

FRANCHISE DISCLOSURE DOCUMENT

TRC STAFFING SERVICES, INC.

(A Georgia Corporation)
SOUTH TERRACES

115 PERIMETER CENTER PLACE, SUITE 850
ATLANTA, GEORGIA 30346-1249
(770) 392-1411

www.trcstaffing.com



TRC Staffing Services, Inc. offers franchises in the business of providing clients with high quality staffing services.

The total investment necessary to begin operation of a TRC franchise would range from approximately \$79,500 to approximately \$149,500. This includes the initial franchise fee of \$15,000 that must be paid to TRC Staffing Services, Inc.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however that no governmental agency has verified the information contained in this document.**

You may wish to receive your franchise disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Conrad Helms at South Terraces, 115 Perimeter Center Place, NE, Suite 850, Atlanta, Georgia 30346-1249 and (770) 399-0228.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW., Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your agencies about them.

Issue Date: April 30, 2018

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit F for information about the franchisor or about franchising in your state. Information comparing franchisors is available.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT REQUIRES THAT MOST DISPUTES BE SUBMITTED TO ARBITRATION OR LITIGATION IN GEORGIA. OUT OF STATE ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE OR LITIGATE WITH US IN GEORGIA THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT STATES THAT GEORGIA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. IF YOU ARE MARRIED, YOUR SPOUSE MUST SIGN A SPOUSAL CONSENT FORM GUARANTEEING YOUR OBLIGATIONS UNDER THE FRANCHISE AGREEMENT, MAKING THEM JOINTLY AND SEVERALLY LIABLE AND PUTTING THEIR OWN PERSONAL ASSETS AT RISK.
4. YOUR TERRITORY IS NOT EXCLUSIVE.
5. THE FRANCHISE MAY BE TERMINATED IF YOUR FRANCHISED BUSINESS IS NOT OPERATING WITHIN 90 DAYS OF SIGNING THE AGREEMENT, UNLESS WE HAVE AGREED OTHERWISE IN WRITING.
6. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: See the next page for state effective dates.

TRC STAFFING SERVICES, INC.**STATE EFFECTIVE DATES**

CALIFORNIA	
ILLINOIS	
INDIANA	
MARYLAND	
MICHIGAN	July 2, 2018
MINNESOTA	
NEW YORK	
RHODE ISLAND	
VIRGINIA	
WASHINGTON	
WISCONSIN	

NOTICE

The State of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchises from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i)The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.
 - (ii)The fact that the proposed transferee is competitor of the franchisor or subfranchisor.
 - (iii)The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
 - (iv)The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchise unless provision has been made for providing the required contractual services.

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation or endorsement by the attorney general.

Any questions regarding the notice should be directed to the Michigan Department of Attorney General, 670 Law Building, Lansing, MI 48913, (517) 373-7117.

TABLE OF CONTENTS

Item	Page
ITEM 1 THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES	1
ITEM 2 BUSINESS EXPERIENCE	2
ITEM 3 LITIGATION	3
ITEM 4 BANKRUPTCY.....	4
ITEM 5 INITIAL FEES.....	4
ITEM 6.....	5
OTHER FEES	5
ITEM 7	11
YOUR ESTIMATED INITIAL INVESTMENT	11
ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	13
ITEM 9 FRANCHISEE'S OBLIGATIONS.....	15
ITEM 10 FINANCING.....	16
ITEM 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING	17
ITEM 12 TERRITORY	22
ITEM 13 TRADEMARKS	24
ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	26
ITEM 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS.....	27
ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	27
ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION.....	28
ITEM 18 PUBLIC FIGURES	31
ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS	31
ITEM 20 OUTLETS AND FRANCHISEE INFORMATION.....	32
ITEM 21 FINANCIAL STATEMENTS	36
ITEM 22 CONTRACTS	36
ITEM 23 RECEIPTS	36

EXHIBITS

- A – Financial Statements
- B – List of Franchisees
- C – Franchise Agreement
- D - Franchise Computer Plan and Computer Hardware Lease and Renewal
- E – Operations Manual Table of Contents
- F – List of State Administrators
- G – List of Registered Agents to Receive Service of Process
- H – State Specific Addenda
- I – General Release
- J – Compliance Certification
- K - Receipt

ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The Company

TRC Staffing Services, Inc. (“we”, “us” or “TRC”), the franchisor of this offering, has its principal business address at South Terraces, 115 Perimeter Center Place, NE, Suite 850, Atlanta, Georgia 30346-1249. We have no predecessors, parent companies or affiliates. We were founded and incorporated in 1980 by Embree L. Robinson. “You” means the person who buys the franchise and includes your owners if you are a corporation or other business entity. From our inception in 1980 to August of 1984, we operated under the name “Temporary Resources Corporation.” From August of 1984 to December of 1993, our business operated under the name “TRC Temporary Services, Inc.” We began offering franchises on September 1, 1984 under the name “TRC Temporary Services, Inc.”, which changed to “TRC Staffing Services, Inc.” on January 1, 1994.

TRC’s agent for service of process in this state is disclosed in Exhibit G. TRC is a Georgia corporation.

The Company’s Business Activities

We grant franchises for the establishment, development, and operation of a distinctive, high quality staffing services business supplying clerical, marketing, technical, light industrial and, in certain instances, professional services on a temporary basis as well as direct hire services to businesses and governmental entities under the name “TRC Staffing Services” (the “Franchised Business”). We have operated a substantially similar staffing services company out of Atlanta, Georgia since 1980. We do not engage in or offer franchises in any other line of business.

Franchised Business

We offer the right to operate a single Franchised Business within a defined territory in accordance with our distinctive procedural, sales, promotional, quality control and other systems for operating a staffing services business (“TRC System”). The TRC System is embodied in our confidential operations and procedures manuals, and other written documents, as they are periodically amended (collectively referred to as the “TRC Manual”). We identify the system by means of certain trade names, service marks, trademarks, logos, emblems, distinctive trade dress, and indicia of origin, including, but not limited to, the mark “TRC Staffing Services,” and any other trade names, trademarks, and service marks as we may now or in the future designate in writing for use in connection with the TRC System (the “Marks”). We will continue to develop, use, and control the use of our Marks in order to identify for the public the source of services and products marketed under the Marks and TRC System, and to represent the TRC System’s high standards of quality, appearance, and service. We reserve the right to create and develop ancillary products and services to be offered to the public under the Marks as we may designate (“Proprietary Services and Products”).

Your Franchised Business will provide clerical, marketing, technical light and industrial services (and may, in certain instances, provide professional services) on a temporary basis as well as direct hire to business, industry, government and others under our System and using our Marks. The temporary employees you recruit to be provided to clients (“TRC Employees”) are the employees of TRC, and we are responsible for the payroll and other costs associated with their employment. In addition, we provide certain bookkeeping, accounting, billing and collection services as well as other services like training, consulting, and advertising assistance. We will collect directly all fees paid by clients of the Franchised Business (“TRC Clients”) and distribute to you your proportionate share of client payments. Under

certain circumstances, you may have to pay some TRC Employees immediately; we will reimburse you for your expenses within 10 working days of receiving the payroll information from you.

Industry Specific Regulations

The staffing services industry is highly regulated, and you must comply with all rules and regulations established by the EEOC and state regulatory agencies pertaining to the operation of your Franchised Business. You must comply with all federal, state, and local laws applying to the establishment and operation of your staffing services business, including employment laws such as the Fair Labor Standards Act, workers' compensation laws, the Americans with Disabilities Act, and OSHA. In addition, certain states may require you to obtain licenses or bonding for your temporary/contract staffing agency and your consultants. Your franchised business will also be bound by various state laws governing such matters as minimum wages, overtime and working conditions.

You will also be subject to other laws or regulations that are not specific to the staffing services industry, but applicable to businesses generally, including insurance requirements, business licensing laws, and tax regulations. You should investigate all applicable regulations.

Market and Competition

You will provide staffing services to private and public sector organizations, including small and medium sized businesses and governmental agencies. The market for staffing services is mature and highly competitive. You will compete with other local, regional, and national companies that supply clerical, marketing, technical, light industrial, and in certain instances, professional temporary hires and direct hires. Your competitive advantage will be based on your adherence to our TRC System, the quality of the temporary and direct hire staff that you recruit on our behalf, your client service, marketing skills, and your pricing strategy.

ITEM 2 BUSINESS EXPERIENCE

Embree L. Robinson, Chairman of the Board of Directors

Our founder, Mr. Embree L. Robinson, has been TRC's Director as well as its Chairman since our inception. Mr. Robinson served as President and CEO from July 1996 until December 2008.

Brian Robinson, President, and CEO

Mr. Robinson assumed the position of President and CEO in January 2009 after serving as Vice President since July 2004.

Conrad Helms, Executive Vice President, Commercial Staffing and Franchise

Mr. Helms assumed the position of Executive Vice President of the Commercial Staffing and Franchise Division in March 2014. Prior to this position, Mr. Helms served in the position of Vice President of the Business Development and Franchise Division beginning in March 2013. Prior to that, Mr. Helms was Senior Vice President of Sales at Hospitality Staffing Solutions in Atlanta, Georgia beginning in August 2010. Prior to that, Mr. Helms was Senior Vice President of Contract Staffing for MRINetwork from 2007 through 2009.

Nancy Wright Whatley, Vice President, Franchise

Ms. Whatley assumed the position of Vice President of the Franchise Division in June 2016. Prior to this position, Ms. Whatley served in the position of Executive Director at IgniteHQ, in partnership with Cobb County & Kennesaw State University in Atlanta, Georgia beginning in March 2015. Prior to that Ms. Whatley was Vice President of Entrepreneurial Development & Business Growth Services at Metro Atlanta Chamber in Atlanta, Georgia from December 2010 to March 2015 where she interacted with of the state's entrepreneurs and was responsible for generating new business development opportunities, crafting programming, and sparking engagement between the Chamber and the metro Atlanta startup community. From September 2006 until August 2010, Ms. Whatley was CEO and managing partner at VantagePoint Staffing Solutions, a certified Women's Business Enterprise in Atlanta, Georgia. Before successfully selling the company in 2010, Ms. Whatley was twice recognized as a finalist in the NAWBO-Atlanta Women Entrepreneur Awards in the "Rising Star" Category. Prior to VantagePoint, Ms. Whatley spent more than two decades in the staffing business working for Georgia-Pacific Corporation, where she became the company's expert consultant in areas of supplemental staffing and employment and was also the architect in creating Encadria Staffing Solutions, a wholly-owned subsidiary and in-house staffing company that grew from a startup to more than \$50 million in revenue with over 1500 temporary employees across 26 states in seven branch offices.

Craig E. Kumpf, Senior Vice President and CFO

Mr. Kumpf was promoted to Vice President of Accounting and Controller in 2000. In January 2009, he was promoted to Senior Vice President and CFO.

Lydia Buckler, Franchise Operations Support

Ms. Buckler was promoted to Franchise Operations Support in 2013. From 2010 to 2013, Ms. Buckler served as our Training Manager. Ms. Buckler has been employed by TRC since 2000.

James H. Landon, Director

Mr. Landon has been a Director of TRC since 1987. From 1971 to 2012, Mr. Landon was an associate attorney or partner with Hansell Post and its successor Jones Day in Atlanta, Georgia.

Shari Lotz, Director

Ms. Lotz became a Director of TRC in December 2016. Lotz has been Senior Vice President of Human Resources for Equifax, Inc.'s U.S. Information Solutions Business Unit in Atlanta, Georgia since May 2007. From December 1999 to May 2007, Ms. Lotz was employed by The Coca-Cola Company in Atlanta, Georgia.

**ITEM 3
LITIGATION**

No litigation is required to be disclosed in this Item.

**ITEM 4
BANKRUPTCY**

No bankruptcy is required to be disclosed in this Item.

**ITEM 5
INITIAL FEES**

You must pay us a lump sum initial franchise fee of \$15,000 when you sign a Franchise Agreement for a single-unit franchise. The initial franchise fee is uniform as to all franchisees and is deemed fully earned and non-refundable upon payment.

ITEM 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Continuing Fee	<p>The Greater of:</p> <p>(A)</p> <ul style="list-style-type: none"> (1) 40% of Gross Profit where billing an average of less than 2,500 hours per week during the Accounting Period (2) 35% of Gross Profit where average billings are greater than or equal to 2,500 hours per week <p>OR</p> <p>(B) 9.5% of Net Billings for such accounting period.</p> <p>In any Accounting Period in which you exceed a billing level of 500 hours per week and you also attain a Gross Profit per hour average in excess of Eight Dollars (\$8.00) per hour, the Continuing Fee will be 35% for that Accounting Period. Gross Profit will be determined based on your entire Franchise Business for that Accounting Period. The minimum Gross Profit required per hour is subject to annual increases based on the Consumer Price Index.</p>	<p>This fee is retained by us for each Accounting Period. The remainder, after deducting any amount to the Reserve or Chargebacks for uncollectible or slow accounts, are remitted to you on the 15th of each Accounting Period for the previous Accounting Period's Gross Profit.</p>	<u>SEE NOTE 1</u>

Type of Fee	Amount	Due Date	Remarks
Reserve	We will establish a reserve account of between 2% and 4% of your highest average Net Billings for the preceding 12 Accounting Periods.	We will deduct this from remittances due to you. On average, the Reserve will not exceed, at any given time, 4% of your highest Net Billings during any Accounting Period for the preceding 12-months.	<u>SEE NOTE 2</u>
Additional Training/Ongoing and Refresher Courses	Your travel, meal, lodging, and payroll expenses. An estimated cost range would be from \$1,275 to \$2,175 per person per course, not including any cost to you of payroll for an employee.	As Incurred.	<u>SEE NOTE 3</u>
Assignment	The greater of 5% of the sales price or \$2,000.	Payable when you assign your franchise.	<u>SEE NOTE 4</u>
Software Usage Fee	\$250.00	Monthly	<u>SEE NOTE 5</u>
Carrying Charge	1% of the outstanding balance on accounts over 60 days.	This amount will be charged back to you.	<u>SEE NOTE 6</u>

Type of Fee	Amount	Due Date	Remarks
Chargeback on Uncollectible Accounts	<p>60% if your average weekly billings during the period in which the services were rendered were less than 2,500 hours per week.</p> <p>65% if your billings during the period in which the services were rendered were equal to or greater than 2,500 hours per week.</p> <p>OR</p> <p>Up to 9 ½ % of Net Billings during the applicable Accounting Period in which the services were rendered if you were charged a Continuing Fee based on Net Billings.</p>	Deducted from your remittance on the 15 th day of each Accounting Period.	<u>SEE NOTE 7</u>
Yellow Pages Advertising	Cost of Advertisement. A standard listing is currently \$235/mo. This may increase. You may spend more if you choose.	Monthly	<u>SEE NOTE 8</u>
Indemnification	Amount of Judgment	When Incurred	<u>SEE NOTE 9</u>
Post Termination Expenses	Costs and expenses associated with your ceasing of and de-identification with the TRC System	When Incurred.	<u>SEE NOTE 10</u>
Audit of Books and Records	Cost of Audit and/or Inspection	As required	<u>SEE NOTE 11</u>

Type of Fee	Amount	Due Date	Remarks
Insurance	(a) Workers' Compensation for TRC Employees. (b) Cost of Insurance. If you fail to maintain your insurance as required, cost plus an 18% administrative charge if we exercise our right to procure your insurance, together with interest at prime rate of our bank.	(a) monthly used in calculating your remittance; (b) As required by Insurer or Broker	<u>SEE NOTE 12</u>
Background checks	Cost of Background Checks for Staffing Employees—average cost is \$20.00 per Employee	Before employing Staffing Employees or offering Staffing Employees for direct hire	<u>SEE NOTE 13</u>

Notes:

The table describes other recurring or isolated fees or payments that you must pay to us or our affiliates, or which we or our affiliates impose or collect on behalf of a third party, in whole or in part. Unless otherwise indicated, all of the fees listed are imposed by, payable to and collected by us and are non-refundable.

1. **Continuing Fee.** The Accounting Period will be each calendar month. Net Billings are defined as all revenue generated from all business conducted at or from your Franchised Business during the preceding Accounting Period. Net Billings does not include the amount of any applicable sales tax imposed by any federal, state, municipal, or other governmental authority. Also excluded from Net Billings are discounts and other adjustments, including corrections of errors in billings and other reductions in billings given in order to develop and maintain client relations and goodwill. Gross Profit is defined as Net Billings less all payroll and other direct labor costs, expenses, and allocations with respect to TRC Employees, paid, incurred, or allocated by us during the Accounting Period. You must pay us a Continuing Fee equal to the greater of: (a) 40% of Gross Profit if average weekly billings are less than 2,500 hours or 35% of Gross Profit if your average weekly billings are greater than or equal to 2,500 hours; or (b) 9.5% of Net Billings. We reserve the right to change the time or method of payment, including the time period constituting the Accounting Period at our sole discretion.

In the event that in any Accounting Period where you exceed a billing level of 500 hours per week and that you also attain a Gross Profit per hour average in excess of Eight Dollars (\$8.00) per hour, the Continuing Fee will be 35% for that Accounting Period. If you are authorized by TRC to provide staffing for clerical, marketing, technical and light industrial services as well as one or more professional services, Gross Profit will be determined based on your entire Franchise Business for that Accounting Period. Each year, effective as of the first day of the TRC fiscal year, the minimum Gross Profit per hour required for you to go to 35% as set forth in this paragraph, will be adjusted by a percentage equal to the change in the U.S. Consumer Price Index of the Bureau of Labor Statistics of the Department of Labor for All

Urban Consumers (1982-1984=100) for the United States from the first day of the first Accounting Period for the TRC fiscal year just ended to the last day of the last Accounting Period for the TRC fiscal year just ended. In the event the above index is discontinued, TRC reserves the right to designate a substitute index in its sole discretion.

2. **Reserve**. You must establish with us a reserve fund (“Reserve”) to account for your share of uncollectible client accounts, which we will withhold before making any remittance to you. The Reserve will be between 2-4% of your highest Net Billings for the preceding 12 Accounting Periods, except that, on average, the amount of your Reserve at any given time will not exceed 4% of your highest Net Billings during the preceding 12-month period.

3. **Additional Training/Ongoing and Refresher Courses**. We do not charge a fee for providing initial training to you and one designated employee. In addition, we will pay for you and one other employees’ travel, meal, and lodging expenses to attend our initial training program. We do not charge a fee for providing initial training to additional employees (“Additional Training”). We may require you to attend refresher training or training upon a significant change to the system. You will be responsible for all costs associated with Additional Training, or any refresher courses we may provide, including you and your employees’ transportation, meal, lodging, and payroll expenses.

4. **Assignment**. We have the right to condition the proposed sale or transfer of your Franchised Business or of your interest in the Franchised Business upon your payment of a transfer fee equal to 5% of sales price or \$2,000, whichever is greater. However, provided that certain conditions are met, there is not a transfer fee if you are an individual and transfer ownership to a corporation or limited liability company that you control.

5. **Software Usage Fee**. You must pay license and usage fees to us or third parties designated by us for the Software System. The current amount to be paid directly to us is \$250.00/month for the use of required web-based software. If you choose to open more than one office location, or if a single location has more than seven logons, your subscription fee may be higher.

6. **Carrying Charge**. We will underwrite and carry all accounts receivable for 60 days from the date of invoice. After that period, we will charge you a carrying fee equal to one percent of the outstanding balance for each Accounting Period or portion of an Accounting Period until (a) the full outstanding amount is paid; (b) we determine, at our sole discretion, that the outstanding amount is uncollectible and charge you back for the outstanding amount; or (c) the expiration of 180 days from the invoice date. In addition, we reserve the right to treat any TRC Client account that has not been paid in full within 90 days of invoicing as uncollectible.

