice.

(1) You fail to open the Business as required under subsection 6(a) or the Business is closed for 5 consecutive Business Days.

(2) You or any Principal Owner is convicted of, or pleads no contest to, a felony, a crime involving moral turpitude, or any other crime or offense that is likely, in Our sole opinion, to adversely affect the Network, the Snelling Property, or Our interest in them.

(3) You or any Principal Owner attempts to transfer or transfers, with or without remuneration, any of the material assets of the Business, the Snelling Property, any rights or obligations under this Agreement, or any Ownership Interest in You without first obtaining Our written approval.

(4) You or any Principal Owner fail to comply with any Confidentiality Agreement and/or non-disclosure agreement or fails to comply with any of the provisions of this Agreement related to: (i) Non-Disclosure of Confidential Information, (ii) Protection of Confidential Information, (iii) Treatment of Personnel, (iv) operation of the Business from a Snelling Approved Location, (v) maintaining uninterrupted required insurance coverage, (vi) Credit and Collections, or (vii) Rules Governing Unfair Trade Practices.

(5) You or any Principal Owner uses in any unauthorized manner or discloses to any unauthorized party, the Snelling Property and/or any third party software sublicensed through Snelling to You.

(6) You or any Principal Owner (i) acts in any way inconsistent with being a business separate from Snelling; (ii) commits any unauthorized acts involving Snelling; (iii) commits any act or pursues any course of conduct that brings the System, the Network, or the Proprietary Marks into disrepute; (iv) participates in any fraudulent activity, including any fraudulent reporting of financial or operational information to Us; (v) willfully or negligently misclassifies Field Employees for worker's compensation reporting and charge purposes, (vi) permits Field Employees to perform prohibited services or (viii) permits Field Employees to be employed in job classifications that are prohibited as instructed by Us.

(7) You lose legal control of the assets, business affairs, or freedom of action with respect to the Business.

(8) You are (i) adjudicated as bankrupt or insolvent, (ii) all or a substantial part of the assets are assigned to, or for, the benefit of any creditor, (iii) a petition in bankruptcy is filed by or against You and is not immediately contested and dismissed within 60 days from filing, (iv) a bill in equity or other proceeding for the appointment of a receiver or other custodian of You, the Business or assets of either is filed and consented to by You, (v) a receiver or other custodian (permanent or temporary) of Your assets or property, or any part thereof, is appointed by any court of competent jurisdiction, (vi) proceedings for a composition with creditors under any state or federal law are instituted by or against You, (vii) You are dissolved, and/or (viii) execution is levied against Your or the real or personal property of the Business is scheduled to be sold after levy thereon by any governmental body or agency, sheriff, marshal or constable.

(9) You have converted Our funds as described in subsection 9(f)(2) of this Agreement.

(10) You or any Principal Owner commits 2 material breaches under this Agreement within a 12 month period, whether or not such breaches have been cured after Your receipt of Our written notice.

15(c) Cease Operations: If You fail to cure the breach, You must immediately cease operating the Business and comply with the post-termination obligations contained in Sections 16 and 17.

15(d) Cross Default: If any of Your subsidiaries or affiliates authorized to operate one or more Businesses under this Agreement commits any breach described herein, the breach shall effect all members of this Agreement. In addition, if any Principal Owner is a Principal Owner in another Snelling franchisee, a breach of the other franchisee's franchise agreement or attendant agreements shall be a breach of this Agreement and vice versa.

15(e) Inability to Perform at a Specific Location:

(1) This Agreement provides for the potential operation of multiple Business locations during the term. If You operate more than one Business and You find You cannot perform under this Agreement for one particular Location, You must obtain Our prior written consent to either merge the Business into one of Your other Locations, or close the Business in accordance with the terms provided herein.

(2) At least 90 days prior to taking any action concerning the subject Location, You must provide Us with Your written notice regarding Your intentions to either merge the Business or close the Business. You agree that all terms contained in subsections 15(f) and 15(g) below will apply in like manner to the subject Location, except however (i) if We agree to allow You to rescind Your notice You agree to execute the required re-instatement documents, including a mutual release by the parties, and You shall pay a \$5,000 re-instatement fee to Us, or (ii) if You fail to operate the Business for the required 90 day period, We will be entitled to liquidated damages in an amount equal to the Royalties due and payable for the 9 month period immediately preceding the time You ceased operation of the subject Location.

15(f) Inability to Perform Under the Agreement:

(1) In the event You cannot perform under this Agreement, despite Your best efforts, and provided You are in compliance with all of the terms and conditions of this Agreement, You may voluntarily terminate this Agreement by providing Us with a 180 days prior written notice detailing Your intentions. The notice to voluntarily terminate this Agreement is irrevocable upon Our receipt, and the option to allow You to rescind any such voluntary notice of termination shall be at Our sole discretion. If We approve Your request to rescind Your notice to terminate, You agree to execute the required re-instatement documents, including a mutual release by the parties, and You shall pay a \$10,000 re-instatement fee to Us. Similarly, the provisions of this subsection 15(f) shall apply should You elect to rescind Your notice of renewal described in subsection 13(a)(2), except however You agree to execute Our required termination documents, including a mutual release by all parties, and pay Us all monies due under this Agreement at that time.

(2) Your written notice must contain all of the information required to be provided to Us in subsections 16(a)(12) and 16(a)(13) below.

(3) The parties agree that the date We receive Your written notice is referred to as the "**Voluntary Notice Date**", and the scheduled date to cease operations under this Agreement is 180 days following Our receipt of Your voluntary notice (the "**Termination Date**"). You automatically release certain rights in effect as of the Voluntary Notice Date such as participation in any special programs or qualification for any economic incentives We may provide at the time. You agree in order to protect Our goodwill and to reasonably arrange to continue to service Clients, Job-seekers and Field Employees, You will use Your best efforts to continue to perform under this Agreement for the entire 180 day notice period. Further, You acknowledge that We are entitled to all Royalties, Ad Fund contributions, and any other monies owed and accruing up to an including the Termination Date.

(4) We shall have 90 days following the Voluntary Notice Date to inform You as to whether or not We, or our designee, elect to purchase any or all of Your assets pursuant to subsection 16(a)(11).

15(g) Liquidated Damages:

(1) If this Agreement is terminated under subsections 15(a) or 15(b), or if You fail to provide Us the required notice described in subsections 15(e) or 15(f), or if You fail to operate the Business for any period prior to the Termination Date, You agree to compensate Us for the reasonable costs, expenses, and losses, We incurred in connection with such termination or cessation. Our expenses may include without limitation the (i) costs of soliciting, locating, qualifying and training a replacement franchisee, (ii) loss of any Field Employees and/or Clients, and (iii) loss of revenue We would otherwise receive as a result of Your continued operation of the Business. The parties agree that such expenditures and losses may be uncertain and difficult to ascertain and therefore agree that the compensation specified below reasonably represents such expenditures and losses and is not a penalty. Therefore, You agree to pay Us an amount equal to the Royalty due and payable by You for the 18 month period immediately preceding the date You ceased operating the Business [or if the Business has not been operated for an 18 month period, an amount equal to the average monthly amounts due during the time the Business was operated multiplied by 18]. This subsection 15(g) shall not be construed as Our sole election of remedies and shall not prejudice Our rights to pursue other remedies under this Agreement, including seeking damages and/or injunctive

relief for any violation of Sections 7 and 17, or damages for the conversion of Field Employees or the continued solicitation of Clients in violation of subsection 17(c)(3).

16. TERMINATION DUTIES:

16(a) Termination Duties: If this Agreement terminates for any reason, voluntarily or involuntarily, You and Your Principal Owners, jointly and severally, to the extent permitted by law, shall immediately and expeditiously comply with each of the following requirements:

(1) Stop using all Snelling Property or any variation or colorable imitation of any component, and refrain from identifying, promoting or advertising Yourself as a member of the Snelling Network or former Snelling franchisee, or as formerly associated with Snelling in any manner (including the display of any Snelling related diplomas, awards, plaques, or other similar paraphernalia).

(2) Stop using all software licensed or sublicensed by Us to You.

(3) Cancel all filings or authorizations to operate under the Proprietary Marks, Domain Names or any colorable imitation of them pursuant to a fictitious name statute or any similar statute. Within 30 days following the termination You must submit written evidence of such cancellation to Us.

(4) Assign all Domain Names or other identifications related to the System to Us without delay.

(5) No later than 3 days following the termination, deliver to Us, at Your expense, all originals and copies of the Snelling Property and any software licensed or sublicensed by Us to You. Further, You shall not make, retain or use any copy of the Snelling Property or any software licensed or sublicensed by Us to You.

(6) Pay in full all liabilities of the Business, including, rent, telephone, leases, salaries, vendors, and other claims.

(7) You will not contest that for a period of 90 days following the termination of this Agreement, We will use Your Bad Debt Reserve to cover the negative balance, if any, of Your Distribution Account, and/or any other amounts due Us under this Agreement, including liquidated damages, if applicable.

(8) Cease using all Listings for any purpose whatsoever. You may not enter any "call forwarding" or similar instruction with Your service provider to circumvent this provision. In addition, at Our election, You must execute all forms and documents required by Us and Your service provider to either cancel the Listings or transfer the service and the Listings to Us. For purposes of this Agreement, "**Listings**" means, all office telephone numbers, cellular and facsimile numbers, related Yellow Pages listings/advertisements or other business listings or directories, e-mail addresses, Internet web sites, Internet directories, Internet chat rooms, and all Internet meta keywords, and any other similar components identifying the Business which is accessible by the general public. The obligations of this Section 16 shall survive the termination of this Agreement.

(9) If the Location is leased, We may, at Our option, provide written notice to You requiring You to assign Your interest in any lease or sublease for the Location to Us. We may exercise this option up to 30 days following the termination of this Agreement. You agree to remain liable for all obligations arising prior to the date of the assignment.

(10) If We do not assume the lease, You must, at Your expense, remove all signs bearing the Proprietary Marks and make such modifications to the premises as We deem necessary to clearly distinguish it from any personnel business operating under the System. We have the right to enter the Location, without being guilty of any crime or tort, to make, or cause to be made, at Your expense, the changes and modifications required by this Agreement. You agree to pay Our incurred costs upon demand.