7. **Chargeback**. If we, in our good faith judgment, believe that your share of actual or uncollectible accounts will exceed the amount presently in your Reserve Account, we may deduct a portion of uncollectible accounts from remittances made to you (“Chargeback”). To assist you in bearing the cost of uncollectible accounts, we reduce the Chargeback based on your weekly hours billed during the Accounting Period in which services giving rise to the uncollectible account were rendered. The Chargeback on your share of uncollectible accounts will be (i) 60% of the outstanding amount, if your average weekly billing was less than 2,500 hours during the applicable week; (ii) 65% if your average weekly billing equaled or exceeded 2,500 hours during the applicable week; or (iii) up to 9 ½ % of Net Billings during the applicable Accounting Period in which the services were rendered, if we charged you a Continuing Fee of 9.5% of Net Billings during the applicable Accounting Period. We will bear the remaining portion of the uncollectible account in excess of the Reserve and Chargeback. We reserve the right to change the portion of uncollectible accounts for which you will be responsible.

8. **Yellow Pages Advertising.** You must place an advertisement for the Franchised Business in the local “Yellow Pages” (or its equivalent) serving your territory as soon as possible after signing the Franchise Agreement. The advertisement must conform to our standards and specifications and you must place the advertisement under the heading(s) we designate in the Operations Manual or otherwise in writing. You may advertise either as a single franchisee, or, if the telephone directory encompassing your territory includes another TRC System franchisee’s territory, you may advertise as a pro rata participant in a common group advertisement.

9. **Indemnification.** The Franchise Agreement requires that you indemnify and hold us harmless from all claims and costs arising out of your operation of the Franchised Business. See Paragraph 11 of the Franchise Agreement for more details.

10. **Post Termination Expenses.** Upon termination of the Franchise Agreement by either us or you, regardless of the cause, and upon expiration and nonrenewal or transfer of the Franchise Agreement, you are responsible for all costs and expenses associated with your ceasing of and de-identification with the TRC System.

11. **Audit and Inspection.** We reserve the right to inspect and audit your books at any time. If in the course of conducting an inspection or audit, we determine that you or your employees fail to assign proper job classification codes, workers’ compensation classification or any other code required by the TRC System, for temporary employees resulting in incorrect Workers’ Compensation codes, you must reimburse us for the cost of the audit and/or inspection or any additional investigations we may conduct. If a Workers’ Compensation claim is filed as a result of this incorrect assignment of classification codes, you may be required to reimburse us for 60% of the gross value of the claim.

12. **Insurance.** For purposes of determining the direct labor costs or allocations for workers’ compensation and employer’s liability insurance, we will allocate the cost based upon TRC’s insurer’s state rates multiplied by TRC’s modification factor as determined by the National Council on Compensation Insurance (NCCI) or by the state in which the work is performed (if applicable under specific state workers’ compensation law). We will have the right to audit your records and charge back to you any additional expense allocation due us if you or your employee(s) fail to properly assign job classification codes, workers’ compensation codes, or any other codes required by the TRC System resulting in incorrect workers’ compensation classification. In addition, should a workers’ compensation claim be filed (a) by a TRC Employee whose assignment record (order, time sheet, etc.) was incorrectly coded by you or your employees, or (b) by a TRC Employee dispatched by you or your employees to a job assignment having a job description which is not within our approved job classification codes, you may be required to reimburse us (through offsets of payments due you or by direct payments to us from you) for 60% of the gross value of the claim, as determined by the insurance claims adjuster assigned to process the claim on behalf of TRC. We do not currently allocate to you your share of the cost of providing other insurance for the TRC Employees, but we have the right to do so under the Franchise Agreement and we may begin to do so at any time during the term of the Franchise Agreement after notice to you. During the term of the Franchise Agreement, you must obtain and maintain at your expense the types of insurance specified in the Operations Manual, which will be in such amounts as may be required by us, including, without limitation, (a) Commercial General Liability Insurance; (b) Commercial Property Liability Insurance; (c) Automobile Liability; (d) Workers’ Compensation (statutory coverage as required by the laws of the jurisdiction in which the work will be performed) with respect to your employees, and Employer’s Liability Insurance; (e) Blanket Dishonesty Bond; (f) Professional Liability Insurance; and (g) Employment Practices Liability Insurance. See Item 8 of this Disclosure document for information about our insurance requirements. If you fail to comply with our minimum insurance requirements, we have the right to obtain and maintain the requisite insurance coverage at your

sole expense for which you must reimburse us the premium cost of such insurance, plus pay us an administrative fee equal to 18% of such cost for obtaining insurance on your behalf, together with interest at the prime rate of our bank from the date that we incur that cost. We have the right to increase or otherwise modify the minimum insurance requirements upon 30 days prior written notice to you, and you must comply with any such modification within the time specified in the notice.

13. **Background Checks.** Our current policy is to require a background check for every Staffing Employee before you send that Staffing Employee on assignment to a Customer or offer that Staffing Employee to a Customer for direct hire. We have contracted with a third party to provide those checks, and you will be required to use that provider for your checks unless the Customer requires that another background check service be used (see Item 8 below). We pay the background check provider then reflect the cost on your statement each Accounting Period. The cost of the background check is a pass-through cost, and is an expense for the purposes of determining Gross Profit (see Note 1 above), so is borne by you and us on the same basis as the Continuing Fee is calculated.

ITEM 7 ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type Of Expenditure	Amount (Low/High)	Method of Payment	When Due	To Whom Payment Is to Be Made
Initial Franchise Fee (1)	\$15,000/\$15,000	Lump Sum	Upon Signing the Franchise Agreement	TRC Staffing Services, Inc.
Furniture and Equipment (2)	\$6,000/\$15,000	Lump Sum (1)	Before Opening	Local Vendor
Lease Payments (3)	\$1,000/\$2,000	Monthly (2)	Before Opening	Landlord
Training (4)	0	Not applicable	Not applicable	None due
Forms & Supplies (5)	\$1,000/\$3,000	As Agreed at Purchase	Upon Invoice	Vendor Varies
Security & Prepaid Expenses (6)	\$1,000/\$3,000	As Agreed	As Arranged	Vendor Varies
Insurance (7)	\$500/\$1,500	Lump Sum Annually	Before Opening	Insurance Co.
Personnel Salaries, Taxes & Benefits (8)	\$15,000/\$30,000		As negotiated with Employees	Employees
Additional Funds [3 - 6 months] (9)	\$40,000/\$80,000	As Incurred	As Incurred	Vendor Varies
TOTALS	\$79,500/\$149,500			

NOTES

Except as otherwise described in the notes below, the table provides an estimate of your initial investment and the costs necessary to begin operating a Franchised Business. Actual costs will vary for each franchise location depending on a number of factors including market condition, and the geographic location of your Franchised Business. All fees and payments are non-refundable, unless otherwise stated or permitted by the payee.

1. **Initial Franchise Fee.** The initial franchise fee is \$15,000 and must be paid in full upon signing the Franchise Agreement. The initial franchise fee is described in greater detail in Item 5 of this disclosure document.
2. **Furniture and Fixtures.** You may elect to lease your basic furniture and equipment from a local supplier. This may reduce your initial investment.
3. **Lease.** You are required to acquire through lease office space containing at least 800 square feet or, in certain instances, such smaller-sized space as we deem appropriate in our sole discretion if your office will be located in an executive-suite with shared reception areas, conference rooms, and other common space. At no time, can your office be home- or residential-based. Our typical office space is generally in office buildings with other professional occupants such as doctors, lawyers, etc.
4. **Training.** We will provide to you and one other person you designate with initial training tuition free. In addition, to assist you in establishing your business, we will pay for your travel, lodging, and meal expenses relating to initial training. For a new office start-up, we do not expect that you will need to send more than yourself and one other person to the initial training, so we have reflected a -0- in our estimated initial expense. If you want to send more people, you can, but at your expense, and you will need to budget accordingly.
5. **Forms and Supplies.** This excludes the cost of an initial supply of forms and materials, which are furnished by us at no cost or charge to you.
6. **Security and Prepaid Expenses.** There are no requirements for security deposits (other than the deposit for uncollectible accounts), purchases of inventory or prepaid expenses or working capital placed on you with or for TRC in order for you to begin operation.
7. **Insurance.** Business insurance coverage will vary from state to state and will depend on your prior loss experience, if any, and/or the prior loss experience of your insurance carrier in the state or locale in which you operate your TRC Business, and national or local market conditions. We estimate that you will be required to pay your insurance carrier or agent a down payment of approximately \$500.
8. **Personnel, Salaries, and Benefits.** These figures are based on 3 to 6 months and represent annualized salaries ranging from \$25,000 to \$45,000, including taxes and benefits.
9. **Additional Funds.** The additional funds are estimated for ordinary business expenses including, without limitation, licenses, telephone, advertising, signage, legal and accounting services, and business promotion. These estimates are based upon our twenty-seven years of experience operating similar businesses and the collective experience of our franchisees. These figures are

estimates and we cannot guarantee that you will not have additional expenses in starting the business. Your costs will depend on factors such as: how closely you follow our methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for our products and services; the prevailing wage rate; competition; and the level of sales reached during the start-up phase of the business. There can be no assurance that these estimates and recommended amounts of additional funds will be sufficient in the case of any particular franchisee or Franchised Business. You should consult a business advisor before making any commitments or decisions to enter a Franchise Agreement with us. Some of these payments may be refundable, and you should ask your vendor.

ITEM 8 **RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

Your grant of a franchise does not include (i) any right to offer any services or products via e-commerce; (ii) any right to establish an independent website or to establish a URL incorporating the TRC Marks or any variation of the Marks; or (iii) any right to distribute, market, or implement our products and services in any channel of distribution not specifically identified in the Franchise Agreement.

You must operate your staffing services business in the manner we designate, in strict conformance with our methods, standards, and specifications which we prescribe in our confidential operating manual and various other confidential manuals and writings prepared for use by you in operating a TRC Franchise (collectively the "Operations Manual"), and which we may change at our sole discretion. The Operations Manual covers nearly all aspects of your Franchised Business's operations, such as processes and procedures for providing temporary staff, employee classification, recruiting and training techniques, and sales and marketing strategies.

Our standards and specifications are described in the Franchise Agreement, the Operations Manual, and other written documents. We formulate and modify our standards and specifications for services based upon the collective experience of our franchisees and our principals. We have the right, under the Franchise Agreement, to change the standards and specifications applicable to operation of the franchise, including standards and specifications for products, signs, furnishings, supplies, fixtures, inventory and equipment by written notice to you or through changes in the Operations Manual. You may incur an increased cost to comply with these changes at your own expense; however, no change will materially alter your fundamental rights under the Franchise Agreement. We will notify you of any change to our standards and specifications by way of written amendments to the Operations Manual or otherwise in writing.

Presently, you must pay us a usage fee for the use of our propriety web-based staffing services software. For a single office location of up to 7 logons for franchisees' employees you must pay us a software usage fee of \$250 per month. If we, at our sole discretion, determine a single Franchised Business office location requires more than 7 logons, you will be required to pay an additional software usage fee. This fee is subject to change periodically. We reserve the right to charge, or allow others to charge, license and usage fees for other components of the Software System.

We will lease to you the computer hardware necessary to operate your Franchised Business at no cost to you. We will determine, at our sole discretion, your computer hardware and software needs based upon the number of employees you hire, the size of your Area, and the number of office locations you choose to open. You must lease computer hardware, (the "Hardware System"), from us pursuant to TRC's Franchise Computer Plan Computer Hardware Lease (the "Lease"), attached as Exhibit D to this disclosure document. You may have to sign additional Leases upon opening additional locations. We are

presently the only approved supplier of this Hardware System. Under that Lease you will not be charged for the Hardware System while the lease remains in effect. We do not currently charge a maintenance fee for the Hardware System, but we reserve the right to do so. The Hardware System is for 3 years, with automatic renewals of one year after that unless either you notify us or TRC notifies you of your or our intention not to renew within 30 days before the lease ends. You must also use such computer programs, software, and applications ("Software System") as we may designate from time to time. You may be required to pay software license or usage fees to us or third parties for use of the Software System.

You must obtain and maintain the following types of insurance coverage: (a) Commercial General Liability Insurance providing coverage on an occurrence basis with limits of not less than \$1,000,000 for each occurrence for Bodily Injury and Property Damage combined; \$2,000,000 annual general aggregate and \$2,000,000 products and completed operations annual aggregate. Such policy(ies) will include premises and operations liability coverage, products and completed operations liability coverage, blanket contractual liability coverage, and personal and advertising injury coverage; (b) Commercial Property Liability Insurance providing all risk coverage with limits equal to the value of contents, business personal property, and betterments and improvements, where applicable; (c) Automobile Liability for Owned, Non-Owned and Hired Automobiles in no less than the following limit: \$500,000 combined single limit for Bodily Injury and Property Damage; (d) Workers' Compensation (statutory coverage as required by the laws of the jurisdiction in which the work will be performed) with respect to your employees, and Employer's Liability Insurance in limits not less than \$1,000,000; (e) Blanket Dishonesty Bond in no less than the following limit: \$1,000,000 per claim and in the aggregate, applicable to theft by your employees of assets owned by you or by our clients; (f) Professional Liability Insurance in limits of not less than \$1,000,000, applicable to any wrongful or negligent act or omission; and (g) Employment Practices Liability Insurance in limits of not less than \$1,000,000 per claim and in the aggregate, applicable to claims by your employees as well as third parties. We will obtain and maintain public liability and workers' compensation insurance for TRC Employees recruited by you for your Franchised Business. We will have the right to audit your records and charge back to you any additional expense allocation due us if you or your employee(s) fail to properly assign job classification codes, workers' compensation codes, or any other codes required by the TRC System resulting in incorrect workers' compensation classification. We also reserve the right to seek reimbursement from you for the cost of any worker's compensation claim involving a TRC employee whose position you fail to classify correctly or who you place in an unauthorized position and for any additional insurance costs incurred by us that results as a failure of you or your employees to properly classify TRC Employees. We may require that you increase these coverages and add other coverages.

We require that you have a background check performed on every Staffing Employee (temporary employees and direct hire applicants). We currently have a national agreement with S2Verify for background checks, drug screens and certain other testing for your Staffing Employees. We believe that the pricing we have negotiated is excellent. You must use a vendor that we designate unless the client requires the use of another vendor. We split the cost of those services for that transaction with you as we normally would in determining your fees to us under the Franchise Agreement. The cost is a pass-through cost.

Neither we nor any of our officers own an interest in any of our suppliers.

There are no other obligations on your part to purchase or lease any items or property from us or from sources designated by us. If you wish to purchase any unapproved products or services or purchase items for which we have a designated supplier from an unapproved supplier, you must provide us the name, address and telephone number of the proposed supplier, a description of the item you wish to purchase, and purchase price of the item, if known. At our request, you must provide us, for testing purposes, a

sample of the item you wish to purchase. If we incur any costs in connection with testing a particular product or evaluating an unapproved supplier at your request, you or the supplier must reimburse our reasonable testing costs, regardless of whether we subsequently approve the item or supplier. We will inform you of our approval or disapproval of any proposed product, service, or supplier within 30 days after you submit all of the information we may request.

We will make available to you our criteria for goods, services and supplier approval upon request. We evaluate suppliers on the basis of quality of product/service, compatibility with current products/services, purchase price and terms, and vendor substantiality. We may base our approval of any proposed item or supplier on considerations relating not only directly to the item or supplier itself, but also indirectly to the uniformity, efficiency, and quality of operation we deem necessary or desirable in our System as a whole. We have the right to receive payments from suppliers on account of their dealings with you and other franchisees and to use all amounts we receive without restriction (unless instructed otherwise by the supplier) for any purposes we deem appropriate. Nothing above will require us to approve an unreasonable number of suppliers for a given item, which approval might, in our reasonable judgment, result in higher costs or prevent the effective or economical supervision of approved suppliers. We may revoke our approval of particular products or suppliers when we determine, in our sole discretion, that such products or suppliers no longer meet our standards. Upon receipt of written notice of such revocation, you must cease purchasing products from such supplier. You must use products purchased from approved suppliers solely in connection with the operation of your Franchised Business and not for any competitive business purpose.

Your required initial purchases or leases will be between \$21,000 and \$38,000 (notes 3, 4, 6, and 8 in Item 7) which represent between 25% and 47% of your total initial investment, and 5% to 10% of your ongoing investments after that.

For the twelve-month period ending December 31, 2017, we received \$42,000 in maintenance and licensing revenues from franchise owners or less than .04% out of our total revenue of over \$107,000,000.

There are presently no purchasing cooperatives in our system.

We do not currently negotiate purchase arrangements with suppliers for the benefit of franchisees, however we reserve the right to do so in the future.

We provide no material benefits to you based on your purchase of any particular products or services or the use of any particular suppliers.

During our most recently ended fiscal year, we did not have any revenue, rebates, or other material consideration from suppliers based on their dealings with our franchisees.

ITEM 9 **FRANCHISEE'S OBLIGATIONS**

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

Obligation	Section In Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	6.c	7, 11, 12
b. Pre-opening purchases/leases	6.t	7, 8
c. Site development and other pre-opening requirements	6.a, 6.c, 6.f-j, 6.n, 6.t	6, 7, 12
d. Initial and ongoing training	6.q	6, 11
e. Opening	6.c-d	7, 11, 12
f. Fees	4.a-e, 6.t, 9.b, 14. a-4	6, 7
g. Compliance with standards and policies/operating manual	5, 6.b, 7.c, 12.c	11
h. Trademarks and proprietary information	3.a-f, 6.r, 6.t, 7.g, 8.d-g	13, 14
i. Restrictions on products/services offered	6.e, 6.l, 6.j	16
j. Warranty and customer service requirements	7.i	N/A
k. Territorial development and sales quotas	2.a, 2.d, 2.e, 7.g	12
l. Ongoing product/service purchases	6.g, 7.b, 6.q, 6.t	8, 11
m. Maintenance, appearance, and remodeling requirements	6.c	n/a
n. Insurance	10	7
o. Advertising	6.g, 6.h, 6.j, 6.n, 6.p, 7.f, 7.g	6, 7, 8
p. Indemnification	6.s, 11	6
q. Owner's participation/ management/ staffing	6.a, 6.b, 6.e, 6.f-j, 6.m-o	15
r. Records and reports	6.c, 6.k, 6.l, 6.r, 12	11
s. Inspections and audits	12, 20	6
t. Transfer	14	6, 17
u. Renewal	2.b, 16	17
v. Post-termination obligations	8, 16	17
w. Non-competition covenants	8	17
x. Dispute resolution	7.i, 8.h	11
y. Other:		
Personal guarantee	23, 24	
Entity limitations	14.a, Signature page	17

ITEM 10 FINANCING

We will charge you a fee of 1% of accounts receivable commencing 60 days after the invoice date for each accounting period until the amount is paid or determined uncollectible.

Other financing arrangements we make with or for a franchisee are extensions of credit implicit in the billing of a franchisee by us for items such as the printed materials that may be sold to you at cost; the license and usage fees for the Software System; in certain cases, maintenance fees for the Hardware System described in Item 8. No interest is charged in connection with such other financing. You must, therefore, be capable of securing your initial and continuing capital and financial needs from your own sources.

Although we have the right to do so, it is not our present intent to sell, assign or otherwise transfer any Franchise Agreement or any portion of our rights to the Franchise Agreement, to any third party.

Please see Exhibit D - Franchise Computer Plan Computer Hardware Lease And Renewal for further information.

ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below we are not required to provide you with any assistance.

Pre-Opening Obligations

Before you begin operations, we will:

A. Loan you a copy of the TRC Manual(s) until access to the on-line version is available, which will be complete and kept up-to-date. (Franchise Agreement Paragraph 7(c)).

B. As stated in Item 8 above, we will lease to you the Hardware System required to operate your Franchised Business at no cost to you upon signing the Lease. In addition, we will, during the term of the Lease, coordinate maintenance on the hardware through a national service agreement. The computer systems and other hardware that we will provide to you will be used for tracking the activity of your business. We will be able to access your system remotely. (Franchise Agreement Paragraph 6(t) and FDD Exhibit D).