(11) We may, at Our sole option, require You to sell to Us any or all of Your assets. The parties agree that the purchase price shall equal the lesser of (i) fair market value, or (ii) 3 times Your annual pre-tax earnings for the subject Business for Your most recently completed fiscal year as computed in accordance with GAAP. If We cannot agree on a fair market value prior to the Termination Date, the parties agree the fair market value shall be determined by a qualified independent appraiser; selected by Us. Once the value is established, You shall execute Our required Asset Purchase Agreement. We have the right to deduct from the purchase price any sums owing from You under this Agreement or any other agreements between You and Us, and Our reasonable related expenses incurred (including attorneys' fees). The sale shall occur on or before the Termination Date, or such other date as the parties may agree. In addition, We may require one or more of Your Principal Owners to enter into Our standard consulting agreement in order to provide certain services for Us for a limited period of time. The purchase, if completed, is for the assets only and We will not assume any of Your liabilities, except for those, if any, identified within the Asset Purchase Agreement.

(12) You acknowledge that all Client Accounts and Field Employees are Our property. We may service or dispose of the Client Accounts in any manner We deem appropriate. You and Your Principal Owners understand and agree that any solicitation by either of You of any Clients and/or Field Employees following the termination of this Agreement is a material breach of this Agreement for which We may seek all legal remedies. In addition, You must deliver to Us such documents and/or instruments We deem necessary to evidence Our ownership of the Client Accounts and to meet the requirements of all taxing and other government authorities. For the purpose of this Agreement, "**Client Accounts**" means all accounts or other established business relationships with every Client to whom You, through the operation of the Business, have provided staffing services or related products or services during the 2 year period prior to the termination or expiration (without renewal), or that placed a Job-order for the services offered by You during the 90 day period prior to the termination or expiration.

(13) You agree to fully cooperate with Us by providing Us, or Our designee, immediate access to Your computer system and computer hardware for the purpose of returning to Us the Snelling Property and the Snelling licensed or sublicensed computer software contained within it. We will provide to You a voucher insuring the safe and timely return of Your computer hardware. We will retrieve the names, addresses, and telephone numbers of all Client Accounts, as well as all Job-seekers, and Field Employees used or contacted by You through the operation of the Business during the 2 year period prior to the termination or expiration (without renewal) of this Agreement. We will transfer the information directly from Your computer to Ours, and then return the computer hardware to You.

(14) All Confidential Information shall remain Our exclusive property. Therefore, You and Your Principal Owners must preserve forever in confidence all written, electronic or otherwise tangible Confidential Information for Our benefit, and never use, disclose, or misappropriate, directly or indirectly, any Confidential information to Our and/or any successor franchisee's competitive disadvantage or economic injury.

(15) If You or Your Principal Owners fail to comply with all post-termination obligations, Your obligation to provide Us with monies due, reports, records, Client Accounts, Confidential Information, licensed and/or sublicensed software and any other materials required in accordance with this Agreement shall be based on the later of the Termination Date or the date all such post-termination covenants have been fully complied with by the offending party.

16(b) Transfer of Staff Employees: We are not be obligated to hire any of Your Staff Employees. However, if We request a transfer of any Staff Employee, and the Staff Employee is willing to transfer, You will assign the person's employment contract to Us.

16(c) Money Owed: The termination of this Agreement shall not release You from Your obligations to pay all money due or owed under this Agreement. Unless You execute the Renewal Documents, all Billings that have not been collected will immediately be treated as Chargebacks and no Distribution Account amounts will be available to You until the Distribution Account balance subsequently becomes net positive, and You owe no other amounts to Us.

16(d) Continued Effect of Agreement: Provisions of this Agreement that govern the parties' conduct after termination shall continue in effect according to their terms after termination or expiration.

17. RULES GOVERNING UNFAIR TRADE PRACTICES

17(a) Covenants Regarding Unfair Trade Practices: You and Your Principal Owners each agree that, among other things, the training, trade secrets and Confidential Information You receive or procure provide a competitive advantage and each component is valuable to You in operating the Business. Gaining access to such training, trade secrets and Confidential Information is a primary reason why You are entering into this Agreement. Therefore, in consideration for such training, trade secrets, Confidential Information and rights, You and Your Principal Owners specifically make the covenants set forth in this Section 17.

17(b) No Competition During Term of This Agreement: During the term of this Agreement, neither You nor any Principal Owner shall directly or indirectly own, conduct, operate, organize, work for or consult for, or associate with any non-Snelling staffing business located within the United States, its territories or commonwealths, or any other country, province or geographical area. This subsection 17(b) shall not apply to the ownership of less than 1% of the equity securities of a publicly held corporation. In addition, the applicable restrictions as described in Attachment 4 apply to all who have executed Attachment 4.

17(c) Post-Termination Unfair Competition and Unfair Trade Practices: Upon the termination or non-renewal of this Agreement, You and/or Your Principal Owners may operate a staffing business so long as You each comply accordingly with the terms set forth below. In addition, if an individual ceases to be a Principal Owner at any time during the term of this Agreement, that individual may operate a staffing business so long as the individual also complies with the terms set forth below. You and Your Principal Owners acknowledge and agree that noncompliance with these terms constitute unfair trade practices. In addition, the applicable restrictions as described in Attachment 4 apply to all who have executed Attachment 4.

(1) You and/or Your Principal Owners shall not, directly or indirectly, without Our express written consent, either as an individual, counselor, recruiter, consultant, employee, manager, officer, director, shareholder or in any other capacity, use in any manner any part of the Snelling Property, including the use of any Confidential Information to do any of the acts set forth in subsection 17(c)(3).