C. Approve a territory in which you may operate your Franchised Business. We do not have any specific demographic requirements in awarding you your territory. Your territory will be awarded by mutual agreement before signing the Franchise Agreement. We do not select the location of your office. You negotiate with us for the geographical area in which your office will be located. However, your office must meet our standards and our approval. Currently, we require your office to be consistent in image, decor, and equipment with other contiguous professional offices near you. You must acquire 800 - 1000 square feet of office space through lease, although, in certain instances, we may, in our sole discretion, deem smaller-sized space to be appropriate if your office will be located in an executive-suite with shared reception areas, conference rooms, and other common space. At no time can your office be home- or residential-based. We are not obligated to advertise your location during pre-opening. We may provide assistance in the location and selection of office space and the design, decoration and furnishing of the office space. (Franchise Agreement Paragraph 1(b)) You must have our approval of your location and lease, complete your training and be up and operating within 90 days of the signing of your Franchise Agreement, unless we consent in writing to a longer period. If you fail to meet that deadline, we may terminate your Franchise Agreement. (Franchise Agreement Paragraph 6(d)).

D. Provide you, your designated employee, sales persons, and other full time employees with tuition free initial training, which consists of instruction and guidance in establishing and operating a Franchised Business. We have the discretion to determine the schedule, content, and duration of our initial training program. In addition to providing the training at no cost, we will pay the travel expenses of you and one other person to attend our initial training program, including transportation, meal, and lodging costs to attend initial training. You are responsible for the costs of any additional employees attending the program, including travel costs, room and board expenses, and employees' salaries. (Franchise Agreement Paragraph 7(d)).

You, your designated employee, salespeople, and any other full time employees must attend and successfully complete our initial training program to our satisfaction within 90 days of executing the Franchise Agreement. (Franchise Agreement Paragraph 6(q)). You must train all other employees using

our approved training materials, which we will provide to you upon request. (Franchise Agreement Paragraph 6(q)). We will provide updated training materials to you as they are developed. (Franchise Agreement Paragraph 7(e)). All training materials provided to you by us, will at all times remain our property, and you agree not to challenge our or our affiliates' title or rights in or to the training materials. You may not make any disclosure, duplication or other unauthorized use of any portion of the training materials. (Franchise Agreement Paragraph 8(d)1).

Training will take place subject to the availability of our personnel at our corporate offices in Atlanta, Georgia, or any other place that we may designate. (Franchise Agreement Paragraph 7(d)) You must successfully complete this program before you open your Franchised Business. Below, toward the end of this Item 11 in the section titled "Training" is a chart detailing our current initial training program.

E. Supply you, at our expense, with an initial supply of the necessary forms, letterhead, envelopes, advertising materials and other printed materials with the TRC Staffing Services mark, in order to allow you to begin operation of the Franchised Business. (Franchise Agreement Paragraph 7(b))

F. In addition, we may supervise and assist you in the opening of your Franchised Business. (Franchise Agreement Paragraph 6(d)).

Opening

The typical length of time between the signing of the Franchise Agreement and the opening of the business is 90 days. Although you may be able to open your business shortly after the signing of the Franchise Agreement, you should anticipate that it will take approximately 90 days before you open to negotiate your lease, obtain furniture and equipment and hire personnel. Factors which may affect this time period include your ability to obtain a lease; financing and building permits; securing any necessary business licenses; the timing of office build-out; zoning and local ordinances; installation of equipment, network cables, fixtures, signs, etc.; and your ability to hire a full-time staff and the availability of training classes. You must open your business within that 90 days unless you get an extension from us in advance in writing.

Obligations During the Operation of the Business

During the operation of your Franchised Business, we will:

A. Hire temporary employees to be furnished to TRC Clients through the Franchised Business. (Franchise Agreement Paragraph 7(h)). You are responsible for recruiting the TRC Employees to be furnished to TRC Clients on a temporary basis. You must recruit TRC Employees in conformity with our standards and procedures, and the TRC System, without regard to race, color, religion, sex, age, national origin, disability, veteran status, marital status, pregnancy, genetic predisposition or any other legally protected status. (Franchise Agreement Paragraph 6(j)). We will also review their payroll and billing information provided to us by you and perform the bookkeeping and other services as we deem necessary or appropriate to carry out our function as the employer of the TRC Employees. (Franchise Agreement Paragraph 7(a)).

B. We will directly bill all TRC Clients for work and services performed by TRC Employees furnished through your Franchised Business and pay all direct labor costs or allocations associated with the TRC Employees. We will also bill all TRC Clients for temporary to hire employees and for placement of direct hire candidates. (Franchise Agreement Paragraph 4(a)). We will remit your

share of the Gross Profits or Net Billings from the Franchised Business, as applicable, and your share of the direct hire billings, if any. (Franchise Agreement Paragraph 4(a)).

C. We will make a diligent effort to collect all net billings. (Franchise Agreement Paragraph 7(a)). You must inform us at least 60 days before bringing any claim against TRC Clients, TRC Employees, and/or other TRC franchisees before a third party. We will attempt to resolve in good faith all disputes arising between you and TRC Clients, TRC Employees, and/or other TRC franchisees. (Franchise Agreement Paragraph 7(i)). Any resolution we may make with regard to such disputes will be binding on you.

D. Cooperate with you in the development of sales, recruiting and promotional programs. At our discretion, we may also provide you with sales materials as they are developed. (Franchise Agreement Paragraph 7(f)).

E. Make available to managers, operations persons and sales persons hired subsequent to the opening of the Franchised Business initial training and additional training. (Franchise Agreement Paragraph 7(e)).

F. We will provide you continuing consultation and advice, as we deem necessary and appropriate, regarding the management and operation of the Franchised Business. We will provide such assistance, in our discretion, by telephone, facsimile, intranet communication and on-site visits. If you require and request additional on-site assistance from us, subject to the availability of our personnel, we may provide you with such assistance. (Franchise Agreement Paragraph 7(e)).

G. We may, in our discretion, hold an Annual Conference at a location to be selected by us. We will determine the topics and agenda for such conference to serve the purpose among other things, of updating franchisees on new developments affecting franchisees, exchanging information between franchisees and our personnel regarding Franchised Business operations and programs, and recognizing franchisees for their achievements. We may require you to attend the Annual Conference. You and your employees' costs of transportation, lodging, meal, and salary to attend our annual conferences are your sole responsibility. (Franchise Agreement Paragraph 7(j)).

H. We may, in our discretion, assist in the renovation, redecoration and relocation of your office or the location and selection, leasing, design, decoration and furnishing of additional office space. (Franchise Agreement Paragraph 6(c)).

Advertising

Currently, we do not have a national advertising program in place. We do not provide any set advertising program. However, at our sole discretion, we conduct local and national advertising campaigns. You may advertise with such materials as are provided by us or selected and provided by you and approved in advance in writing by us. (Franchise Agreement Paragraph 6(g)). You are permitted to use your own advertising materials, so long as you have submitted them to us for approval at least 15 days before your use. We must then approve the advertising materials in writing. If we do not approve or disapprove your materials within 10 days of receipt by us, such materials will be deemed to be approved. (Franchise Agreement Paragraph 6(g)1). We have no advertising council. You are not required to participate in a local or regional advertising cooperative and you are not required to participate in any other advertising fund.

Computer Hardware and Software

We will lease to you the necessary hardware (the “Hardware System”) to operate your Franchised Business at no cost to you, and we will be responsible for the maintenance of the Hardware System. We will determine, at our sole discretion, your hardware requirements based upon the number of employees you hire for your Franchised Business and the number of office locations you establish in your Area. The current Hardware System in each office normally uses 3 standard desktop PC’s with monitors, linked to a single printer. The current Software System includes standard business software, in addition to the proprietary software described below. The cost to us of the Hardware System which we lease to you at no charge is between \$4,000 and \$5,000. You will use the computers for normal business functions, to store and retrieve employee and customer information, to transmit to us payroll and billing information, and to test and train your employees. The computer system will be used for tracking the activity of your business and we will be able to access your system remotely. Therefore, we will have independent access to your business information (i.e. employee and customer information, payroll and billing information, and employee testing and training information) that is either generated or stored in the computer system. Currently, there are not contractual limitations to our right to independently access such business information. You will be responsible, at your own expense, for preparing the site for the Hardware System at the Location in accordance with our installation specifications. This includes installing cable and wiring that meets TRC’s standards. You are also responsible, at your own expense, for setting up broadband internet connections that do not go through the branch phone system and are not shared with any other equipment. (Franchise Agreement Paragraph 6(t) and Exhibit D of this disclosure).

We may require you to purchase and use any and all software which we may develop and/or designate for use as part of the Software System, and purchase such computer hardware as may be necessary for the efficient operation of the Software System (currently the Hardware System we lease to you at no charge). (Franchise Agreement Paragraph 6(t)). You are not required to upgrade or update our computer hardware unless we so direct and in that event we will be responsible for all updating and upgrading your hardware acquired under the Lease. (Exhibit D of this disclosure). You will not modify, change, add to, update, or upgrade any hardware you acquire under the Lease or the Proprietary Software Program discussed below without our prior written consent. (Exhibit D of this disclosure). We currently do not charge or pass through any maintenance costs other than those included in the proprietary software monthly fee described below, but we reserve the right to do so. (Exhibit D of this disclosure).

Presently, we require you use proprietary web-based staffing services software. The current cost to you for this software is \$250 per month. We reserve the right to require you to update or upgrade the Software System as we deem necessary, but not more than 5 times per calendar year. We reserve the right to require you to subscribe to or purchase any other software in addition to or as a replacement for any proprietary or other Software. (Franchise Agreement Paragraph 6(t)).

If we develop and custom design a software program for conducting staffing logistics, bookkeeping, billing functions, and related activities (“Proprietary Software Program”), you agree to implement the Proprietary Software Program in your Franchised Business, which may be at your own expense. You agree to comply with all specifications and standards prescribed by us regarding the Proprietary Software Program as provided in the Operations Manual. This software will be proprietary to us and Confidential Information of ours. It is possible that we might not be able to alter the Proprietary Software Program and system to accommodate each and every franchisee of the System, and therefore, at such time that we require the implementation of such software, you must only utilize the program as prescribed by us. If we require the implementation of such software, we or our designee agree to provide ongoing service and support to you regarding the Proprietary Software Program and will lease such software to you at the then current rates published by us. (Franchise Agreement Paragraph 6(t)2).

Internet

Other than the website services that we may provide to you in connection with a website we may establish, we do not permit you to have an Internet worldwide webpage in connection with your Franchised Business. (Franchise Agreement Paragraph 6(g)3). Moreover, you are not permitted to maintain an individual web site related to the Franchised Business, or to establish a URL incorporating any variation of the “TRC Staffing Services” name or the Marks, without our prior written approval. (Franchise Agreement Paragraph 3(e)). We do not allow you to advertise on the Internet without our prior written approval in accordance with the advertising requirements above. (Franchise Agreement Paragraph 6(g)3).

Area Computer Network, Intranet or Extranet Participation

You must participate in any System-wide area computer network, intranet system or extranet system that we implement and may be required by us to use such area computer network, intranet system or extranet system to, among other things: (i) submit your reports due under the Franchise Agreement to us on-line; (ii) view and print portions of the Operations Manual; (iii) download approved local advertising materials; (iv) communicate with us and other System franchisees; and (iv) training. You agree to use the facilities of any such area computer network, intranet system or extranet system in strict compliance with the standards, protocols, and restrictions that we include in the Operations Manual, including those related to the encryption of confidential information and prohibitions against the transmission of libelous, derogatory or defamatory statements. (Franchise Agreement Paragraph 6(t)3).

Operating Manual

The Table of Contents to the Operations Manual is attached as Exhibit E to this disclosure document. As of the date of this document, the total number of pages in the Operations Manual is 238.

Training

TRAINING PROGRAM

Subject	Hours of Training	Hours of On-The-Job Training	Location
Operations Training	40	N/A	TRC's corporate offices Atlanta, Georgia, Online, or at Franchisee's location
Opening Your Franchise	Self-Paced	60	TRC's corporate offices Atlanta, Georgia, Online, or at Franchisee's location
Sales Training	40	N/A	TRC's corporate offices Atlanta, Georgia, Online, or at Franchisee's location
Opening Training	40 (On-Site)	50	At franchisee's location
Introduction to TRC and the Temporary Industry (Basics)	Self-Paced	N/A	TRC's corporate offices Atlanta, Georgia, Online, or at Franchisee's location

ONBOARDING PROGRAM

Subject	Hours of E-Learning	Hours of On-The-Job Training	Location
TRC Culture & Philosophy, HR, Systems	8 hours of content self-paced		At franchisee's location
ATS System	8 hours of content, self-paced	8 hours of activity based training self-paced	At franchisee's location

Our Initial Training Program is offered before or within 90 days after opening, and at other times we may designate. Our lead instructors have at least 8 years of experience in the temporary staffing services industry, the majority of which is spent at the management level, and the average length of experience the instructors have with TRC is 10 years. Training will take place subject to the availability of our personnel at our corporate offices in Atlanta, Georgia, or any other place that we may designate.

To assist you in operating your Franchised Business, we offer a variety of seminars during the year, including refresher courses or additional training courses upon changes to the TRC System to you, your manager and/or your employees. (Franchise Agreement Paragraph 7(e)). We may require your attendance at these programs and/or courses. (Franchise Agreement Paragraph 6(q)). We do not presently charge a fee for such additional training or refresher courses, but reserve the right to do so in the future. You are responsible for the expenses of you, your manager and your employees, including transportation to and from the training site and lodging, meals, and salaries during such training. (Franchise Agreement Paragraph 6(q)).

ITEM 12 **TERRITORY**

The franchise granted by TRC will be for a single office in a designated territory or area ("Area") through the use of the TRC System and using the TRC Names and Marks solely in connection with that office. The Areas we grant vary greatly and there is no minimum territory or general description that can be applied. We do not have any specific demographic requirements in awarding you your Area. Your Area will be awarded after our mutual agreement and before your execution of the Franchise Agreement, therefore our Franchise Agreement does not speak to any consequences if we fail to reach agreement on any territory.

You will not receive an exclusive territory. You may face competition from other franchisees, outlets that we own, or from other channels of distribution or competitive brands that we control. We retain the right to (i) use the TRC Names and Marks and System in connection with services and products, promotional and marketing efforts or related items, or in alternative channels of distribution, including providing temporary personnel to perform services other than clerical, marketing, technical, light industrial, and professional services or operating outsourcing businesses whereby TRC Clients directly hire TRC to provide clerical and bookkeeping services; (ii) own and operate Staffing Services Businesses, or market similar products and services, or license others to own and operate Staffing Services Businesses at any location(s) inside your Area under different marks; (iii) own and operate Staffing Services Businesses within your Area to provide professional services we have not otherwise authorized you to provide; and (iv) allow others to provide professional services within your Area that we have not otherwise authorized you to provide.

Provided you have fulfilled your obligations and covenants under the Franchise Agreement, you will have the option to open additional TRC Staffing Services offices in your Area. To open additional offices you

must first notify us at least 90 days before the proposed opening and then we must give our consent via written notice. We will approve the relocation of your office to a facility with the same or similar attributes as the current location. Such attributes include, but are not limited to office size, quality of the office building, and parking.

Except for the case of Multi-Market Customers as described below, we agree not to operate directly or license or franchise to another the right to operate a staffing service business similar to yours in your Area, whether or not using the TRC Marks, provided you are fulfilling your obligations under this Agreement. Any territorial exclusivity, exclusive of the Multi-Market customers, will be dependent upon meeting the minimum performance criteria of average weekly hours billed as specified in Section 2(d) of the Franchise Agreement ("Minimum Performance Criteria"). Minimum Performance Criteria are determined on a case-by-case basis. We will establish a new set of Minimum Performance Criteria for each renewal term at our sole discretion, which will not exceed 115% of the average weekly hours required for the preceding year. And, upon the occurrence of certain aggregate population growth in the Area, as described in Section 2C of the Franchise Agreement, we will have the right to own, operate or license to operate a temporary help service business in the Area; however, you will have the right of first refusal to operate that temporary help service business should you be in full compliance with your obligations under this Agreement.

TRC will have the right to negotiate and enter into agreements with Multi-Market Customers (customers with offices both in and outside your area) to provide staffing services to the offices of those Multi-Market Customers wherever they are located, including offices located in your area. We will offer to you the right to provide staffing services to the Multi-Market Customer office or offices in your area, on the same terms as are in the contract between TRC and the Multi-Market Customer. But you will have to confirm in writing that you accept that offer within ten (10) business days from the date the offer is extended to you. If you do not, or if you are servicing a Multi-Market Customer, and that customer or we determine that you are performing at a service level that is unacceptable, then we may (A) provide staffing services to the Multi-Market Customer office or offices in the Area on the terms of the contract between us and the Multi-Market Customer, or (B) contract with another staffing business in the Area to provide those staffing services, in either case ((A) or (B)), using our names and marks, and without payment to you of any kind.

We retain the right to permit any other TRC office (whether franchised or owned by us), in accordance with the TRC Manual, to perform marketing within your area for the sole purpose of seeking potential clients within each TRC offices' own designated Area. In addition, other TRC offices may solicit potential staffing employees both within and outside your Area.

We and our affiliates will have the right, in our sole discretion, to own and operate TRC Businesses at any location(s) outside your Area under the same or different marks, or to license others the right to own and operate TRC Businesses at any location(s) outside your Area under the same or different marks. We may use the Marks and TRC System in connection with services and products, promotional and marketing efforts or related items, or in alternative channels of distribution, including the sale of our products over the internet, without regard to location. We may own and operate staffing services businesses or any other businesses, or license others the right to own and operate staffing services businesses or other businesses, at any location(s) inside your Area under different marks. We may own and operate and license others the right to own and operate businesses providing industrial and professional staffing services using the Marks or operate outsourcing businesses providing clerical and bookkeeping services from a centralized location. We may use and license to engage in any other activities not expressly prohibited in the Franchise Agreement.

TRC may, in its sole discretion, decide to provide itself or to allow you or others to provide professional staffing services within your Area. Such professional staffing services may be under the same TRC Names and Marks or such different names and marks as TRC may determine, in its sole discretion. In order to preserve the quality, reliability, and reputation of the System, TRC may from time to time limit the type of professional services that may be provided as well as establish or revise requirements and conditions that must be satisfied before staffing services for that specific profession may be offered in the Area.

Such requirements and conditions, which are to be determined in TRC's sole discretion, may include, among others, that any office providing professional staffing services be staffed with at least one (1) full-time employee (who shall not be a TRC Employee) who is an experienced professional in the same or related profession. Such professional employee shall have successfully completed TRC's initial training program and any other professional training programs offered from time to time by TRC; may be required to have an active license in that profession, if applicable; shall not have had any professional license revoked at any time; shall be in good standing with licensing authorities in all appropriate jurisdictions; and shall not have been the subject of an investigation, complaint, or punishment related to such employee's profession. Other factors may be determined by TRC in its sole discretion.

TRC reserves the right to combine, in whole or in part, your and other Areas but only for the purpose of providing professional staffing services within those Areas. If TRC does not give you a franchise to offer professional staffing services within your Area, then you will not be entitled to any portion of the fees and other income resulting from such professional staffing services. At no time shall TRC be obligated in any manner to provide or allow others to provide any professional staffing services within the Area or to continue providing or allow others to continue to provide professional staffing services within your Area.

Provided that we do not violate any available exclusivity rights, we do not pay you any compensation for orders solicited or accepted from inside your Area. If soliciting or accepting such an order would be a violation of your rights, then you will be paid your normal commission on that order.

You are not permitted to solicit or fill orders outside of your Area, whether by direct sales or through other channels of distribution, such as the internet, catalog sales, or telemarketing.

ITEM 13 **TRADEMARKS**

You will have the right to use the Marks we designate for use in connection with the System, limited by Paragraph 3 of the Franchise Agreement as described below. We are the owner of the following U.S. registrations:

MARK	REGISTRATION NUMBER	REGISTRATION DATE	REGISTER
TRC Staffing Services (and design)	1,359,630	September 10, 1985	Principal
TRC	1,464,825	November 10, 1987	Principal
TRC Staffing Services	1,902,231	June 27, 1995	Principal

We have filed all required affidavits and registration renewals for the marks described above.