(2) You shall deliver to Snelling the information and materials described in subsections 16(a)(12), and 16(a)(13).

(3) Neither You nor Your Principal Owners may, for a period of 2 years after the termination or non-renewal of this Agreement, (referred to as the "**Termination Period**") directly or indirectly, for Yourself or through, on behalf of or in conjunction with any person or business entity do any of the following, except as they relate to another business licensed or approved by Us. In addition, no Principal Owner may for the 2 years following the date he/she ceased to be a Principal Owner do so.

(i) operate any staffing business at a location that is within a 10 mile radius from any Snelling location,

(ii) hire or seek to hire, or in any other manner attempt to influence, induce or encourage any Field Employee or Staff Employee of the Business, of any successor franchisee, and/or of Ours to leave their employment;

(iii) contact, seek to contact, or do business with any individual or entity that was a Client during the 2 year period prior to the Termination Period, or in any other manner attempt to solicit, influence, induce or encourage any Client to cease doing business with Us and/or a successor franchisee;

(iv) procure or attempt to procure employment or placement of a Job-seeker that You procured, interviewed or attempted to procure, employ, or place during the 2 year period prior to the Termination Period;

(v) refer or attempt to refer any Job-seeker for employment on an existing or prospective Job-order that You procured or attempted to procure during the 2 year period prior to the Termination Period, or;

(vi) divert or attempt to divert, for Your benefit or Your Principal Owners' benefit, or for the benefit of another staffing business, management search consultant, or other recruitment firm, any Job-seeker, Field Employee, or Job-order in existence on the beginning date of the Termination Period.

(4) You and Your Principal Owners acknowledge and agree that the covenants described above are not intended to and would not prevent or materially impair any party from obtaining a livelihood in the staffing business during the Termination Period. Therefore, if You or one of Your Principal Owners commit a breach of subsection 17(c)(3), the 2 year period specified in subsection 17(c)(3) shall be tolled during the period of such breach.

17(d) Information Request: You and Your Principal Owners shall supply such information as We may request in order to ascertain whether or not You each have complied with, or have violated, the confidentiality covenants contained in this Agreement. You each shall furnish the requested information to Us within a reasonable time, but in no event later than 10 days following Your receipt of Our request.

17(e) Injunctions: You and Your Principal Owners acknowledge that a violation of any of the provisions of this Agreement related to the: (i) License Relationship, (ii) Materials, (iii) Confidential Information, (iv) Ownership Structure and Transfer, (v) Termination Duties, or (vi) Rules Governing Unfair Trade Practices, will cause irreparable harm to Us and the Network. You agree that We have the right to seek injunctive or declaratory relief to remedy any actual or threatened violation of this Agreement specifically including the equitable remedy of specific performance.

17(f) Indirect Conduct: For the purpose of Section 16 and Section 17 herein, the parties agree that indirectly includes any acts committed by You, any Principal Owner, or their respective spouse, child, life partner, other dependent household members, officers, agents, employees, attorneys, estate, or heirs, and those persons in active concert or participation with them, it being the intent of the parties that such persons may not perform any act indirectly which would be prohibited if carried out directly by You. In addition, the parties agree that staffing business includes any business similar to that as set forth under the definition of Business in subsection 3(f).

18. GENERAL LEGAL MATTERS

18(a) GOVERNING LAW: THIS AGREEMENT TAKES EFFECT UPON ITS ACCEPTANCE BY US IN THE STATE OF TEXAS. IN AN EFFORT TO PROMOTE CONSISTENCY WITHIN THE NETWORK, WITH RESPECT TO ALL CLAIMS, CONTROVERSIES, DISPUTES OR ACTIONS RELATED TO THIS AGREEMENT OR THE RELATIONSHIP CREATED THEREBY, THIS AGREEMENT SHALL BE INTERPRETED, ENFORCED AND GOVERNED BY THE LAW OF THE STATE OF TEXAS. TEXAS LAW SHALL PREVAIL IN THE EVENT OF ANY CONFLICT OF LAW, EXCEPT TO THE EXTENT GOVERNED BY THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C., SECTION 1501, ET SEQ.).

18(b) MEDIATION:

(1) THE PARTIES AGREE TO SUBMIT ANY CLAIM, CONTROVERSY OR DISPUTE ARISING OUT OF OR RELATING TO THE FRANCHISE, YOUR OPERATION OF THE BUSINESS, THIS AGREEMENT, OR ANY OTHER AGREEMENT BETWEEN US, OR OUR AFFILIATES, AND YOU TO NON-BINDING MEDIATION PRIOR TO FILING SUCH CLAIM, CONTROVERSY OR DISPUTE IN ARBITRATION OR A COURT.