There are currently no effective determinations of the United States Patent and Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of any state or any court; no pending interference, opposition or cancellation proceedings; nor any pending material litigation involving the Marks.

You must promptly notify us of any suspected unauthorized use of the Marks, any challenge to the validity of the Marks, or any challenge to our ownership of, our right to use and to license others to use, or your right to use, the Marks. We have the sole right to direct and control any administrative proceeding or litigation involving the Marks, including the right to settle the proceedings or litigation. We have the exclusive right, but not the obligation, to affirmatively prosecute actions against third parties for infringement or threatened infringement of the Marks.

We will defend you against any third-party claim, suit, or demand arising out of your use of the Marks. If we, in our sole discretion, determine that you have used the Marks in accordance with the Franchise Agreement, we will pay the cost of defending the action, including the cost of any judgment or settlement. If we, in our sole discretion, determine that you have not used the Marks in accordance with the Franchise Agreement, you will be required to pay for the defense or to reimburse us for costs we incurred in providing the defense, including the cost of any judgment or settlement. In the event of any litigation relating to your use of the Marks, you must sign all documents and assist us, as we deem necessary, to carry out the defense or prosecution including, without limitation, becoming a nominal party to any legal action. Except to the extent that such litigation is the result of your use of the Marks in a manner inconsistent with the terms of the Franchise Agreement, we will reimburse you for your out-of-pocket costs in performing such acts.

We are not aware of any superior prior rights or infringing uses that could materially affect your use of the Marks in any state; however, a federal trademark registration does not necessarily protect the use of the concerned mark against a prior user in a given relevant market area. Therefore, before entering into the Franchise Agreement, you should make every effort to ascertain that there are no existing uses of the Marks or confusingly similar marks being used in the market area where you wish to do business. You should immediately notify us of any confusingly similar marks you discover.

We are not party to any currently effective agreement limiting our right to use or license the use of the Marks.

You may use only the Marks which we designate, and may use them only in the manner we authorize and permit. You may use the Marks only for the operation of the Franchised Business and only at the Approved Location or in advertising for the Franchised Business. You must use all Marks without prefix or suffix and in conjunction with the symbols "SM," "@," "TM," "S" or "R," as applicable. You may not use the Marks in connection with the offer or sale of any services or products which we have not authorized for use in connection with the System. You may not use the Marks as part of your corporate or other legal name. Your corporate name and all fictitious names under which you propose to do business must be approved by us in writing before use. You must use your corporate or limited liability company name either alone or followed by the initials "D/B/A" and the business name "TRC Staffing Services, Inc." You must promptly register at the office of the county in which your Franchised Business is located, or such other public office as provided for by the laws of the state in which your Franchised Business is located, as doing business under such assumed business name.

All of your advertising must prominently display the Marks and must comply with our standards for using the Marks. All such advertising is subject to our prior written approval, which we will not unreasonably withhold. We reserve the right to approve all signs, stationery, business cards, forms, and other materials

and supplies bearing the Marks. You may use the Marks including, without limitation, trade dress, color combinations, designs, symbols, and slogans, only in the manner and to the extent specifically permitted by the Franchise Agreement or by our prior written consent. You must submit to us and we must approve in writing all advertising, publicity, signs, decorations, furnishings, equipment or other materials employing the Marks, or related marks, before their first publication or use. We will not unreasonably withhold our approval. You must identify yourself as the owner of the Franchised Business (in the manner we prescribe) in conjunction with any use of the Marks including, without limitation, on invoices, order forms, receipts, and business stationery, as well as at such conspicuous locations as we may designate in writing at the Franchised Business premises.

We reserve the right to substitute different Marks for use in identifying the System and the businesses operating thereunder. You must discontinue using all Marks which we have notified you, in writing, have been modified or discontinued within 10 days of receiving written notice and must promptly begin using such additional, modified or substituted Marks at your expense.

ITEM 14 **PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION**

We do not own any registered patents or copyrights which are material to the franchise, however, we claim common law copyright and trade secret protection for several aspects of the franchise system including our Operations Manual, advertising, and business materials.

There are no current determinations, proceedings or litigation involving any of our copyrighted materials. Should you become aware that any unauthorized third party is using any of our copyrighted materials, we request that you notify us of such unauthorized use. We may revise any of our copyrighted materials in our discretion, and may require that you cease using any outdated copyrighted material. You will be responsible for printing any revised or new advertising, marketing or other business materials.

During the term of the Franchise Agreement, you will receive information that we consider our trade secrets and confidential information. You may not, during the term of the Franchise Agreement or after, communicate, divulge, or use for the benefit of any other person, partnership, association, corporation, or limited liability company our TRC Client lists, any line of credit extended to TRC Clients, and TRC Client employment requirements, as well as copyrighted materials, methods and other techniques and know-how concerning the operation of the Franchised Business ("Confidential Information"). You acknowledge and agree that such Confidential Information constitutes our trade secrets. You may divulge Confidential Information only to your employees who must have access to it in order to perform their employment obligations. You must require your manager, and any personnel having access to any of our Confidential Information to sign an agreement stating that they will maintain the confidentiality of information they receive in connection with their employment, and restricting their right to work for a competitor while they are employed by you. Such agreement, which will be in a form that we prescribe, will identify us as a third party beneficiary to the agreement and will give us independent enforcement rights.

The Franchise Agreement provides that if you, your employees, or principals develop any new concept, process or improvement in the operation or promotion of the Franchised Business, you must promptly notify us and provide us with all necessary related information, without compensation. Any such concept, process or improvement will become our sole property and we will be the sole owner of all patents, patent applications, trademarks, copyrights and other intellectual property rights related thereto. You and your principals will assign to us any rights you may have or acquire therein, including the right to modify such concept, process or improvement, and otherwise will waive and/or release all rights of restraint and moral

rights therein and thereto. You and your principals agree to assist us in obtaining and enforcing the intellectual property rights to any such concept, process or improvement in any and all countries and further agree to sign and provide us with all necessary documentation for obtaining and enforcing such rights. You and your principals will irrevocably designate and appoint us as your agent and attorney-in-fact to sign and file any such documentation and to do all other lawful acts to further the prosecution and issuance of patents or other intellectual property rights related to any such concept, process or improvement. In the event that such provisions of the Franchise Agreement are found to be invalid or otherwise unenforceable, you and your principals will grant to us a worldwide, perpetual, non-exclusive, fully-paid license to use and sublicense the use of the concept, process or improvement to the extent such use or sublicense would, absent the Franchise Agreement, directly or indirectly infringe your rights therein.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS

We require that you devote full time to the direct operation of the Franchised Business throughout the Area from your office during prescribed business hours. You are obligated to have at least one full-time employee to operate the business in addition to yourself (the "Designated Employee"). Your Designated Employee must attend and complete to our satisfaction our initial training program within 90 days of hire. Your Franchised Business must, at all times, be staffed with at least one individual who has successfully completed our initial training program. In the event that you operate more than one Franchised Business, you will have a properly trained Designated Employee who has been approved by us at each location. You will keep us informed at all times of the identity of any employee acting as Designated Employee of a Franchised Business. Should your Designated Employee resign or his employment status otherwise be terminated, you must hire a new Designated Employee within 30 days of the termination of your previous Designated Employee. Your Designated Employee must complete initial training to our satisfaction within 30 days of hiring, subject to the availability of our training personnel. Your Designated Employee(s) will devote full time and best efforts to the day-to-day operation and management of the Franchised Business and will not engage in any other business activity without our prior written consent. Your Designated Employee(s) must enter into the following agreements: Covenant Not to Compete, Covenant Not to Solicit TRC Clients, Covenant Not to Solicit Employees, and Covenant not to Disclosure Proprietary and Confidential Information. The operation of the Franchised Business is your direct responsibility and your right to continue the Franchised Business beyond the initial term of the Franchise Agreement is conditioned upon the performance of the business. If you are married, then your spouse must sign the spousal consent form attached to the Franchise Agreement as Exhibit E which provides that they personally and unconditionally guarantee without notice, demand or presentment the payment of all of your monetary obligations under the Franchise Agreement as if they were an original party to the Franchise Agreement in their individual capacity, and further that they agree to be bound by the restrictions upon your activities upon transfer, termination or expiration of the Franchise Agreement as if they were an original party to the Franchise Agreement in their individual capacity.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell all products and services which we require and only the products and services which we authorize for the System. You will not offer to sell or provide at the Franchised Business any merchandise, products or services that have not approved in writing, or use the premises for any other purpose other than the operation of the Franchised Business. The franchise is for a staffing service business solely for marketing and providing on a temporary or part-time basis, personnel to perform

clerical, marketing, technical and light industrial services to TRC Clients and at your election, and other persons for direct hire by TRC Clients subject to and in accordance with the terms and conditions of the Franchise Agreement. In certain instances determined by us in our sole discretion, your franchise may include designated professional services. We have the right to change the types of goods and services you offer, and there are no limits to this right. There are no restrictions regarding the TRC Clients in your Area to whom you may sell such services, except relative to their creditworthiness and/or the specific job classifications of the temporary employees for safety purposes or other potential liability.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

THE FRANCHISE RELATIONSHIP

Provision	Section In Franchise Agreement	Summary
a. Length of the franchise term	2	5 years (Initial Term)
b. Renewal or extension of the term	2	If you are in good standing you may renew for 5 additional periods of 5 years each by signing the then current franchise agreement. This means that you may be asked to sign a Franchise Agreement that may contain materially different terms and conditions from the Franchise Agreement attached to this disclosure document. (Renewed Term)
c. Requirements for you to renew or extend	2	Renewal in our system has the meaning stated in 17(b) above. In order for you to renew, you must give written notice; sign a new agreement on our then current terms and conditions, which may be materially different from those in your original agreement; be in compliance with your existing agreement; and sign a general release.
d. Termination by you	15	You must give 90 days written notice.
e. Termination by us without cause	15	We cannot terminate without cause.
f. Termination by franchisor with cause	15	We can terminate upon any default.

Provision	Section In Franchise Agreement	Summary
g. "Cause" defined – curable defaults	15	You have 90 days to cure: a) breach or failure to perform any provision of the Agreement other than a material breach; or b) failure to achieve Minimum Performance criteria; you or your estate will have 30 days to cure if your assignee is unacceptable upon your disability or death.
h. "Cause" defined – non-curable defaults	15	Non-curable defaults: material breach, insolvency, abandonment (i.e. failure to operate for 5 days), felony or other crimes, upon dissolution if you are a corporation or LLC , or in the event of death, disability certain transfers or convictions of shareholders, partners or members.
i. Your obligations on termination/non-renewal	8, 15c	Obligations include payment of sums due, return of materials, ceasing to use marks and all software, continued compliance with restrictive agreements; transfer of telephone listing. (See r. below)
j. Assignment of contract by us	13	No restrictions on our right to assign
k. "Transfer" by you definition	14	We have the right to approve all transfers.
l. Our approval of your transfer	14	We have the right to approve all transfers.
m. Conditions for our approval of transfer	14	Transferee assumes obligations, is qualified, designates a manager, gets trained, signs new agreement, pays transfer fee and you must sign release.
n. Our right of first refusal to acquire your business	14	Within 30 days after notice of bona fide purchase offer, on same terms other than for management.
o. Our option to purchase your business	16	At the end of the 5 th Renewal Term of the Agreement, and the end of each subsequent Renewal Term, we have the option, at our discretion, to either renew you for another 5 year Renewal Term as in b. above, or on 180 days notice, not renew you and purchase the assets of the Franchised Business.
p. Your death or disability	14	Documented disability for more than 6 months, or death, we will not unreasonably withhold consent to transfer to heirs or spouse.

Provision	Section In Franchise Agreement	Summary
q. Non-competition covenants during the term of the franchise	8	No Competition during term or any renewal.
r. Non-competition covenants after the franchise is terminated or expires	8	No competition or solicitation for one year after termination.
s. Modification of the agreement	22	Modification only if signed by all parties.
t. Integration/merger clause	22	<p>Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises made outside the disclosure document and franchise agreement may not be enforceable.</p> <p>Nothing in the Franchise Agreement or in any related agreement is intended to disclaim the representations we made in the FDD that we furnished to you.</p>
u. Dispute resolution by arbitration or mediation	16	In the event of a dispute in connection with our rights to purchase assets (see O, above) appraisers may be used.
v. Choice of forum	22	Subject to applicable state law prohibiting or restricting such a provision, you consent to suit in Georgia.
w. Choice of Law	22	Subject to applicable state law prohibiting or restricting such a provision, Georgia Law Applies.

ITEM 18 PUBLIC FIGURES

We do not use any public figures to promote our franchise.

ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in this Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet that you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance of a particular location or under particular circumstances.

We would like you to have the following historical financial performance information.

For 2017 our 14 franchised offices that were open the full year had an average annual Net Billings per office of \$1,994,352.03 with 7 (50%) of the 14 offices exceeding that number. Those same 14 offices had an average Gross Profit of \$455,489.42 in 2017, with 7 (50%) offices of the 14 offices exceeding that number. And, those same 14 offices had an Average Gross Margin of 22.8% in 2017, with 8 (57%) of the 14 offices exceeding that number.

The detailed definitions of the terms Net Billings, Gross Margin and Gross Profit are in the Franchise Agreement, but they generally have the following meaning:

“Net Billings” means the gross billings to the clients with respect to services furnished through the franchised business, taking into account any discounts and other adjustments to such gross billings, and including Liquidated Damages, if any. Adjustments may include, among other things, corrections of errors in billings and billings with respect to services rendered but either not billed or billed in a reduced amount, or billed and then reduced or canceled, due to complaints or dissatisfaction of the clients, in order to develop and maintain client relations and goodwill.

“Liquidated Damages” means those amounts payable by the clients who hire for positions of direct employment temporary employees furnished to the clients through the franchised business. The term “gross billings” excludes any sales, use and similar taxes that are imposed on the clients and that are required to be collected from the clients by us and remitted to any taxing authority.

“Gross Margin” means the percent or fraction determined by dividing the gross profits by the Net Billings.

“Gross Profits” means the Net Billings during the applicable Accounting Period less all payroll and other direct labor costs, expenses and allocations with respect to the temporary employees (including, among other things, payroll taxes, workers’ compensation insurance charges or allocations, vacation and holiday pay, employer matching contributions to 401(k) plans, state and federal unemployment charges or allocations and taxes, insurance charges or allocations and charges for any liability insurance we provide, and other employee-related benefits and expenses or allocations attributable to the temporary employees, in our discretion) paid, incurred or allocated by us with respect to the franchised business.

The franchised offices included in this Item 19 are mature offices— all have been open for more than 5 years, and the average length of time of the 14 franchised offices have been open is 17 years. We have a total of 38 offices (franchise and Company Owned) open for the full year of 2017.

YOUR RESULTS WILL LIKELY DIFFER FROM THE RESULTS OF THOSE OFFICES WHOSE RESULTS ARE INCLUDED IN THE INFORMATION PRESENTED ABOVE, DEPENDING ON YOUR EFFORTS AND THOSE OF YOUR STAFF, YOUR PARTICULAR MARKET SIZE AND MAKEUP, YOUR COMPETITION, YOUR MARKET DEMOGRAPHICS, GENERAL ECONOMIC CONDITIONS LOCALLY, REGIONALLY, NATIONALLY AND INTERNATIONALLY, THE BUSINESS MIX YOU ACHIEVE, AND OTHER FACTORS.

Written substantiation for the financial performance representation in this Item 19 will be made available to you upon reasonable request.

ITEM 20 **OUTLETS AND FRANCHISEE INFORMATION**

Table No. 1
System-Wide Outlet Summary
For Years 2015 to 2017

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2015	18	17	-1
	2016	17	14	-3
	2017	14	14	0
Company Owned	2015	21	19	-2
	2016	19	25	+6
	2017	25	24	-1
Affiliate Owned	2015	0	0	0
	2016	0	0	0
	2017	0	0	0
Totals	2015	39	36	-3
	2016	36	39	+3
	2017	39	38	-1

Note:

- 1) All numbers are as of December 31 for each year.
- 2) The numbers in the “Total” column may exceed the number of units affected because several events may have affected the same store. For example, the same store may have had multiple owners.
- 3) These figures include on-site locations.

Table No. 2
Transfers of Outlets from Franchisees to New Owners
(Other than the TRC) For Years 2015 to 2017

State		Year	5
Totals	2015		1
	2016		0
	2017		1

Table No. 3
Status of Franchised Outlets
For Years 2015 to 2017*

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Company	Ceased Operations – Other Reasons	Outlets at End of the Year
Arizona	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Florida	2015	5	0	0	0	0	0	4
	2016	4	0	0	0	0	0	2
	2017	2	0	0	0	0	0	2
Georgia	2015	1	0	0	0	0	1	0
	2016	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
Massachusetts	2017	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
Michigan	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Missouri	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
North Carolina	2015	2	0	0	0	0	0	2
	2016	2	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Ohio	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Oklahoma	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Pennsylvania	2015	3	0	0	0	0	0	3
	2016	3	0	0	0	0	0	3
	2017	3	0	0	0	0	0	3
South Carolina	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Company	Ceased Operations – Other Reasons	Outlets at End of the Year
Tennessee	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
	2017	0	0	0	0	0	0	0
Texas	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Washington	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
	2017	1	0	0	0	0	0	1
Totals	2015	18	0	0	0	0	0	17
	2016	17	0	0	0	0	0	14
	2017	14	0	0	0	0	0	14

*If multiple events occurred affecting an outlet, this table shows the event that occurred last in time.

Note:

- 1) There are no franchised outlets in the States not listed in this table.

Table No. 4
Status of TRC Owned Outlets
For Years 2015 to 2017

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Alabama	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	0
	2017	0	0	0	0	0	0
Georgia	2015	16	0	0	0	0	15
	2016	15	4	0	0	0	19
	2017	19	0	0	0	0	19
North Carolina	2015	3	0	0	0	0	3
	2016	3	0	1	0	0	4
	2017	4	0	1	0	0	4
Tennessee	2015	0	0	0	0	0	0
	2016	0	0	0	0	0	0
	2017	0	0	0	0	0	0
Texas	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
	2017	1	0	0	0	0	0
Totals	2015	20	1	0	0	0	21
	2016	21	4	1	0	0	25
	2017	25	0	0	1	0	24

Note:

- 1) TRC does not own outlets located in the States not listed in this table.

Table No. 5
Projected Openings As of December 31, 2017

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchise Outlet in the Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
Total	0	0	0

We do not have any signed but not opened franchises as of December 31, 2017 or any projected office openings in 2018.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

The names of all current franchisees and the address and telephone numbers of each of their outlets is listed in Exhibit B to this disclosure document.

The name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who has not communicated with us within 10 weeks of the issue date of this disclosure document is listed in Exhibit B to this disclosure document.

If we are selling you a previously-owned franchised outlet now under our control, we will provide to you in a supplement to this document, the following information:

- (i) The name, city and state, current business telephone number, or if unknown, last known home telephone number of each previous owner of the outlet;
- (ii) The time period when each previous owner controlled the outlet;
- (iii) The reason for each previous change of ownership (for example, termination, non-renewal, voluntary transfer, ceased operations); and
- (iv) The time period(s) when each franchisor retained control of the outlet (for example, after termination, non-renewal, or reacquisition).

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

There are no trade-mark specific franchisee associations associated with our franchise system.

ITEM 21
FINANCIAL STATEMENTS

Attached as Exhibit A are (1) the audited balance sheets of TRC Staffing Services, Inc. for our years ended December 31, 2016 and 2017, and the related statements of income, retained earnings and stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2017 and (2) the unaudited financial statements of TRC Staffing Services, Inc. as of March 2018.