(2) THE MEDIATION SHALL BE CONDUCTED THROUGH EITHER AN INDEPENDENT MEDIATOR OR A MEDIATOR APPOINTED BY A MEDIATION SERVICES ORGANIZATION OR BODY EXPERIENCED IN THE MEDIATION OF DISPUTES BETWEEN FRANCHISORS AND FRANCHISEES AGREED UPON BY THE PARTIES. FAILING SUCH AGREEMENT WITHIN 15 DAYS OF TIME AFTER EITHER PARTY HAS NOTIFIED THE OTHER IN WRITING OF ITS DESIRE TO SEEK MEDIATION, THE MEDIATION SHALL BE CONDUCTED THROUGH J.A.M.S. OR ITS SUCCESSOR IN ACCORDANCE WITH ITS RULES COVERING MEDIATION. UNLESS YOUR STATE LAW REQUIRES THAT WE CONDUCT THE MEDIATION IN THE STATE WHERE THE BUSINESS IS LOCATED, THE MEDIATION SHALL BE HELD AT THE J.A.M.S. OFFICE LOCATED IN DALLAS, TEXAS, OR IN THE CURRENT CITY AND STATE WHERE OUR CORPORATE HEADQUARTERS IS LOCATED AT THE TIME THE DISPUTE IS SUBMITTED.

(3) THE COSTS AND EXPENSES OF MEDIATION, INCLUDING COMPENSATION AND EXPENSES OF THE MEDIATOR, SHALL BE BORNE BY THE PARTIES EQUALLY.

(4) IF THE PARTIES ARE UNABLE TO RESOLVE THE CLAIM, CONTROVERSY OR DISPUTE WITHIN 90 DAYS AFTER THE MEDIATOR HAS BEEN APPOINTED, THEN THE DISPUTE SHALL AUTOMATICALLY BE REFERRED TO ARBITRATION UNDER SUBSECTION 18(c).

(5) NOTWITHSTANDING THE FOREGOING, WE MAY, IN OUR SOLE DISCRETION, BRING AN ACTION FOR (i) MONIES OWED, (ii) INJUNCTIVE OR OTHER EXTRAORDINARY OR EQUITABLE RELIEF, (iii) SPECIFIC PERFORMANCE, OR (iii) THE POSSESSION OR DISPOSITION OF, OR OTHER RELIEF RELATING TO, REAL PROPERTY IN A COURT HAVING JURISDICTION AND IN ACCORDANCE WITH SUBSECTIONS 18(c)(3) AND 18(d), WITHOUT FIRST SUBMITTING SUCH ACTION TO MEDIATION.

18(c) ARBITRATION:

(1) THE PARTIES AGREE THAT ANY CLAIM, CONTROVERSY OR DISPUTE ARISING OUT OF OR RELATING TO THE FRANCHISE, YOUR OPERATION OF THE BUSINESS, THIS AGREEMENT, OR ANY OTHER AGREEMENT BETWEEN US, OR OUR AFFILIATES, AND YOU, THAT CANNOT BE AMICABLY SETTLED AMONG THE PARTIES OR THROUGH MEDIATION SHALL, EXCEPT AS SPECIFICALLY SET FORTH HEREIN AND IN SUBSECTION 18(d), BE REFERRED TO ARBITRATION.

(2) THE ARBITRATION SHALL BE CONDUCTED THROUGH AN ORGANIZATION OR BODY EXPERIENCED IN THE ARBITRATION OF DISPUTES BETWEEN FRANCHISORS AND FRANCHISEES AGREED UPON BY THE PARTIES.

(3) FAILING SUCH AGREEMENT WITHIN 15 DAYS AFTER ONE PARTY HAS NOTIFIED THE OTHER PARTY IN WRITING OF ITS INTENTION TO ARBITRATE, ARBITRATION SHALL BE CONDUCTED BY THE AMERICAN ARBITRATION ASSOCIATION ("AAA"), OR ITS SUCCESSOR, IN ACCORDANCE WITH THE COMMERCIAL RULES OF AAA OR ITS SUCCESSOR, AS AMENDED, EXCEPT THAT THE ARBITRATOR(S) SHALL APPLY THE FEDERAL RULES OF EVIDENCE. HOWEVER, IF SUCH RULES ARE IN ANY WAY CONTRARY TO OR IN CONFLICT WITH THIS AGREEMENT, THE TERMS OF THIS AGREEMENT SHALL CONTROL.

(4) ALL CLAIMS, CONTROVERSIES OR DISPUTES INVOLVING YOU MAY ONLY BE ARBITRATED ON AN INDIVIDUAL BASIS AND MAY NOT BE CONSOLIDATED WITH ANY CLAIM, CONTROVERSY OR DISPUTE FOR OR ON BEHALF OF ANY OTHER SNELLING FRANCHISEE OR SUPPLIER.

(5) IF THE AMOUNT IN CONTROVERSY INVOLVES LESS THAN \$100,000, THE PARTIES SHALL SELECT A SINGLE ARBITRATOR IN ACCORDANCE WITH THE LIST AND STRIKE PROVISIONS OF THE AAA RULES. IF THE AMOUNT IN CONTROVERSY INVOLVES \$100,000 OR MORE, A THREE-PERSON PANEL OF ARBITRATORS SHALL BE SELECTED.