ITEM 22
CONTRACTS

A copy of the Franchise Agreement prepared for use for the franchise being offered is attached as Exhibit C. The Franchise Agreement includes a Collateral Assignment of Lease, a Conditional Assignment of Telephone Numbers, a Personal Guaranty Agreement, and a Spousal Consent Agreement. Also, a copy of the Franchise Computer Plan Computer Hardware Lease is attached as Exhibit D. A copy of TRC's list of registered agents to receive service of process is attached as Exhibit G. And lastly, a copy of the General Release is attached as Exhibit I.

ITEM 23
RECEIPTS

Exhibit K of this disclosure document contains a detachable document, in duplicate, acknowledging receipt of this disclosure document by a prospective franchisee. You should sign both copies of the Receipt. You should retain one signed copy for your records and return the other signed copy to: Mr. Conrad Helms, TRC Staffing Services, Inc., South Terraces, 115 Perimeter Center Place, NE, Suite 850, Atlanta, Georgia, 30346-1249.

EXHIBIT A
FINANCIAL STATEMENTS

Exhibit A
Financial Statements
2018 Franchise Disclosure Document

TRC Staffing Services, Inc.

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TRC STAFFING SERVICES, INC.
FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION
TWO YEARS ENDED DECEMBER 31, 2017

TRC STAFFING SERVICES, INC.

FINANCIAL STATEMENTS

AND ADDITIONAL INFORMATION

TWO YEARS ENDED DECEMBER 31, 2017

CONTENTS

	<u>Page</u>
FINANCIAL STATEMENTS	
Independent Auditor's Report	1 - 2
Balance Sheets	3
Income Statements	4
Statements of Retained Earnings and Stockholders' Equity	5
Statements of Cash Flows	6 – 7
Notes to Financial Statements	8 – 13
ADDITIONAL INFORMATION	
Independent Auditor's Report on Supplementary Information	14
Summary of Operations	15

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Scott G. Slaughter, C.P.A.
Sam A. Naib, C.P.A.

Independent Auditor's Report

To the Board of Directors and Stockholders of
TRC Staffing Services, Inc.

We have audited the accompanying financial statements of TRC Staffing Services, Inc. (a Georgia S-Corporation), which comprise the balance sheets as of **December 31, 2017 and 2016** and the related statements of income, retained earnings, and cash flows for each of the three years in the period ended **December 31, 2017**, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation of and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TRC Staffing Services, Inc. as of **December 31, 2017 and 2016**, and the results of their operations and their cash flows for each of the three years in the period ended **December 31, 2017**, in accordance with accounting principles generally accepted in the United States of America.



J.A. Johnson & Co., P.C.
Certified Public Accountants
Conyers, Georgia

February 7, 2018

TRC STAFFING SERVICES, INC.

BALANCE SHEETS

	December 31,	
	2017	2016
Assets		
Current Assets		
Cash and cash equivalents	\$ 4,870,427	\$ 2,531,340
Accounts receivable, less allowance for doubtful accounts of \$275,000 and \$280,000	9,097,525	12,559,850
Prepaid expenses and other current assets	2,322,056	1,487,015
Notes receivable, short-term, net (Note C)	8,000	-
Total current assets	<u>16,298,008</u>	<u>16,578,205</u>
Property and equipment, net (Note B)	929,180	110,962
	<u>929,180</u>	<u>110,962</u>
Intangible Assets		
Goodwill (net of amortization)	<u>53,000</u>	<u>59,000</u>
Total Assets	<u><u>\$ 17,280,188</u></u>	<u><u>\$ 16,748,167</u></u>
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable and accrued expenses	\$ 1,312,368	\$ 1,430,785
Accrued salaries, wages and benefits	3,333,585	3,361,467
Accrued workers compensation expense, short-term	1,100,000	1,100,000
Total current liabilities	<u>5,745,953</u>	<u>5,892,252</u>
Accrued workers compensation expense, long-term	1,500,000	1,500,000
Total Liabilities	<u><u>7,245,953</u></u>	<u><u>7,392,252</u></u>
Stockholders' equity (Note D)		
Common stock, \$.01 par value, 10,000,000 shares authorized, 4,700,000 and 4,675,000 shares issued and outstanding	47,000	46,750
Additional paid-in capital	1,061,625	1,011,875
Retained earnings	8,925,610	8,297,290
Total stockholders' equity	<u>10,034,235</u>	<u>9,355,915</u>
Total liabilities and stockholders' equity	<u><u>\$ 17,280,188</u></u>	<u><u>\$ 16,748,167</u></u>
Book value per share (Note A)	<u><u>\$ 2.13</u></u>	<u><u>2.00</u></u>

See notes to financial statements.

TRC STAFFING SERVICES, INC.
STATEMENTS OF INCOME

	Years Ended December 31,		
	2017	2016	2015
Net sales from services	<u>\$ 107,491,354</u>	<u>\$ 102,218,912</u>	<u>\$ 104,718,672</u>
Costs and expenses			
Cost of services	84,602,857	81,041,582	83,428,467
Selling, general and administrative	20,499,460	18,949,921	19,020,430
Depreciation and amortization	38,217	53,065	174,074
	<u>105,140,534</u>	<u>100,044,568</u>	<u>102,622,971</u>
Income from operations	2,350,820	2,174,344	2,095,701
State tax provision	77,500	60,000	80,000
Net income	<u>\$ 2,273,320</u>	<u>\$ 2,114,344</u>	<u>\$ 2,015,701</u>
Net income per share (Note A)	<u>\$ 0.48</u>	<u>\$ 0.45</u>	<u>\$ 0.43</u>

See notes to financial statements.

TRC STAFFING SERVICES, INC.
STATEMENTS OF RETAINED EARNINGS AND STOCKHOLDERS' EQUITY

	Common Stock	Additional Paid-In Capital	Retained Earnings	Total Stockholders' Equity
Balance at December 31, 2014	\$ 47,950	\$ 1,288,950	\$ 7,247,796	\$ 8,584,696
Sales of common stock	150	26,700	-	26,850
Repurchases of common stock	(1,150)	(252,750)	(3,701)	(257,601)
Net Income	-	-	2,015,701	2,015,701
Stockholder distributions	-	-	(1,900,000)	(1,900,000)
Balance at December 31, 2015	46,950	1,062,900	7,359,796	8,469,646
Sales of common stock	300	54,000	-	54,300
Repurchases of common stock	(500)	(105,025)	(7,600)	(113,125)
Net Income	-	-	2,114,344	2,114,344
Stockholder distributions	-	-	(1,169,250)	(1,169,250)
Balance at December 31, 2016	46,750	1,011,875	8,297,290	9,355,915
Sales of common stock	250	49,750	-	50,000
Repurchases of common stock	-	-	-	-
Net Income	-	-	2,273,320	2,273,320
Stockholder distributions	-	-	(1,645,000)	(1,645,000)
Balance at December 31, 2017	<u>\$ 47,000</u>	<u>\$ 1,061,625</u>	<u>\$ 8,925,610</u>	<u>\$ 10,034,235</u>

See notes to financial statements.

TRC STAFFING SERVICES, INC.
STATEMENTS OF CASH FLOWS

	Years Ended December 31,		
	2017	2016	2015
Cash flows from operating activities:			
Cash from customers	\$ 111,125,731	\$ 101,501,221	\$ 103,377,376
Cash paid to suppliers and employees	(106,339,448)	(99,462,962)	(102,058,891)
Interest received from franchise loans	-	-	306
Net cash provided by operating activities	<u>4,786,283</u>	<u>2,038,259</u>	<u>1,318,791</u>
Cash flows from investing activities:			
Purchases of property and equipment	(850,435)	(164,109)	(13,822)
Proceeds from the repayment of notes receivable	12,239	4,083	6,500
Loans to franchisees	<u>(14,000)</u>	<u>(16,168)</u>	<u>(3,000)</u>
Net cash (used in) investing activities	<u>(852,196)</u>	<u>(176,194)</u>	<u>(10,322)</u>
Cash flows from financing activities:			
Repurchase of common stock	-	(113,125)	(257,601)
Stockholder distributions	(1,645,000)	(1,169,250)	(1,900,000)
Sales of common stock	50,000	54,300	26,850
Net cash (used in) financing activities	<u>(1,595,000)</u>	<u>(1,228,075)</u>	<u>(2,130,751)</u>
Net Increase (decrease) in cash and cash equivalents	2,339,087	633,990	(822,282)
Cash and cash equivalents, beginning of year	<u>2,531,340</u>	<u>1,897,350</u>	<u>2,719,632</u>
Cash and cash equivalents, end of year	<u>\$ 4,870,427</u>	<u>\$ 2,531,340</u>	<u>\$ 1,897,350</u>

See notes to financial statements.

TRC STAFFING SERVICES, INC.

STATEMENTS OF CASH FLOWS

	Years Ended December 31,		
	2017	2016	2015
Reconciliation of net income to net cash provided by operating activities			
Net Income	\$ 2,273,320	\$ 2,114,344	\$ 2,015,701
Depreciation and amortization	38,217	53,065	174,074
Changes in operating assets and liabilities			
Notes Receivable Reserve	(6,239)	16,168	-
Accounts receivable	3,462,325	(889,743)	(1,513,042)
Prepaid expenses and other current assets	(835,041)	(90,087)	151,385
Accounts payable and accrued expenses	(118,417)	546,168	(166,566)
Accrued salaries, wages, and benefits	(27,882)	288,344	657,239
Net cash provided by/ (used in) operating activities	\$ 4,786,283	\$ 2,038,259	\$ 1,318,791

See notes to financial statements.

TRC STAFFING SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2017, 2016, 2015

A. Nature of Business and Summary of Significant Accounting Policies

TRC Staffing Services, Inc. (the “Company”) provides staffing services to a diversified group of customers throughout the United States.

The following is a summary of the significant accounting principles and policies followed by the Company.

Revenue Recognition

Service income and the related labor cost are recorded in the period in which the services are performed.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of trade accounts and notes receivable. The Company extends credit to its customers based on an evaluation of the customer’s financial condition, generally without requiring collateral. The Company monitors its exposure for credit losses and maintains allowances for such losses based on an analysis of specific customers, taking into consideration the age of past due accounts and an assessment of the customer’s ability to pay.

The Company’s cash balances in financial institutions at times may exceed federally insured limits. At December 31, 2017, 2016 and 2015, the corporation’s federal uninsured cash balances were approximately \$7,108,000, \$3,760,000, and \$3,008,000, respectively. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Cash Equivalents

Cash and cash equivalents include certain investments in highly liquid debt instruments with original maturities of three months or less. Cash equivalents included in cash amounted to \$0, \$0 and \$0 at December 31, 2017, 2016 and 2015, respectively.

Property and Equipment

Property and equipment is stated at cost less accumulated depreciation and amortization. Depreciation and amortization expense is computed for financial reporting purposes using the straight-line method over estimated useful lives of three to five years.

Income Taxes

Effective January 1, 1987, the Company elected to be taxed as an S Corporation. Under the provisions of the Internal Revenue Code, an S Corporation generally is not subject to federal income tax because its taxable income or loss accrues to the individual stockholders. Accordingly, no provision for federal income taxes has been recorded in the accompanying financial statements.

TRC STAFFING SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2017, 2016, 2015

A. Nature of Business and Summary of Significant Accounting Policies – (Continued)

Income Taxes – (Continued)

State income taxes for those states which do not recognize S Corporation status were approximately \$77,500, \$60,000 and \$80,000 for the years ended December 31, 2017, 2016 and 2015, respectively.

The Company files income tax returns in the U.S. federal jurisdiction and various state jurisdictions. The Company is no longer subject to U.S. federal or state and local examinations by tax authorities for years before 2014.

Compensated Absences

The Company accrues for earned and vested vacations for associates and staffing employees who have met employment requirements pursuant to the Company's vacation policy.

Advertising Expense

The Company expenses advertising costs as incurred. Advertising expense for fiscal year 2017, 2016 and 2015 was approximately \$557,000, \$369,000 and \$389,000, respectively.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Book Value per Share

Book value per share has been computed by dividing stockholders' equity by the number of common shares outstanding at December 31, 2017, 2016 and 2015.

Net Income per Share

Net Income per share has been computed by dividing net income by the weighted average number of common shares outstanding during the fiscal year (4,700,000, 4,678,973 and 4,741,082 in fiscal years 2017, 2016 and 2015, respectively).

B. Property and Equipment

For the years ended December 31, 2017, 2016 and 2015, the Company recorded depreciation expense of \$32,217, \$51,133, and \$170,303, respectively.

TRC STAFFING SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2017, 2016, 2015

B. Property and Equipment – (continued)

Property and Equipment is summarized as follows:

	December 31,		
	2017	2016	2015
Office Furniture and Fixtures	\$ 103,460	\$ 98,491	\$ 38,849
Computer Equipment	1,514,060	696,333	656,926
Leasehold Improvements	-	19,870	19,870
	1,617,520	814,694	715,645
Less – Accumulated Depreciation and Amortization	(688,340)	(703,732)	(656,727)
	\$ 929,180	\$ 110,962	\$ 58,918

C. Notes Receivable

Notes receivable represent amounts due from franchisees under an arrangement whereby new franchisees are provided working capital loans for a specified period of time. The loans, which bear interest at the prime rate plus 2%, require no payment for the first two years, at which time they become due in thirty-six monthly installments. A portion of the outstanding loans will be forgiven at the end of the first two years if the franchisees have met certain performance criteria. The Company forgave \$0, \$0 and \$0 of loans during the periods ended December 31, 2017, 2016 and 2015, respectively. Under certain circumstances the Company will loan the franchisees additional money. These loans are covered by separate agreements with fixed and variable interest rates between 6% and 11%. The Company maintains a reserve for loan forgiveness and potentially uncollectible loans. At December 31, 2017, 2016 and 2015, the Company had reserves of approximately \$0, \$16,168 and 0, respectively.

The amount of loans on which the Company does not accrue interest totaled approximately \$0, \$0, and \$0 at December 31, 2017, 2016 and 2015, respectively. The amount of interest not recorded on nonaccrual loans was approximately \$0, \$0 and \$0 for the years ended December 31, 2017, 2016 and 2015, respectively.

TRC STAFFING SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2017, 2016, 2015

D. Stockholders' Equity

The Company periodically sells shares of common stock to certain officers, directors, and employees under a stock purchase agreement (the "Agreement") whereby the Company is obligated, at the employee's request or termination, to repurchase the shares at 125% of the prior year's book value per share. Upon the occurrence of certain events, the Company's obligation to repurchase the shares terminates. During fiscal year 2017, 2016 and 2015, the Company repurchased 0, 50,000, and 115,000 shares from former employees for \$0, \$113,125 and \$257,601, respectively. In accordance with the Agreement, the Company issued 25,000, 30,000 and 15,000 shares of common stock for \$50,000, \$54,300 and \$26,850 in fiscal year 2017, 2016 and 2015 respectively.

E. Employee Savings Plans

Effective January 1, 1997, the Company established a defined contribution plan (the "401(k) Plan") which qualifies under Section 401(k) of the Internal Revenue Code for the benefit of eligible employees and their beneficiaries. Employees are allowed to contribute up to 15% of eligible compensation to the 401(k) Plan, with a maximum annual contribution of \$18,000 for fiscal year 2017. The Company may, at the discretion of the Board of Directors, make matching contributions to the 401(k) Plan for employees. For the years ended December 31, 2017, 2016 and 2015, the Company accrued a matching contribution of 50%, 50%, and 50%, respectively, of the first 6% of eligible compensation. As of December 31, 2017, 2016 and 2015, the Company accrued a matching contribution of \$134,375, \$121,090 and \$121,436, respectively.

Effective January 1, 2005, the Company established a management deferred compensation savings plan ("Top Hat Plan") for highly compensated employees. This plan is not qualified under Section 401(k) of the Internal Revenue Code. Participants are not limited to the percentage of eligible compensation to which they can contribute to the plan. The Company may, at the discretion of the Board of Directors, make matching contributions to the Top Hat Plan for employees. For the years ended December 31, 2017, 2016 and 2015, the Company accrued a matching contribution of 50%, 50%, and 50%, respectively, of the first 6% of eligible compensation. The contributions made by each participant and the Company's match earns interest equal to the yearly average of the interest rates quoted by the Company's primary bank on "Jumbo one-year certificates of deposit", plus 3%. All contributions and interest earned are tax deferred to the participant. As of December 31, 2017, 2016 and 2015, the Company accrued a matching contribution of \$60,163, \$39,684 and \$50,143, respectively.

TRC STAFFING SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2017, 2016, 2015

F. Line of Credit

The Company has a line of credit with a bank collateralized by accounts receivable whereby it may borrow up to \$5,000,000 at the daily LIBOR Index plus 1.35%. As of December 31, 2017, 2016 and 2015, no amount was outstanding, but the amount available for borrowing is reduced by the letters of credit issued against the account (See Note G).

G. Commitments and Contingencies

The Company leases office space under non-cancelable operating lease agreements, which expire on various dates through 2023. At December 31, 2017, the approximate future minimum annual rentals for leases with terms in excess of one year are as follows:

Year Ending December 31	Minimum Annuals Rentals
2018	826,250
2019	677,276
2020	581,611
2021	549,501
2022	563,210
Thereafter	480,442
	<u>\$ 3,678,290</u>

Rent expense under these and other short-term agreements for fiscal year 2017, 2016 and 2015 was approximately \$604,078, \$474,098 and \$826,971 respectively.

In connection with several workers' compensation insurance policies, the Company had letters of credit of approximately, \$2,908,000, \$2,978,000 and \$2,732,000 outstanding at December 31, 2017, 2016 and 2015, respectively.

The Company has estimated their accrued workers compensation liability at year-end based on historical data and individual claims. It is at least reasonably possible that the Company's estimate will change in the near term.

TRC STAFFING SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2017, 2016, 2015

H. Accounts Receivable

The allowance for doubtful accounts is based on a periodic assessment by Management of its ability to collect on current and anticipated accounts. Factors affecting this assessment include the aging of delinquent accounts based on days payments are past due, the Company's write-off experience, the current status of individual accounts, and the overall level of account balances. Accounts are written off during the year based on an evaluation of the Company's inability to collect these accounts.

I. Fair Value of Financial Instruments

In accordance with the Fair Value Measurements Topic of the FASB Accounting Standards Codification, the following represents the Company's fair value hierarchy for its financial assets and liabilities (cash and investments) measured at fair value on a recurring basis as of December 31, 2017, 2016 and 2015. The only financial assets of the Company were cash and cash equivalents with a carrying value of \$4,870,427, \$2,531,340 and \$1,897,350, respectively. All of these assets are included in the Level 1 classification.

J. Intangible Asset

The gross carrying amounts of goodwill and accumulated amortization for the years ended December 31, 2017, 2016 and 2015 are as follows:

	December 31,		
	2017	2016	2015
Goodwill	\$ 60,000	\$ 60,000	\$ -
Less – Accumulated Amortization	7,000	1,000	-
	<hr/>	<hr/>	<hr/>
	\$ 53,000	\$ 59,000	\$ -

Amortization expense for 2017, 2016 and 2015 was \$6,000, \$1,000, and \$0, respectively. Goodwill includes \$60,000 attributable to the acquisition of a franchisee's location. The Company amortizes goodwill on the straight-line method over ten years.

K. Subsequent Event

Management has evaluated subsequent events through February 7, 2018, the date which the financial statements were available to be issued.