(6) TO SELECT A THREE PERSON PANEL, THE PARTIES SHALL EACH SELECT ONE ARBITRATOR. IF THE PARTY UPON WHOM THE DEMAND FOR ARBITRATION IS SERVED FAILS TO SELECT AN ARBITRATOR WITHIN 15 DAYS AFTER THE RECEIPT OF THE DEMAND FOR ARBITRATION, THEN THE ARBITRATOR SO DESIGNATED BY THE PARTY REQUESTING ARBITRATION SHALL ACT AS THE SOLE ARBITRATOR TO RESOLVE THE CONTROVERSY AT HAND. OTHERWISE, THE TWO ARBITRATORS DESIGNATED BY THE PARTIES SHALL SELECT A THIRD ARBITRATOR. IF THE TWO ARBITRATORS DESIGNATED BY THE PARTIES FAIL TO SELECT A THIRD ARBITRATOR WITHIN 15 DAYS, THE THIRD ARBITRATOR SHALL BE SELECTED BY THE ORGANIZATION AGREED UPON OR AAA OR ANY SUCCESSOR THERETO, UPON APPLICATION BY EITHER PARTY. ALL OF THE ARBITRATORS SHALL BE EXPERIENCED IN THE ARBITRATION OF DISPUTES BETWEEN FRANCHISORS AND FRANCHISEES, BUT THE PERSON SELECTED MAY NOT HAVE SERVED AS THE MEDIATOR OF THE DISPUTE SUBMITTED TO ARBITRATION AS PROVIDED BY SUBSECTION 17(b) ABOVE.

(7) THE ARBITRATION SHALL TAKE PLACE IN DALLAS, TEXAS, OR THE CURRENT CITY AND STATE WHERE OUR CORPORATE HEADQUARTERS IS LOCATED AT THE TIME THE DISPUTE IS SUBMITTED TO ARBITRATION.

(8) THE AWARD OF THE ARBITRATORS SHALL BE FINAL AND JUDGMENT UPON THE AWARD RENDERED IN ARBITRATION MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF. THE ARBITRATORS SHALL BE REQUIRED TO SUBMIT WRITTEN FINDINGS OF FACT AND CONCLUSIONS OF LAW AND A WRITTEN EXPLANATION AND CALCULATION OF THE AMOUNT AWARDED (IF APPLICABLE) WITHIN 30 BUSINESS DAYS FOLLOWING THE FINAL HEARING SESSION OF THE ARBITRATORS.

(9) THE COSTS AND EXPENSES OF ARBITRATION MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF. THE COSTS AND EXPENSES OF ARBITRATION, INCLUDING COMPENSATION AND EXPENSES OF THE ARBITRATORS, SHALL BE BORNE BY THE PARTIES AS THE ARBITRATORS DETERMINE. EACH PARTY FURTHER AGREES THAT, UNLESS APPLICABLE LAW PROHIBITS SUCH LIMITATION, NEITHER PARTY SHALL BE LIABLE FOR PUNITIVE OR EXEMPLARY DAMAGES, AND THE ARBITRATORS SHALL HAVE NO AUTHORITY TO AWARD THE SAME. ANY AWARD OF PUNITIVE OR EXEMPLARY DAMAGES BY THE ARBITRATOR(S) IS OUTSIDE OF AND IN VIOLATION OF THIS AGREEMENT TO ARBITRATE DISPUTES.

(10) IF WE DESIRE TO SEEK SPECIFIC PERFORMANCE OR OTHER EXTRAORDINARY OR EQUITABLE RELIEF INCLUDING, BUT NOT LIMITED TO, INJUNCTIVE RELIEF UNDER THIS AGREEMENT AND ANY AMENDMENTS THERETO, THEN ANY SUCH ACTION SHALL NOT BE SUBJECT TO MANDATORY ARBITRATION AND WE SHALL HAVE THE RIGHT TO BRING SUCH ACTION AS DESCRIBED IN SUBSECTION 17(d). IN ADDITION, ANY ARBITRATOR APPOINTED PURSUANT TO THE TERMS OF THIS AGREEMENT, SHALL HAVE THE AUTHORITY TO ENTER AN AWARD FOR SPECIFIC PERFORMANCE OR OTHER EXTRAORDINARY OR EQUITABLE RELIEF IF SPECIFICALLY SOUGHT BY A PARTY.

(11) IN PROCEEDING WITH ARBITRATION AND IN MAKING DETERMINATIONS HEREUNDER, THE ARBITRATORS SHALL NOT EXTEND, MODIFY OR SUSPEND ANY TERMS OF THIS AGREEMENT OR THE REASONABLE STANDARDS OF BUSINESS PERFORMANCE AND OPERATION ESTABLISHED BY US IN GOOD FAITH. NOTICE OF OR DEMAND FOR ARBITRATION SHALL NOT STAY, POSTPONE OR RESCIND THE EFFECTIVENESS OF ANY TERMINATION OF THIS AGREEMENT OR SUSPEND THE OPERATION OF OR EFFECT OF ANY TERM OF THE AGREEMENT.

18(d) VENUE:

(1) EXCEPT AS STATED ABOVE, AND IN THIS SUBSECTION OR PRECLUDED BY STATE LAW IN THE STATE IN WHICH THE BUSINESS IS LOCATED, WITH RESPECT TO ALL CLAIMS SET FORTH ABOVE IN SUBSECTION 18(c) (ARBITRATION), OR WHICH AS A MATTER OF LAW OR

PUBLIC POLICY CANNOT BE SUBMITTED TO ARBITRATION, YOU AND YOUR PRINCIPAL OWNERS HEREBY IRREVOCABLY SUBMIT YOURSELVES TO THE EXCLUSIVE JURISDICTION OF THE STATE COURTS AND THE FEDERAL DISTRICT COURT WHERE WE HAVE OUR PRINCIPAL CORPORATE HEADQUARTERS.

(2) YOU AND YOUR PRINCIPAL OWNERS HEREBY WAIVE ALL QUESTIONS OF PERSONAL JURISDICTION FOR THE PURPOSE OF CARRYING OUT THIS PROVISION. YOU AND YOUR PRINCIPAL OWNERS HEREBY AGREE THAT SERVICE OF PROCESS MAY BE MADE UPON ANY OF YOU IN ANY PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP CREATED BY THIS AGREEMENT BY ANY MEANS ALLOWED BY SUCH STATE OR FEDERAL LAW.

(3) YOU AND YOUR PRINCIPAL OWNERS FURTHER AGREE, EXCEPT AS OTHERWISE SET FORTH HEREIN THAT EXCLUSIVE VENUE FOR ANY PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP CREATED THEREBY SHALL BE THE COUNTY WHERE WE HAVE OUR CORPORATE HEADQUARTERS; PROVIDED, HOWEVER, WITH RESPECT TO ANY ACTION (i) FOR MONIES OWED, (ii) FOR INJUNCTIVE OR OTHER EXTRAORDINARY OR EQUITABLE RELIEF (INCLUDING SPECIFIC PERFORMANCE), OR (iii) INVOLVING POSSESSION OR DISPOSITION OF, OR OTHER RELIEF RELATING TO REAL PROPERTY, WE MAY BRING SUCH ACTION IN ANY STATE OR FEDERAL DISTRICT COURT WHICH HAS JURISDICTION.

18(e) MUTUAL BENEFIT: THE PARTIES ACKNOWLEDGE THAT (i) EACH PARTY'S AGREEMENT REGARDING APPLICABLE STATE LAW AND FORUM SET FORTH IN SUBSECTION 18(a) AND SUBSECTION 18(d) PROVIDE THE MUTUAL BENEFIT OF UNIFORM INTERPRETATION OF THIS AGREEMENT AND ANY DISPUTE ARISING OUT OF THIS AGREEMENT OR THE PARTIES' RELATIONSHIP CREATED BY THIS AGREEMENT, (ii) THE RECEIPT AND SUFFICIENCY OF MUTUAL CONSIDERATION FOR SUCH BENEFIT, AND (iii) THE PROVISIONS REGARDING APPLICABLE STATE LAW AND FORUM HAVE BEEN NEGOTIATED FOR IN GOOD FAITH AND ARE PART OF THE BENEFIT OF THE BARGAIN REFLECTED BY THIS AGREEMENT. THE PARTIES ACKNOWLEDGE THAT THE EXECUTION OF THIS AGREEMENT AND ACCEPTANCE OF THE TERMS BY THE PARTIES OCCURRED AT OUR CORPORATE HEADQUARTERS. THE PARTIES FURTHER ACKNOWLEDGE THAT YOUR PERFORMANCE OF CERTAIN OBLIGATIONS ARISING UNDER THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, THE PAYMENT OF MONIES DUE HEREUNDER, SHALL OCCUR WHERE OUR CORPORATE HEADQUARTERS IS LOCATED AT THE TIME SUCH OBLIGATION IS DUE.

18(f) AMENDMENTS TO FRANCHISE AGREEMENT: EXCEPT FOR THOSE AMENDMENTS PERMITTED TO BE MADE UNILATERALLY BY US HEREUNDER, ANY CHANGES OR MODIFICATIONS TO THIS AGREEMENT, OR SPECIFIC WAIVERS OF RIGHTS, SHALL BE MADE ONLY IN WRITING EXECUTED BY AUTHORIZED OFFICERS OR AGENTS OF EACH PARTY. YOU AND YOUR PRINCIPAL OWNERS ACKNOWLEDGE THAT NO OFFICER, AGENT OR FIELD EMPLOYEE OF OURS IS AUTHORIZED TO CHANGE OR MODIFY THIS AGREEMENT VERBALLY AND THAT YOU WILL NOT RELY ON CONVERSATIONS OR OTHER COMMUNICATIONS WITH OFFICERS, AGENTS OR FIELD EMPLOYEES OF OURS RELATED TO ANY CHANGE OR MODIFICATION OF THIS AGREEMENT.

18(g) Waivers; Attorney's Fees: All waivers relating to this Agreement shall be strictly construed. In any litigation related to this Agreement or the operation of the Business, all costs and all reasonable attorney's fees (including those for appeal) incurred as a result of the legal action shall be paid to the prevailing party by the other party.

18(h) Notices: Any notices required or permitted by this Agreement shall be in writing and shall be directed to either party at the respective last known business address, delivered prepaid in one of the following ways: (i) personally or by expedited delivery service, (ii) U.S. first-class postage prepaid mail, or (iii) facsimile or electronic mail (provided that the sender confirms the facsimile or electronic mail by sending an original confirmation copy by certified or registered mail or expedited delivery service within 3 Business Days after transmission). Any notice shall be deemed to have been given (i) in the case of personal delivery, at the time of personal delivery, (ii) in the case of facsimile or electronic mail, upon transmission

(provided confirmation is sent as described above) or (iii) in the case of U.S. mail, 3 Business Days after the date of mailing.

18(i) Parties Bound; Assignment: This Agreement binds You, Your Principal Owners, and their heirs, executors, administrators, successors, and assigns. We may assign this Agreement in whole or in part to any person or entity on written notice to You.

18(j) Severability: The provisions of this Agreement are severable, it being the intention of the parties that should any provision be found invalid, such invalidity shall not affect the remaining provisions, which shall remain in full force and effect as though such invalid provisions had not been contained in this Agreement.