THE FOLLOWING FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESS HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

Exhibit A

Financial Statements

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document

Unaudited
TRC STAFFING SERVICES, INC.
BALANCE SHEET

June 30, 2017

ASSETS

CURRENT ASSETS

CASH & SHORT TERM INVESTMENTS	3,735,795
MARKETABLE SECURITIES	0
ACCOUNTS RECEIVABLE - TRADE	11,274,363
LESS DOUBTFUL ACCOUNTS	336,050
PREPAID EXPENSES	10,938,313
ACCOUNTS RECEIVABLE - MISC.	933,594
LESS PROVISION FOR LIC. LOANS	(126)
TOTAL CURRENT ASSETS	<u>15,607,576</u>

FIXED ASSETS

FURNITURE AND FIXTURES	454,858
COMPUTER EQUIPMENT	694,990
LEASEHOLD IMPROVEMENTS	19,870
LESS ACCUM. DEPR. & AMORT.	718,408
TOTAL FIXED ASSETS	<u>451,309</u>

OTHER ASSETS

DEPOSITS/GOODWILL	0
-------------------	---

TOTAL ASSETS

16,114,885

LIABILITIES AND EQUITY

CURRENT LIABILITIES

ACCOUNTS PAYABLE	116,987
ACCRUED PAYROLL & BONUSES	390,213
ACCRUED TAXES	628,417
ACCRUED EMPLOYEE BENEFITS	54,579
ACCRUED LICENSEE COMMISSIONS	359,812
ACCRUED MISCELLANEOUS PAYABLES	362,750
DEFERRED COMPENSATION PLANS	1,113,960
WORKERS COMPENSATION LIABILITY	2,775,156
DEFERRED RENT	509,379
TOTAL CURRENT LIABILITIES	<u>6,311,253</u>

TOTAL LIABILITIES

6,311,253

EQUITY

CAPITAL STOCK	47,000
PAID-IN-CAPITAL	1,061,625
RETAINED EARNINGS	2,715,843
ACCUM. ADJ. ACCT. - PRIOR	5,581,447
NET INCOME (ACCUM. ADJ. ACCT.)	867,716
DISTRIBUTIONS	(470,000)
TOTAL EQUITY	<u>9,803,631</u>

TOTAL LIABILITIES AND EQUITY

16,114,885

UNAUDITED
TRC CONSOLIDATED YEAR TO DATE PROFIT AND LOSS
JANUARY - JUNE 2017

Sales	\$52,307,733
Cost of Sales	<u>\$41,284,298</u>
 Gross Margin	 \$11,023,435
 S G & A	 <u>\$10,118,219</u>
 Pre-Tax Profit	 \$905,216
Taxes	<u>\$37,500</u>
 Net Income	 <u><u>\$867,716</u></u>

EXHIBIT B

LIST OF FRANCHISES As of December 31, 2017

ARIZONA

TRC Staffing Services
3033 North 44th St., Suite 380
Phoenix, AZ 85018
(602) 840-1333
Gary Rice

FLORIDA

TRC Staffing Services
2460 North Courtenay Pkwy.
Suite 101/102
Merritt Island, FL 32953
(321) 877-0800
Donna Ballard

TRC Staffing Services
667-A Beville Road
South Daytona, FL 32119
(386) 252-0882
Donna Ballard

MICHIGAN

TRC Staffing Services
2110 15 Mile Road, Suite J
Sterling Heights, MI 48310
(586) 939-3210
John Patouhas

MISSOURI

TRC Staffing Services, Inc.
5017 Washington Place, Suite 201
St. Louis, MO 63108
(314) 621-5717
Lydia Padilla

NORTH CAROLINA

TRC Staffing Services
2801 Yorkmont Road, Suite 250
Charlotte, NC 28208
(704) 525-5555
Marsha Bresson

OHIO

TRC Staffing Services
259 East Livingston Ave.
Columbus, OH 43215
(614) 229-7999
Brenda Davidorf

OKLAHOMA

TRC Staffing Services
2601 NW Expressway
The Oil Center, Suite 711 West
Oklahoma City, OK 73112
(405) 842-6300
Susan Frew

PENNSYLVANIA

TRC Staffing Services
762 East Main Street, R2
Lansdale, PA 19446
(215) 799-1300
Chari Richardson

TRC Staffing Services
584 Middletown Blvd.
Suite A-30
Langhorne, PA 19047
(215) 741-4424
Jennifer Kirkpatrick

TRC Staffing Services
Anthony's Professional Center
125 Hartman Road
Suite M
Greensburg, PA 15601
(724) 832-9200
Mary Clymer

WASHINGTON
TRC Staffing Services, Inc.
4035 23rd Avenue West
Suite B
Seattle, WA 98199
(206) 283-5500
Sal Canino

SOUTH CAROLINA

TRC Staffing Services, Inc.
1218 Henderson Street
Columbia, SC 29201
(803) 255-7267
Elliott Wilson

TEXAS

TRC Staffing Services
4100 Alpha Road
Suite 214
Dallas, TX 75244
(972) 960-1301
Don Thompson

**LIST OF FRANCHISES THAT HAVE CEASED TO DO BUSINESS
DURING THE MOST RECENT FISCAL YEAR**

Sandra Goldin
Danbry, Inc.
5521 S. Rocky Point Road
Tempe, AZ 85283
602-840-1333

Exhibit B

List of Franchisees

2018 Franchise Disclosure Document

TRC Staffing Services, Inc.

EXHIBIT C
FRANCHISE AGREEMENT

TRC STAFFING SERVICES, INC.

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

Table of Contents

1. Definitions.....	4
2. Grant of Franchise.....	6
3. TRC Names and Marks.....	10
4. Fees and Services.....	13
5. TRC Manual.....	15
6. Obligations of Franchisee.....	15
7. Obligations of TRC.....	22
8. Covenants of Franchisee.....	24
9. Independent Contractor.....	27
10. Insurance.....	27
11. Indemnification.....	29
12. Books and Records.....	30
13. Assignment by TRC.....	30
14. Assignment by Franchisee.....	30
15. Termination.....	34
16. Nonrenewal Right.....	36
17. Notices.....	37
18. Waiver of Default by TRC.....	37
19. Recitals Incorporated.....	37
20. Right to Operate.....	37
21. Enforcement of Rights.....	37
22. Interpretation and Execution of Agreement.....	37
23. Guarantee of Principals.....	39
24. Spousal Consent.....	39
25. Anti-Terrorist Activities.....	39

TRC STAFFING SERVICES, INC.
FRANCHISE AGREEMENT

This Agreement made is made and entered into as of the _____ day of _____, 20____ (the "Effective Date"), between TRC Staffing Services, Inc. ("we" "us" "TRC"), a Georgia corporation with its principal place of business at South Terraces, 115 Perimeter Center Place, NE, Suite 850, Atlanta, Georgia 30346-1249, and _____ ("you"), a _____ of the State of _____.

R E C I T A L S

WHEREAS, TRC and its principals have expended a considerable amount of time, effort, and money to develop a system for the operation of a unique staffing services business providing temporary staff and direct hires to perform, clerical, marketing, technical, light industrial, and in certain instances, professional services ("Franchised Business" or "TRC Business");

WHEREAS, TRC is engaged in the business of granting franchises to operate a Franchised Business; and

WHEREAS, you desire to enter into an agreement with TRC to obtain the right to operate a TRC Business using the unique system and plan for the promotion, development, and operation of a staffing services business developed by TRC and its principals, including methods and procedures which standardize the operation of a staffing services business, uniform specifications for recruiting and training temporary hires and direct hires, recognized designs, decor and color schemes, distinctive specifications for furniture, fixtures, equipment, and display designs, sales techniques, and merchandising, marketing, advertising, and people management systems; and procedures for operation and management of a Franchised Business in the manner specified in this Agreement and in the Operations Manual provided by Franchisor and modified from time to time (the "TRC System" or "System"); and

WHEREAS, TRC and its franchisees use various trade names, trademarks, and service marks, including, without limitation, the mark "TRC Staffing Services, Inc." distinctive trade dress and such other trade names, trademarks, and service marks as TRC now designates or may hereinafter designate in writing for use in connection with the TRC System ("TRC Names and Marks" or "Marks"). The rights to all of TRC's Names and Marks as are now, or shall hereafter be, designated as part of the TRC System shall be owned exclusively by TRC and its affiliates and shall be used for TRC's benefit and for the benefit of its franchisees to identify to the public the source of the products and services marketed thereunder; and

WHEREAS, Franchisee has applied to Franchisor for a franchise to operate a TRC Business and such application has been approved in reliance upon all of the representations made therein; and

WHEREAS, Franchisee hereby acknowledges that adherence to the terms of this Agreement and the standards and specifications of Franchisor are essential to the operation of its Franchised Business and to the operations of the TRC System.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises, commitments and understandings contained herein, you and TRC hereby agree as follows:

1. DEFINITIONS

As they are used in this Agreement:

- (a) **“Accounting Period”** means one of the four or five week periods generally coinciding with calendar months and producing twelve such periods a calendar year, as determined by us.
- (b) **“Area”** means the geographic territory described on the attached Schedule A, which is part of this Agreement, and which constitutes the territory franchised to you by TRC under Section 2(a) of this Agreement.
- (c) **“TRC Clients”** are any users of TRC Employees furnished through the Franchised Business during the initial and any renewal term of this Agreement, regardless of when they last utilized the Franchised Business’s services. TRC Clients include clients you provided staffing services to as the owner or operator of any other staffing services business who then utilized the Franchised Business’s services upon your joining the TRC System.
- (d) **“Continuing Fee”** has the meaning set forth in Section 4(b).
- (e) **“Franchised Business”** means the Staffing Service Business franchised to and operated by you, under this Agreement.
- (f) **“Gross Margin”** means the percent or fraction determined by dividing the gross profits of the Staffing Service Business by the Net Billings for such Staffing Service Business.
- (g) **“Gross Profits”** means the Net Billings during the applicable Accounting Period less all payroll and other direct labor costs, expenses and allocations with respect to TRC Employees (including without limitation payroll taxes, workers’ compensation insurance charges or allocations, vacation and holiday pay, employer matching contributions to 401(k) plans, state and federal unemployment charges or allocations and taxes, insurance charges or allocations and charges for any liability insurance we provide, and other employee-related benefits and expenses or allocations attributable to TRC Employees, in TRC’s discretion) paid, incurred or allocated by us in that Accounting Period with respect to the Franchised Business.
- (h) **“Liquidated Damages”** means those amounts payable by TRC Clients who hire for positions of direct employment Staffing Employees furnished to TRC Clients through the Franchised Business.
- (i) **“Multi-Market Customers”** means clients for whom services are performed or to be performed at locations both within and outside of the Area.
- (j) **“Net Billings”** means the gross billings to TRC Clients with respect to services furnished through the Franchised Business, taking into account any discounts and other adjustments to such gross billings, and including Liquidated Damages, if any. Adjustments may

Exhibit C
Franchise Agreement

include, without limitation, corrections of errors in billings and billings with respect to services rendered but either not billed or billed in a reduced amount, or billed and then reduced or canceled, due to complaints or dissatisfaction of TRC Clients, in order to develop and maintain client relations and goodwill. The term "gross billings" as used in this Agreement specifically excludes any sales, use and similar taxes, that are imposed upon TRC Clients and that are required to be collected from TRC Clients by us and remitted to any taxing authority.

- (k) "Other Individuals" means persons other than TRC Employees who you furnish to TRC Clients for direct hire in clerical, marketing, technical, light industrial or in certain instances, professional positions.
- (l) "Renewed Term" has the meaning set forth in Section 2(b).
- (m) "Software Usage Fee" has the meaning set forth in Section 4(a).
- (n) "Staffing Employees" means TRC Employees and Other Individuals.
- (o) "Staffing Service Business" means the business of providing to Clients TRC Employees to perform clerical, marketing, technical, light industrial and, in certain instances, professional services and providing Other Individuals to TRC Clients.
- (p) "TRC Employees" means persons furnished to TRC Clients who perform clerical, marketing, technical, light industrial, or in certain instances, professional services for such TRC Clients on a temporary or part-time basis and who are paid by TRC. The definition and interpretation of all job classes of TRC Employees shall remain at our discretion and we reserve the right to make all final determinations relative to the definitions of what constitutes positions to be filled within our operations, with respect to TRC Employees.
- (q) "TRC Manual" or "Operations Manual" means our confidential operations manual and other manuals for a Staffing Service Business and the TRC System (including all operation manuals for the Software System) as developed and maintained by us and as each of the same may be modified or supplemented by us from time to time. The TRC Manual deals with but is not limited to, advertising, sales techniques, operating procedures and requirements, recruitment, staffing, testing, training, accounting and record keeping and office location and decoration.
- (r) "TRC Names and Marks" means the "TRC Staffing Services" (and logo) service mark (registered September 10, 1985 on the Principal Register of the U.S. Patent and Trademark Office; Registration No. 1,359,630), the "TRC" service mark (registered November 10, 1987; Registration No. 1,464,825), the "Accu-Match" (and logo) service mark for certain TRC computer software services (registered May 4, 1993; Registration No. 1,768,844); and all other trade names, trademarks, service marks, logos, designs, slogans and other such marks used now or adopted in the future by us, either alone or in conjunction with other words or phrases, to identify the TRC System and Staffing Service Business operated and franchised by us.

(s) “TRC System” means the unique system and plan for the promotion, development and operation of a Staffing Service Business we have developed and may further develop, including the following distinctive elements:

- 1.] the TRC Names and Marks, which you acknowledge are unique and publicly recognized, either alone or in combination with or in association with words or ideas connoting a service of providing Staffing Employees of high quality;
- 2.] the color scheme, pattern, design, furnishings, equipment and decoration of our offices and the offices of our franchisees, in a uniform manner;
- 3.] unique methods of operating a Staffing Service Business such that a high quality of service is provided to TRC Clients;
- 4.] any program of advertising or publicity which may be implemented by us and the Staffing Service Business operated by us and our franchisees;
- 5.] methods and procedures which standardize the operation and development of a Staffing Service Business of the type and character identified with the TRC Names and Marks; and
- 6.] the Software System.

(t) “Working Days” means the week days of Monday through Friday, excluding any legal holidays as observed by TRC and designated in the TRC Manual.

2. GRANT OF FRANCHISE

(a) Grant of Franchise. We grant you, and you accept, subject to and in accordance with the terms and conditions of this Agreement, a franchise to operate one Staffing Service Business in the Area under and through the use of the TRC System and to use the TRC Names and Marks solely in connection with such business during the term of this Agreement.

The franchise granted to you by us is restricted solely to the operation of one Staffing Service Business in the Area. The foregoing grant to you does not include: (i) any right to offer any product or service via e-commerce; (ii) any right to establish an independent website or to establish a URL incorporating the TRC Name and Marks or any variation thereof; (iii) any right to distribute, market, or implement TRC’s services through any channel of distribution not specifically identified in this Agreement; or (iv) the right to provide temporary personnel for services other than clerical, marketing, technical, and light industrial services although, in certain instances, we may decide, in our sole discretion, to allow you to provide temporary personnel in designated professions. You expressly understand and agree that TRC shall have the right, at TRC’s sole discretion, to: (i) own and operate Staffing Service Businesses at any location(s) outside your Area under the same or different marks, or to license others the right to own and operate Staffing Services Businesses at any location(s) outside your Area under the same or different marks; (ii) use the TRC Names and Marks and System in connection with

Exhibit C
Franchise Agreement

services and products, promotional and marketing efforts or related items, or in alternative channels of distribution, including providing temporary personnel to perform services other than clerical, marketing, technical, light industrial, and professional services or operating outsourcing businesses whereby TRC Clients directly hire TRC to provide clerical and bookkeeping services; (iii) own and operate Staffing Services Businesses, or market similar products and services, or license others to own and operate Staffing Services Businesses at any location(s) inside your Area under different marks; (iv) own and operate Staffing Services Businesses within your Area to provide professional services we have not otherwise authorized you to provide; (v) allow others to provide professional services within your Area that we have not otherwise authorized you to provide; and (vi) use and license others to engage in any other activities not expressly prohibited in this Agreement.

- (b) Term of Franchise. The franchise is granted for a period of 5 years beginning on the date you sign this agreement (the "Initial Term").

If you have fully performed your duties, obligations and covenants during the Initial Term and each subsequent Renewed Term (as defined below), and are not in default, then, subject to 2(c), upon the expiration of the Initial or Renewed Term of this Agreement, we will renew your right to operate the Franchised Business for a term for five additional years (each renewal being a "Renewed Term") five (5) times.

If you have fully performed your duties, obligations and covenants during the Initial Term and each subsequent Renewed Term (as defined below), and are not in default, then, subject to 2(c), at the end of your fifth (5th) Renewed Term, and any subsequent Renewed Term, at our sole discretion, we will either:

- 1.] renew your right to operate the Franchised Business for a term for five (5) additional years; or
- 2.] exercise our nonrenewal right set forth in Section 16 below.

Any renewal will be subject to your entering into our latest form of franchise agreement for new franchisees, the terms of which may vary materially from the terms of this Agreement and may include, without limitation, increased continuing fees and advertising obligations. And, you, your officers, directors, and principals must sign a general release in the form we prescribe. The release shall not be inconsistent with any applicable state statute regulating franchises.

We will provide written notice to you of our decision to renew or not renew your right to operate the Franchised Business at least one hundred and eighty (180) days before the expiration of the term of this Agreement. If Company's written notice is to renew your right to operate the Franchised Business, you must provide us with your written acceptance of the renewal on or before sixty (60) days before the expiration of the term sought to be renewed. If you decline our offer to renew, then this Agreement shall terminate upon the expiration of the term of this Agreement without further consideration to you.

Exhibit C
Franchise Agreement

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document
Page 7

15360529v4

Initials: _____
Initials: _____

This Agreement and the franchise granted may be terminated prior to the expiration of the Initial Term or any Renewed Term as provided in Section 15.

- (c) Exclusive Territory. So long as you fully perform your duties, obligations and covenants under this Agreement, we agree that, except as otherwise provided, we will not operate directly nor franchise another to operate a TRC Staffing Service Business in the Area. Notwithstanding the foregoing, we retain the right to permit any other TRC office (whether franchised or owned by us), in accordance with the TRC Manual, to perform marketing within your Area for the sole purpose of servicing potential TRC Clients within such TRC office's own designated area. In the event you wish to engage in marketing outside of the Area for the sole purpose of servicing potential TRC Clients within the Area, you will obtain our permission and, if such permission is granted, conduct such marketing in accordance with the TRC Manual. In addition, you, other TRC franchisees and TRC's own offices may solicit potential Staffing Employees both within and outside the Area.

You and TRC acknowledge that the most current, reliable estimate of the population of the Area is _____ persons, as reported by the United States Bureau of the Census in its Current Population Reports, Business Control Atlas _____. If at any time during the Initial Term or any Renewed Term of this Agreement the population of the Area as reported by the United States Bureau of the Census in its Current Population Reports or other report, or other governmental agency or body and report (whether most current estimate or actual census), shall be more than _____ persons, and each time thereafter that the population of the Area shall increase by an additional _____ persons as so reported, we will have the right at all times either (i) to own and operate in the Area a Staffing Service Business under and through the TRC System and using the TRC Names and Marks or (ii) to franchise another to operate such business; provided, however, we will not exercise any such rights during the Initial Term of this Agreement; and, if you have fully performed and are then current in the discharge of all of your obligations under this Agreement, we will in connection with any exercise of our rights first notify you in writing of such increase in the population of the Area and offer to grant you a franchise to operate another Staffing Service Business in the Area, which franchise will be on terms and conditions set forth in our then current form of franchise agreement, including a separate Minimum Performance Schedule for each additional Staffing Services Business. The term of any additional Franchise Agreement you sign pursuant to this Section 2(e) shall equal the balance of the Initial Term of this Agreement or any renewal term thereof (as applicable). You will have 30 days from the date of written notice to accept such additional franchise; but if you fail, refuse or are unable to accept such additional franchise within that period, we are free to elect either to operate directly or to franchise others to operate additional Staffing Service Businesses under and through the TRC System and using the TRC Names and Marks in the Area in addition to the Franchised Business.