18(k) Entire Agreement: This Agreement, any Rider, Attachment or Amendment hereto, shall be construed together and constitute the entire, full and complete agreement between the parties concerning the subject matter hereof, and shall supersede all prior agreements, if any. You hereby warrant and represent that no other representation has induced You or Your Principal Owners to execute this Agreement, and there are no representations, inducements, promises or agreements, oral or otherwise, between the You and Us not embodied herein, which are of any force or effect with reference to this Agreement. No amendment, change or variance from this Agreement shall be binding on either party unless executed in writing by all parties.

18(l) Force Majeure: Except for monies owed, if circumstances such as acts of nature, strikes, lockouts or other industrial disturbances, war, terrorist attacks, riot, epidemic, fire or other catastrophes or other forces beyond the control of the parties make it impossible for either or both of them to perform their obligations under this Agreement, the obligations will be suspended during the pendency of the circumstances. If through no fault of Yours the Business is damaged or destroyed by an event as described above, failure to operate the Business will not result in a breach of this Agreement, provided that You apply within 30 days after such event for Our approval to relocate or reconstruct the premises and You diligently pursue such reconstruction or relocation. Such approval may be conditioned upon the payment of an agreed minimum fee to Us during the period in which the Business is not in operation.

18(m) Rules of Construction: This Agreement shall be interpreted as follows: (i) nouns, pronouns, and variations of them refer to the masculine, feminine, neuter, singular, or plural as the context may require, (ii) headings and their numbers are solely for convenience and ease of reference, (iii) the words include, includes, or including mean including without limitation, and (iv) unless otherwise noted, when the words of a term defined in this Agreement appear without initial capital letters, they shall be given a generic, rather than the defined interpretation.

18(n) Mutual Release: You and Your Principal Owners expressly acknowledge that as a condition of obtaining Our consent to take any action not allowed or provided for in this Agreement, to participate in any special programs not provided for in this Agreement or to take any action for which consent is required under this Agreement, including changing Your business entity structure or the status of Your Principal Owners or their Ownership Interest in You, We will require You and Your Principal Owners to execute a mutual release in a form satisfactory to Us of any and all existing claims against Us, Our affiliates, successors, assigns and designees and their respective managers, officers, agents, members, designees, and representatives, including claims arising under this Agreement and under any law.

18(o) Authorship: This Agreement will not be construed against either party due to authorship.

18(p) Multiple Counterparts: This Agreement may be executed in any number of counterparts, and each such counterpart shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement. Further, facsimile signatures on counterparts of this Agreement are hereby accepted and acknowledged as though they were originals.

18(q) Further Execution: The parties shall, from time to time, on or after the Effective Date of this Agreement take such additional actions and execute such additional documents as may be necessary or appropriate, in Our sole opinion, to give effect to the provisions of this Agreement.

18(r) Acceptance of Agreement: This offer is made upon Your receipt and is extended for a period of time not to exceed 30 days following such receipt. The parties acknowledge and agree that this Agreement shall not be effective and binding until executed by Us.

19. ACKNOWLEDGMENTS

19(a) You and Your Principal Owners each acknowledge and agree that:

(1) Prior to execution of this Agreement, You investigated the System to Your satisfaction and You had the opportunity to consult with appropriate legal and business advisors with respect to this Agreement and the potential benefits and risks of entering into this Agreement.

(2) You have not received and are not relying on any representations of any kind from Us that are not contained in this Agreement or any other currently effective written agreement executed by You and Us.

(3) We have not made any representations of any kind concerning Your potential success, earnings, potential sales, gross revenues, distributions, income or operating costs relating to the Business.

(4) You received the disclosure document required by the Federal Trade Commission and the North American Securities Administrators Association entitled Uniform Franchise Offering Circular ("UFOC") at least ten (10) Business Days (or any other time frame required by law) prior to the date on which You executed this Agreement.

(5) You received a complete copy of this Agreement and all related Riders, Attachments, Exhibits, and ancillary agreements at least 5 Business Days prior to the date on which You executed this Agreement.

20. SPECIAL PROVISIONS (if applicable)

[END OF DOCUMENT]

GLOSSARY

The following is a Glossary of defined terms found in this Agreement and the citation of the Page where the term is defined.

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Service Files	10
Snelling	1
Snelling Property	10
Staff Employee	16
System	6
Temporary Help Billings	21
temp-to-hire	21
Termination Date	35
Termination Period	31
UFOC	7
Unemployment Costs	22
Us	1
Voluntary Notice Date	25
Voting Stock	30
We	1
You or Your	1

SPECIAL PROVISIONS

**[THE FOLLOWING SPECIAL PROVISION SHALL APPLY TO A
NEW MEMBER TO THE SNELLING SYSTEM WITH RESPECT TO THE
OPERATION OF A STANDARD FRANCHISE LOCATION ONLY.]**

18(a) Amendment: Section 10(b)(1) is hereby amended to include the following:

"Notwithstanding anything to the contrary, the parties agree that our Payroll/Billing Operations will abate the Royalty required in accordance with this section 10(b) with regard to the first \$100,000 in Billings generated by Location No. 1. Once your Billings exceed \$100,000, all Royalties thereafter will be due in accordance with the terms of this Agreement."