- (d) Multi-Market Customers. 2(c) above notwithstanding, TRC will have the right to negotiate and enter into agreements with Multi-Market Customers to provide staffing services to the offices of those Multi-Market Customers wherever located, including, without limitation, offices located in the Area. Within ten (10) business days of the

Exhibit C

Franchise Agreement

execution of a contract between TRC and a Multi-Market Customer (or within ten (10) business days of the opening of an office of the Multi-Market Customer in the Area, if, at the time of the execution of the contract with the Multi-Market Customer, the Multi-Market Customer has no office in the Area), TRC will offer to you the right to provide to the Multi-Market Customer office or offices in the Area, on the terms and conditions set forth in the contract between TRC and the Multi-Market Customer, those staffing services you are licensed to provide by this Agreement. You will have ten (10) business days from the date of the offer made by TRC within which to accept, in writing, the offered rights to the Multi-Market Customer's business in the Area. Your exclusivity rights in this Agreement notwithstanding, if you do not accept the offer within that time, or if you are servicing a Multi-Market Customer, and that customer or TRC determines that you are performing at a service level that is unacceptable, then TRC will have the right (A) to provide staffing services to the Multi-Market Customer office or offices in the Area on the terms and conditions in the contract between TRC and the Multi-Market Customer, or (B) to contract with another staffing business in the Area to provide those staffing services on the terms and conditions in the contract between TRC and the Multi-Market Customer, in either case ((A) or (B)), utilizing the names and marks of TRC, and without payment to you of any kind.

- (e) **Minimum Performance Criteria.** You agree and accept that in accordance with the operation of the Franchised Business, you have an obligation to meet or surpass the minimum average weekly hours of billable work required to be performed by TRC Employees furnished through or placed by the Franchised Business as follows:

1st 6 month period:	<input type="text"/> average weekly hours billed
2nd 6 month period:	<input type="text"/> average weekly hours billed
3rd 6 month period:	<input type="text"/> average weekly hours billed
4th 6 month period:	<input type="text"/> average weekly hours billed
5th 6 month period:	<input type="text"/> average weekly hours billed
6th 6 month period:	<input type="text"/> average weekly hours billed
7th 6 month period:	<input type="text"/> average weekly hours billed
8th 6 month period:	<input type="text"/> average weekly hours billed
9th 6 month period:	<input type="text"/> average weekly hours billed
10th 6 month period:	<input type="text"/> average weekly hours billed

Thereafter, for each year of each Renewed Term, TRC will establish a number of average weekly hours that you must bill for each six-month or 12-month period of such Renewed Term. Such minimum will be at least 105%, but not more than 115%, of the average weekly hours required for the preceding year.

- (f) **Multiple Offices:** So long as you have fully performed your duties, obligations and covenants under this Agreement, or any other agreements with us, you will have the option to open and operate additional TRC Staffing Services Business offices within the Area if you (i) notify us in writing 90 days prior to the proposed opening of each such office, and (ii) receive our prior written approval for each new office opening. This Franchise Agreement will govern the terms and conditions under which any new TRC offices will be opened and operated in accordance with this Section 2(f).

- (g) **Professional Staffing Services:** As set forth in Section 2(a) above, your franchise permits you to provide temporary personnel for services for clerical, marketing, technical, and light industrial services within your Area, subject to the terms and conditions set forth in this Franchise Agreement. TRC may, in its sole discretion, decide to provide itself or to allow you or others to provide professional staffing services within your Area. Such professional staffing services may be under the same TRC Names and Marks or such different names and marks as TRC may determine, in its sole discretion. In order to preserve the quality, reliability, and reputation of the System, TRC may from time to time limit the type of professional services that may be provided as well as establish or revise requirements and conditions that must be satisfied before staffing services for that specific profession may be offered in the Area. Such requirements and conditions, which are to be determined in TRC's sole discretion, may include, among others: (i) that such office providing professional staffing services be staffed with at least one (1) full-time employee (who shall not be a TRC Employee) who is an experienced professional in the same or related profession; (ii) such professional employee shall have successfully completed TRC's initial training program and any other professional training programs offered from time to time by TRC; (iii) such professional employee may be required to have an active license in that profession, if applicable; (iv) such professional employee shall not have had any professional license revoked at any time; (v) such professional employee shall be in good standing with licensing authorities in all appropriate jurisdictions; (vi) such professional employee shall not have been the subject of an investigation, complaint, or punishment related to such employee's profession; and (vii) other factors determined by TRC in its sole discretion. TRC reserves the right to combine, in whole or in part, your and other Areas but only for the purpose of providing professional staffing services with those Areas. If TRC does not give you a franchise to offer professional staffing services within your Area, then you will not be entitled to any portion of the fees and other income resulting from such professional staffing services. At no time shall TRC be obligated in any manner to provide or allow others to provide any professional staffing services within the Area or to continue providing or allow others to continue to provide professional staffing services within your Area.

3. TRC NAMES AND MARKS

- (a) **License of Names and Marks.** We grant you a non-exclusive license to use the following in connection with the Franchised Business in accordance with this Section. TRC owns all right, title, and interest in and to the TRC Names and Marks and the goodwill associated with and symbolized by them. TRC has the right to use, and license others to use, the TRC Names and Marks. You acknowledge and agree that the TRC Names and Marks are valid and serve to identify the TRC System and those who are authorized to operate under the TRC System.
- (b) **Ownership of the TRC Names and Marks.** During the term of this Agreement and after its expiration or termination, you shall not directly or indirectly contest the validity of, or TRC's ownership of, or right to use and to license others to use, the TRC Names and Marks. Your use of the TRC Names and Marks does not give you any ownership interest or other interest in or to the TRC Names and Marks. Any and all goodwill arising from your use of the TRC Names and Marks shall inure solely and exclusively to TRC's

Exhibit C
Franchise Agreement

benefit, and upon expiration or termination of this Agreement, no monetary amount shall be assigned as attributable to any goodwill associated with your use of the TRC System or the TRC Names and Marks. You acknowledge our ownership of and exclusive right to the following:

1.] the TRC Names and Marks;

2.] the TRC System, the TRC Manual and all other materials and confidential and proprietary information which are a part thereof; and

3.] all trademarks, trademark registrations, service marks, service mark registrations, and trade names hereafter applied for or used by TRC in connection with the operation or franchising of a Staffing Service Business, including any substitute names or marks which we may choose to adopt.

(c) Reserved Rights. Except as specified in herein, the license of the TRC Names and Marks is nonexclusive and TRC retains the right, among others, (i) to use the TRC Names and Marks itself in connection with selling products and services; (ii) to grant other licenses for the TRC Names and Marks; and (iii) to develop and establish other systems using the TRC Names and Marks, similar proprietary marks, or any other proprietary marks, and to grant licenses thereto without providing any rights therein to you; and

(d) Defense of Names and Marks. You must promptly notify TRC of any suspected unauthorized use of the TRC Names and Marks, any challenge to the validity of the TRC Names and Marks, or any challenge to TRC's ownership of, TRC's right to use and to license others to use, or your right to use, the Names and Marks. You acknowledge that TRC has the sole right to direct and control any administrative proceeding or litigation involving the TRC Names and Marks, including any settlement thereof. TRC has the right, but not the obligation, to take action against uses by others that may constitute infringement of the Names and Marks. TRC shall defend you against any third-party claim, suit, or demand arising out of your use of the Names and Marks. If TRC, in TRC's sole discretion, determines that you have used the TRC Names and Marks in accordance with this Agreement, TRC shall bear the cost of such defense, including the cost of any judgment or settlement. If TRC, in TRC's sole discretion, determines that you have not used the TRC Names and Marks in accordance with this Agreement, you shall bear the cost of such defense, including the cost of any judgment or settlement. In the event of any litigation relating to your use of the TRC Names and Marks, you shall execute any and all documents and do such acts as may, in TRC's opinion, be necessary to carry out such defense or prosecution including, without limitation, becoming a nominal party to any legal action. Except to the extent that such litigation is the result of your use of the Names and Marks in a manner inconsistent with the terms of this Agreement, TRC agrees to reimburse you for your out-of-pocket costs in performing such acts.

(e) Use of Names and Marks. You must use only the TRC Names and Marks which TRC may designate for use for by your Franchised Business, and shall use them only in the manner TRC authorizes and permits. You shall use the TRC Names and Marks only for the operation of the Franchised Business and only at the locations we approve of and in

Exhibit C
Franchise Agreement

advertising for the Franchised Business. You acknowledge that we may at any time adopt new marks, names, or symbols in addition to any then existing TRC Names and Marks, and that we may designate substitute or additional marks, names, or symbols for use in addition to, or as substitutes for, any then existing TRC Names and Marks. In such event, when we direct you to do so, you must immediately adopt, and will have a non-exclusive license to use, all new or different marks, names or symbols designated by us for use in addition to or as a substitute for any TRC Names and Marks then in use, and must immediately discontinue the use of any TRC Names and Marks the use of which we have chosen to discontinue or suspend, all at your sole cost and expense.

You, in the conduct of the Franchised Business, must use only the name "TRC Staffing Services" and other TRC Names and Marks authorized by us. You will not use or permit the use, either directly or indirectly, of the name "TRC Staffing Services" or any TRC Names and Marks or in connection with any business or enterprise other than the Franchised Business, and will promptly cease all use of such names and all other TRC Names and Marks upon the termination, for whatever reason, or expiration, of this Agreement. You must not interfere with or prohibit in any manner the proper use of the TRC Names and Marks by us or our other franchisees.

You must not use the name "TRC Staffing Services" in your corporate name or in any trading name of any corporation, partnership, limited liability company or other organization or business. Your corporate name and all fictitious names under which you propose to do business must be approved by TRC in writing before use. You must use the TRC name and logo on business cards or other similar items, provided that each such item states that you are a "Franchisee" of TRC.

You must not use the TRC Names and Marks, or any variation thereof as part of any Internet domain name or as a part of a telephone number without our prior written approval. You acknowledge that TRC is the lawful, rightful and sole owner of the Internet domain name www.trcstaffing.com, and any other Internet domain names registered by TRC, and unconditionally disclaim any ownership interest in those or any colorably similar Internet domain name. You agree not to register any Internet domain name in any class or category that contains words used in or similar to any brand name owned by TRC or TRC's affiliates or any abbreviation, acronym, phonetic variation or visual variation of those words.

- (f) New Concepts. If you, your employees, or principals develop any new concept, process or improvement in the operation or promotion of the franchised business, you shall promptly notify TRC and provide TRC with all necessary related information, without compensation. Any such concept, process or improvement shall become TRC's sole property and TRC shall be the sole owner of all patents, patent applications, trademarks, copyrights and other intellectual property rights related thereto. You and your principals hereby assign to TRC any rights you may have or acquire therein, including the right to modify such concept, process or improvement, and otherwise waive and/or release all rights of restraint and moral rights therein and thereto. You and your principals agree to assist TRC in obtaining and enforcing the intellectual property rights to any such concept, process or improvement in any and all countries and further agree to execute and provide TRC with all necessary documentations for obtaining and enforcing such rights. You and

Exhibit C

Franchise Agreement

your principals hereby irrevocably designate and appoint TRC as your agent and attorney-in-fact to execute and file any such documentation and to do all other lawful acts to further the prosecution and issuance of patents or other intellectual property rights related to any such concept, process or improvement. In the event that the foregoing provisions of this Section 3(f) are found to be invalid or otherwise unenforceable, you and your principals hereby grant to TRC a worldwide, perpetual, non-exclusive, royalty-free license to use and sublicense the use of the concept, process or improvement to the extent such use or sublicense would, absent this Agreement, directly or indirectly infringe your rights therein.

4. FEES AND SERVICES

- (a) Services Provided by TRC. We will hire all TRC Employees. We will be responsible for (i) billing TRC Clients for services provided through the Franchised Business, and (ii) paying all wages of TRC Employees and all payroll taxes, workers' compensation insurance charges or allocations, vacation and holiday pay, employer matching contributions to 401(k) plans, insurance charges or allocations and taxes and state and federal unemployment charges or allocations and taxes, and other employee-related benefits and expenses or allocations attributable to such TRC Employees, all of which payments, costs, expenses or allocations will be deducted from the amount billed to TRC Clients in determining Gross Profits. We will deduct and retain the amount equal to the sum of the Continuing Fee and the charges for the Software System license and maintenance fees equal to those charged by us from time to time to our franchisees generally (such license and maintenance fees being the "Software Usage Fee"); and we will, after deducting any reserve or charge-back for any of your slow or uncollectible accounts and offset of any other amounts you may owe us, pay the balance of the Gross Profits for the Accounting Period to you, on or prior to the 15th day of the next Accounting Period.
- (b) Initial Fee; Continuing Fee. You will pay to us upon execution of this Agreement a one time non-refundable initial franchise fee of Fifteen Thousand (\$15,000) Dollars. During the term of this Agreement for the franchise granted, you agree that we are entitled to a continuing fee (the "Continuing Fee"), which will equal a percentage of the Gross Profits or Net Billings of the Franchised Business as follows: The Continuing Fee is determined for each Accounting Period and will be equal to the greater of: (i) (a) 40% of the Gross Profits for each Accounting Period, if your billing level is less than 2,500 hours per week or (b) 35% of Gross Profits for each Accounting Period if your billing level is equal to or greater than 2,500 hours per week or (ii) 9.5% of Net Billings for each Accounting Period.

In the event that in any Accounting Period where you exceed a billing level of 500 hours per week and that you also attain a Gross Profit per hour average in excess of Eight Dollars (\$8.00) per hour, the Continuing Fee will be 35% for that Accounting Period. If you are authorized by TRC to provide staffing for clerical, marketing, technical and light industrial services as well as one or more professional services, Gross Profit will be determined based on your entire Franchise Business for that Accounting Period. Each year, effective as of the first day of the TRC fiscal year, the minimum Gross Profit per hour required for you to go to 35% as set forth in this paragraph, will be adjusted by a

percentage equal to the change in the U.S. Consumer Price Index of the Bureau of Labor Statistics of the Department of Labor for All Urban Consumers (1982-1984=100) for the United States from the first day of the first Accounting Period for the TRC fiscal year just ended to the last day of the last Accounting Period for the TRC fiscal year just ended. In the event the above index is discontinued, TRC reserves the right to designate a substitute index in its sole discretion.

- (c) Uncollectible Accounts. We will underwrite and carry all accounts receivable for a period of 60 days from the date of invoice. After that period, we will charge you 1% of the outstanding balance for each Accounting Period or portion thereof until the earliest of (i) the time when such amount is paid, (ii) the time when we determine such amount is uncollectible and such amount is charged back to you or (iii) the expiration of 180 days from the invoice date. The amount of any billing to a TRC Client that, in our good faith judgment, becomes uncollectible in that period, will be deducted in that Accounting Period from the Gross Profits for that Accounting Period. We may elect to treat any TRC Client account which remains unpaid for more than 90 days as uncollectible and deduct from the ensuing commission payment an amount equal to the original total of the Gross Margin dollars paid on the business to you. This sum will remain deducted until a proper disposition of the account and its indebtedness can be determined. If subsequently collected, repayment of the deducted amount will be made on the following commission statement, subject to Section 4(e) below. In any event, uncollectible billings and accounts with respect to the Franchised Business will be borne by and accounted for between the parties on the basis of the percentage of Gross Profits used to determine the Continuing Fee for the Accounting Period in which the services related to such billings and accounts were performed; that is, 40% to us and 60% to you; or if you attained a billing level equal to or greater than 2,500 hours per week in such Accounting Period such amount will be borne by and accounted for between the parties 35% to us and 65% to you (the percentage of Gross Profits allocated to you for such Accounting Period is referred to as the "Applicable Percentage"). If, however, we billed you on a percentage of Net Billings during the applicable Accounting Period in which the services were rendered, your share of uncollectible accounts shall not exceed the Continuing Fee collected.
- (d) Reserve. In order to establish a reserve for your share of uncollectible accounts with respect to the Franchised Business and to secure performance of your duties, obligations and covenants, you must establish a deposit with us (which deposit will bear no interest) by permitting us to withhold from all amounts to be remitted to you by us as provided in Section 4 (a) above an amount equal to 2% of the Net Billings for the Accounting Period with respect to which such remittance is made; provided, however, except as provided in Section 4(e) below, the maximum amount of such deposit shall not exceed 4% of the highest Net Billings for any Accounting Period occurring during the 12-month period ending on the last day of the Accounting Period just ended.
- (e) Chargeback. In addition to such deposit, if we, in our good faith judgment, believe that your share of actual or potential uncollectible accounts will exceed the then aggregate amount of the deposit, we may deduct your share from remittances to be made to you, under Section 4 (a) above, and credit the deposit balance the additional sums we deem adequate to cover your share of such actual or potential uncollectible accounts. If in any

Exhibit C

Franchise Agreement

Accounting Period the accounts for the Franchised Business that become uncollectible (or are otherwise subject to being charged back against Gross Profits) in that Accounting Period, exceed the Gross Profits for that Accounting Period, we will have the right to debit such deposit account by an amount equal to your Applicable Percentage of such excess. We will also have the right to debit such deposit account by all amounts, which you shall be obligated to pay or reimburse to us. We will not be obligated to establish or maintain the deposit account as a separate or segregated account, but may commingle such funds and deposit accounts with other funds and accounts maintained by us and use such funds in our business.

- (f) Accounts Receivable. You agree that we alone will have the right to collect, liquidate and otherwise control all accounts receivable from TRC Clients and that you will not claim any ownership interest therein, or accept payment of or settle, or attempt to accept payment of or settle, any account receivable.
- (g) Payments Upon Termination. Notwithstanding the foregoing, upon the earliest to occur of notification of termination or actual termination or transfer of this Agreement for any reason, we will only remit to you the amounts payable to you as provided above, actually collected on your outstanding accounts in arrears on or prior to the 15th day of the Accounting Period subsequent to the Accounting Period in which such amounts are actually collected.

5. TRC MANUAL

We will loan you one copy of the TRC's confidential TRC Manual, which is for the exclusive use of TRC and our franchisees and their management employees. The Operations Manual shall remain confidential and TRC's exclusive property. You shall not disclose, duplicate or make any unauthorized use of any portion of the Operations Manual. The provisions of the Operations Manual constitute provisions of this Agreement as if fully set forth herein. You shall ensure that your copy of the Operations Manual is current and up to date. If there is a dispute relating to the contents of the Operations Manual, the master copy which TRC maintains at TRC's corporate headquarters will control.

6. OBLIGATIONS OF FRANCHISEE

As part of the on-going obligations of the Franchised Business you agree to:

- (a) Develop the Franchised Business. Develop and conduct the Franchised Business throughout the Area in full and strict compliance with the terms and conditions of this Agreement and the TRC Manual, through your fullest and best efforts in a manner becoming to a good ethical business establishment and the standards of the TRC System. You must comply with all applicable county and municipal, state and federal laws, and orders, rules and regulations issued by lawful authorities.
- (b) Adhere to TRC Procedures and Standards. Adhere to the procedures, methods and standards set forth in the TRC Manual and such directives as may, from time to time, be

issued by us pertaining to the TRC System and the Franchised Business, such directives to be considered a part of the TRC Manual.

- (c) **Establish Office.** Establish and maintain in the Area and at your expense an office properly identified as a TRC Staffing Services office for the Franchised Business. Such office must be located in a safe and suitable location to operate the Franchised Business throughout the Area, be maintained in a safe and orderly manner, present a neat and businesslike appearance, and be adequately staffed, consistent with our standards. You must acquire 800 - 1000 square feet of office space through lease, although, in certain instances, we may, in our sole discretion, deem smaller-sized space to be appropriate if your office will be located in an executive-suite with shared reception areas, conference rooms, and other common space. At no time can your office be home- or residential-based. TRC has the right to review, evaluate and approve your proposed lease for the Franchised Business premises prior to execution. TRC must condition its approval of any proposed lease on, among other things, you and your landlord's execution of a Collateral Assignment of Lease (attached as Exhibit B to this Agreement) which (i) grants TRC the right, but not the obligation, to assume the lease upon (a) your default on the lease, or (b) termination, transfer or expiration of this Agreement, and (ii) authorizes and requires your landlord to disclose to TRC, upon TRC's request, sales and other information you have furnished to the landlord. You must deliver an executed copy of the lease and the Collateral Assignment of Lease to TRC within fifteen (15) days of execution of the lease. You must furnish TRC with a copy and any amendments or renewals of the lease. You must submit to us, for our review and approval in advance in writing, the planned location, layout, furnishings and decoration for the office. You must redecorate and relocate your office from time to time as necessary to comply with these standards for the office or as may be reasonably required by us for the conduct of your Franchised Business in the Area, with any relocation or redecoration subject to our review and approval in advance. In order to allow us to inspect your business premises and assure compliance with the standards of the TRC System, you must permit us access to your business premises at all times.
- (d) **Commence Operation.** You must complete initial training, obtain a lease acceptable to TRC, and open for business within 90 days of the date of this Agreement, unless we consent in advance in writing to the extension of such commencement date.
- (e) **Manage Business.** Devote full time to the development and operation of the Franchised Business. You must not directly or indirectly own, operate, or be employed by or in any other business, without the prior written consent of TRC; provided, that you may invest in or own less than 1% of the shares or obligations of any business entity, the shares or obligations of which are listed and traded on any national securities exchange, provided that such investments do not adversely affect the time, supervision, management and operation by you of the Franchised Business.
- (f) **Obtain Licenses.** Obtain, maintain and pay for any and all necessary or appropriate licenses to conduct your Franchised Business in compliance with all applicable laws. Insofar as permitted by applicable law, such licenses will be obtained by you in your own name, d/b/a "TRC Staffing Services", and, in the event of termination in accordance with Section 15, all legal and equitable rights and benefits in such licenses shall become and

be the property of TRC and may be transferred to any person or entity at our request or instruction.

- (g) Advertise Business. At your sole expense, fully and aggressively promote and advertise the Franchised Business throughout the Area in and through such media, in such manner and with such materials as will be selected and provided by us or which will be selected and provided by you, all of which shall be consistent with the standards of the TRC System and approved in advance in writing by us.

1.] Generally. With regard to advertising generally for the Franchised Business, you shall place or display at the Franchised Business premises (interior and exterior) only such signs, emblems, lettering, logos and displays and advertising materials as TRC approves in writing from time to time. You shall submit to TRC, at least fifteen (15) days prior to publication or use, samples of all sales promotional and advertising materials you desire to use, including, but not limited to, print, radio and television advertising, signage, supplies and packaging which TRC has not previously approved. Such submission shall not affect your right to determine the prices at which you sell your services. Within ten (10) business days of TRC's receipt of any sample sales promotional material or advertising materials from you, TRC shall notify you in writing of TRC's approval or disapproval of the materials; provided, however, TRC's failure to approve or disapprove the materials within ten (10) days of receipt shall be deemed an approval. You shall not use any advertising or promotional materials for which TRC has not given TRC's prior written approval. All advertising shall prominently display the TRC Names and Marks and shall comply with any standards for use of the Names and Marks TRC establishes as set forth in the Operations Manual or otherwise in writing. TRC may require you to discontinue the use of any advertising or marketing material, within time frames prescribed by TRC, at your sole cost and expense.

2.] Territorial Advertising Restrictions. You are not permitted to solicit clients and/or advertise outside your Area, except to the extent that you have received TRC's prior written authorization, which TRC will not unreasonably withhold. TRC may condition its authorization upon your agreement to offer System franchisees who are operating Franchised Businesses in territories encompassed by the circulation base of the proposed advertising the opportunity to participate in, and share the expense of, such solicitation and/or advertising. Notwithstanding the foregoing, you may solicit clients and potential TRC Employees outside your Area for work to be conducted within your Area. You may not advertise the Franchised Business or any services offered by the Franchised Business via the Internet or any other means of e-commerce, except as permitted in this Section 6.

3.] Internet Website. TRC may establish a website that provides information about the System and TRC's products and services. TRC will be the web master, either directly or through a third party, and have sole discretion and control over such website. TRC may design and provide to you a web page for the promotion of your Franchised Business on TRC's website. In such case, TRC will be the web master, either directly or through a third party, and have sole discretion and control over such web page. TRC will review and execute, subject to TRC's approval, requested changes to your web page. You are not permitted to maintain an individual website related to the Franchised

Exhibit C
Franchise Agreement

Business, or to establish a URL incorporating any variation of the “TRC Staffing Services” name or the TRC Names and Marks, without TRC’s prior written approval. You are also not permitted to use, publish, or in any way incorporate the TRC Names and Marks in any form of social media (including but not limited to blogging, Facebook®, Twitter®, LinkedIn®, Pinterest®, Instagram®, Google Places®, Google+®, Google Adwords®, Vimeo®, Tumblr®, MySpace® or YouTube®) whether or not such social media platform is used for commercial gain, except to the extent that such use of the TRC Names and Marks is approved by TRC in writing. Requests for such approval should be submitted to the TRC Marketing Department. You will not violate TRC’s privacy policies as posted on the website. You must also participate in any System-wide area computer network, intranet system, or extranet implemented by TRC as described in Section 6 of this Agreement.

- (h) **Promote Business Services.** You must use best efforts to promote the TRC System and the services provided by us and our franchisees, thereby supporting and enhancing the TRC System for the benefit of TRC and all of our franchisees and offering the broadest possible service to TRC Clients and potential TRC Clients consistent with the standards contemplated by this Agreement.
- (i) **Hire Management and Staff and Obtain Employee Covenants.** Employ at least one full-time employee to operate the Franchised Business with you (“Designated Employee”). Your Designated Employee must successfully complete TRC’s initial training program before assuming any managerial responsibility. Your Franchised Business must, at all times, be staffed with at least one (1) individual who has successfully completed TRC’s initial training program. In the event that you operate more than one Franchised Business, you shall have a properly trained Designated Employee at each location. You shall keep TRC informed at all times of the identity of any employee acting as Designated Employee of a Franchised Business. In the event that a Designated Employee resigns or is otherwise terminated from your Franchised Business, you shall hire a replacement within thirty (30) days after termination or resignation of the prior Designated Employee. The new Designated Employee must complete initial training to TRC’s satisfaction within sixty (60) days of hiring, subject to the availability of TRC’s personnel. Any Designated Employee(s) shall devote full time and best efforts to the day-to-day operation and management of the Franchised Business and shall not engage in any other business activity without TRC’s prior written consent. You must also employ such other managerial, sales and staff employees as we deem necessary or appropriate for the proper conduct of the Franchised Business. You must obtain from each of your employees and promptly furnish to us certain covenants and agreements in form and substance satisfactory to us as more fully specified in Section 8(e) of this Agreement. In addition, you must provide us, upon request, copies of all quarterly payroll tax returns, state and federal unemployment compensation reports, and similar returns and reports filed or otherwise required to be prepared by you with respect to your employees, together with such evidences of payment or deposit of all taxes, workers’ compensation insurance and charges relating to your employees as we may request. You may not put your management staff or employees on TRC’s payroll as TRC Employees.
- (j) **Recruit and Dispatch TRC Employees.** Exercise diligent efforts to recruit, screen, interview, test, train, indoctrinate, contract with and for, and assign, place and dispatch

Exhibit C

Franchise Agreement

2018 Franchise Disclosure Document

Page 18

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TRC Staffing Services, Inc.

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TRC Employees on behalf of TRC and in conformity with our standards and procedures and the TRC System, and without regard to race, color, religion, sex, national origin, age, disability, or other protected class. You must not place or dispatch TRC Employees except for job classifications specified in the TRC System and otherwise in accordance with our safety and liability standards as specified in the TRC Manual. You must obtain from each TRC Employee, before any placement through the Franchised Business, a current application and other forms needed for employment, and provide the same to us promptly, and maintain such forms thereafter. Such TRC Employees are and will be the employees of TRC and not of you. Your services with respect to such TRC Employees will not affect your relationship with us as independent contractors. You may also furnish other individuals for direct hire to TRC Clients for full or part-time positions, if you elect to do so, in accordance with the TRC System.

- (k) Provide Financial Statements. Provide us for each Accounting Period, quarter and at year end, a copy of your profit and loss statement and at quarter and year end, a balance sheet, in a form approved by us, showing the results of operation of the Franchised Business for the Accounting Period, quarter and the fiscal year and your financial position at the end of each quarter and fiscal year. All information to be furnished by you to us must be accurate, correct and complete, so as to provide us with a true and accurate picture of the operation and financial condition of your Franchised Business and your financial condition. The annual statements must be provided to us within 90 days from the end of your fiscal year. All quarterly statements must be provided to us within 20 days from the end of the subject quarter. All Accounting Period statements must be provided to us within 15 days from the end of the subject Accounting Period. All of your annual reports and statements to us must be prepared and certified by an independent certified public accountant, if we request, at your sole cost and expense. All statements must be certified by you, under oath if requested, as being accurate, correct and complete in all material respects and fairly presenting the financial condition and the results of operation of the Franchised Business for the period covered.
- (l) Submit Payroll and Billing Information. Submit to us not later than Tuesday of each week the complete and accurate payroll and billing information for Staffing Employees furnished through the Franchised Business for the previous week, which we may use and rely on as the basis for weekly payments to TRC Employees and the preparation of bills to TRC Clients in accordance with methods and procedures of the TRC System. Such billing information will include information with respect to services performed by TRC Employees and Liquidated Damages. You must further submit to us, upon our request, reports giving complete information on sales calls and promotional activities and other relevant information concerning activity of the Franchised Business, including personal and telephone sales calls, advertising materials sent out, and new TRC Clients and identified potential new TRC Clients, all in such form and at such times as we may request. If we determine that any TRC Client or prospective TRC Client has a bad credit or payment history, and we notify you, you must cease servicing such TRC Clients or cease efforts to service such prospective TRC Client.
- (m) Operate During Normal Business Hours. Keep the office of the Franchised Business open and conduct the Franchised Business throughout the Area in accordance with the practices and procedures of the TRC System. The minimum hours of office operation

Exhibit C
Franchise Agreement

will be at least from Monday through Friday of each week from the hours of 8:00 a.m. to 5:30 p.m., local time, with the exception only of legal holidays observed by TRC and designated in the TRC Manual, and may include additional hours and additional days as determined by TRC. This Section 6(m), however, will not in any manner prevent you from keeping the office of the Franchised Business open or conducting the Franchised Business from the office either on a regular or only occasional basis, on Saturday or Sunday or legal holidays, or for longer hours, provided such activity is not illegal under any applicable law.

- (n) **Maintain Telephone Service.** Obtain, maintain and pay for adequate telephone service for the sole and exclusive use of the Franchised Business, with such telephone service to be in the name of "TRC Staffing Services." The bill for such telephone service will be sent directly to you, at the office of the Franchised Business, and all such bills will be paid on a timely basis by you. As soon as possible (based on publication deadlines) after signing this Agreement, you must place an advertisement for your Franchised Business in the local "Yellow Pages" (or its functional equivalent) serving your Area. The advertisement must conform to TRC's standards and specifications and you must place the advertisement under the heading(s) TRC designates in the Operations Manual or otherwise in writing. If your telephone directory extends beyond your Territory, TRC has the right to require you to advertise as a pro rata participant in a group display advertisement. You may advertise either as a single franchisee or, if the telephone directory encompassing your Area includes another TRC System franchisee's Area, you may advertise as a pro rata participant in a common group advertisement. Upon the expiration, transfer or termination of this Agreement for any reason, you shall terminate your use of any telephone number, facsimile number, telephone directory listing and, at TRC's option, assign same to TRC or its designee, pursuant to the Collateral Assignment of Telephone Numbers attached as Exhibit C to this Agreement. You must answer the telephone in the manner TRC specifies in the Operations Manual.
- (o) **Pay Expenses Timely.** Make timely payment of all bills and expenses of the Franchised Business, including "instant" payments to TRC Employees without assistance from us where it is necessary or appropriate to do so, as provided in the TRC Manual, with any such payments to TRC Employees to be promptly reported and accounted for to us. With respect to such instant payments to TRC Employees by you, we will reimburse you for such payments within 10 Working Days from our receipt of the related payroll information from you.
- (p) **Utilize TRC Programs.** Utilize and adhere exclusively to our promotional programs and the TRC System, including personal sales calls, telephone calls and mailings.
- (q) **Obtain Training.** Personally attend and cause all your full-time employees to attend and complete such initial training program as is provided by us in accordance with Section 7. In addition, if you hire any new full-time employees, you will cause each of such persons to attend a training course within 90 days of the date such person is hired by you or not later than the date the next class is being offered by TRC if more than 90 days after any such person is hired by you. You and each of your full-time employees must attend up to one week of additional training each calendar year provided such courses are offered by TRC for each category of employee. You will be solely responsible for any and all

Exhibit C

Franchise Agreement

expenses incurred by you and your employees of attending training, including salary, lodging, meals, travel, personal and any other expenses. All other employees must be trained by you, using our approved training materials, which may not be duplicated.

- (r) Notify TRC of Actual or Potential Legal Problems. Immediately notify us in writing concerning, and forward to us copies of, and otherwise fully advise us with respect to, any and all actual or threatened demands, notices, suits or actions or other legal process that anyone serves on you or that otherwise comes to your attention or the attention of the Franchised Business (as well as any facts, circumstances or events that might result in a suit or action) that are against you, the Franchised Business, TRC or any TRC Employees, or that otherwise involve or relate to in any way the Franchised Business or TRC.
- (s) Indemnify TRC. Supervise at all times the work performance of TRC Employees provided to or for TRC Clients by you and indemnify TRC for any loss, claims or damages resulting from the acts or omissions of such TRC Employees during their performance of such work, in accordance with Section 11.
- (t) Computer Hardware and Software Systems. You agree to license from TRC and use in the operation of your Franchised Business, TRC's currently required hardware components pursuant to the Franchise Computer Plan 2000 Franchise Computer Lease attached as Exhibit D to the disclosure document ("Lease"). TRC shall determine and will specify to you, at its sole discretion, your computer hardware and software needs for each office of your Franchised Business, which it may base on, among other factors, the size of the Area granted, the number of employees you choose to hire, and the number of office locations you choose to operate.

1.] Software. You shall purchase and use any and all computer software, computer programs, and applications ("Software System") which TRC has developed or may develop and/or designate for use for the System, and shall purchase such computer hardware as may be necessary for the efficient operation of the Software System. You and/or TRC's obligations to update required hardware components shall be governed by the Lease. TRC has the right to require you to update or upgrade Software System as TRC deems necessary from time to time but not more than three (3) times per calendar year. In addition, TRC has the right to require you to enter into a separate maintenance agreement for the Software System. TRC reserves the right to require you to install a "systems backup solution" which backs up critical data in your computer system using an off-premises storage scheme. You agree to pay the Software Usage Fee for the Software System.

2.] Proprietary Software. If and at such time TRC develops and custom designs a software program for conducting accounting, staffing management, billing functions, and related activities ("Proprietary Software Program") as part of the Software System, you, at your own expense, agree to obtain the computer hardware required to implement the Proprietary Software Program into your Franchised Business, and to comply with all specifications and standards prescribed by TRC regarding the Proprietary Software Program as provided from time to time in the Operations Manual. This software will be proprietary to TRC and Confidential Information of ours. It is possible that TRC might

Exhibit C
Franchise Agreement

not be able to alter the Proprietary Software Program and system to accommodate each and every franchisee of the System, and therefore, at such time that TRC requires the implementation of such software, you shall only utilize the program as prescribed by TRC. You agree to pay the Software Usage Fee for the Proprietary Software Program.

3.] Area Computer Network, Intranet or Extranet Participation. You are required to participate in any System-wide area computer network, intranet system or extranet system that TRC implements and may be required by TRC to use such area computer network, intranet system or extranet system to, among other things: (i) submit your reports due under this Agreement to TRC on-line; (ii) view and print portions of the Operations Manual; (iii) download approved local advertising materials; (iv) communicate with TRC and other System franchisees; and (iv) do on-line training. You agree to use the facilities of any such area computer network, intranet system or extranet system in strict compliance with the standards, protocols, and restrictions that TRC included in the Operations Manual, including those related to the encryption of confidential information and prohibitions against the transmission of libelous, derogatory or defamatory statements.

7. OBLIGATIONS OF TRC

As part of its on-going obligations to the Franchised Business, TRC will:

- (a) Provide Payroll Billing and Collection Services. Review the payroll and billing information provided to us by you, and based on such information, bill the TRC Clients for work and services performed by Staffing Employees furnished through the Franchised Business, for other services furnished through the Franchised Business and for Liquidated Damages. Based on such information, we will further pay TRC Employees on a regular weekly basis for services rendered to TRC Clients. We will make a diligent effort to collect all Net Billings. We will perform such bookkeeping and other services as we deem necessary or appropriate incident to the foregoing, except such services to be performed by you as provided in this Agreement, and will pay for appropriate, related payroll and withholding taxes, and workers' compensation and liability insurance, other employee benefits and other expenses of or with respect to such TRC Employees as contemplated by Section 4(a). Furthermore, we will deliver all payroll checks to, and prepare the W-2 Forms and other necessary payroll reports for, such TRC Employees.
- (b) Supply Necessary Forms. Supply to you, at our expense, an initial supply of the necessary internal reports and other forms (including time sheets for TRC Employees, letterhead, envelopes, advertising materials, art work for the classified advertisement in the telephone directory and other printed materials) with the TRC Names and Marks. We will continue to supply at your request and expense these printed materials with the TRC Names and Marks, with such materials to be provided to you by us at a cost to you not to exceed the reasonable cost of such materials to TRC. All of the items referred to in this paragraph, in quantities sufficient to allow you to commence operation of the Franchised Business, will be delivered to you by us prior to your commencement of business. You have examined samples of the items referred to in this subparagraph and have found such materials satisfactory for use in connection with the Franchised Business.

Exhibit C

Franchise Agreement

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document

Page 22

Initials: _____

Initials: _____

15360529v4

- (c) Provide TRC Manual. Provide to you a copy of the TRC Manual, and during the term of this Agreement, provide such modifications and supplements and such directives and instructions as we determine are reasonable and appropriate for you and the Franchised Business. Such directives and instructions are to be considered a part of the TRC Manual.
- (d) Conduct Initial Training Program. Within 90 days following the execution of this Agreement, or at such other time as you and we may agree, provide to you, the employee(s) designated in Section 6(i), sales persons and other full time employees with tuition free initial instruction, advice and guidance as we, in our judgment, deem necessary or appropriate to the establishment and operation of the Franchised Business. Such training program will be provided for each person in a continuous time period and conducted in Atlanta, Georgia, or in such other place and in such manner as we determine.
- (e) Conduct Continuing Training Program and Provide Ongoing Assistance. Make available initial training for managers, operations persons and sales persons hired subsequent to the opening of the Franchised Business at least once during each calendar quarter. In addition, we will provide additional training for managers, operations persons and sales persons at least once a year. In addition, TRC will provide you continuing consultation and advice as we deem necessary and appropriate regarding the management and operation of the Franchised Business. TRC will provide such assistance, in TRC's discretion, by telephone, facsimile, intranet communication and on-site visits. If you require and request additional on-site assistance, subject to the availability of TRC's personnel, TRC may provide you with such assistance.
- (f) Develop Promotional Programs. Develop, in our discretion, regional, national and other promotional programs and sales campaigns, which we may implement independently or with the participation of our franchisees, including you, as we may, in our sole discretion, determine.
- (g) Develop Lists. Cooperate with you in the development of sales, recruiting and promotional programs for the Franchised Business. We will assist and cooperate with you in the development of a list of prospective TRC Clients; however, the primary responsibility for actually compiling such list and the information therein will be your responsibility. Any and all TRC Client lists you or TRC may compile relating to the operation of your Franchised Business, including TRC Client names and addresses, prospective TRC Client information, information about credit extensions to TRC Clients, TRC Client staffing histories, and rates charged to TRC Clients (collectively "TRC Client Lists") shall be the trade secrets and confidential information of TRC. Upon termination of this Agreement, for any reason, you agree to turn over all TRC Client Lists to TRC, without remuneration.
- (h) Hire TRC Employees. Hire TRC Employees to be furnished to TRC Clients. Such TRC Employees are and shall remain our employees and not yours. Your services with respect to those TRC Employees will not affect the relationship of TRC and you as independent contractors as specified in this Agreement.

Exhibit C
Franchise Agreement

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document

Page 23

Initials: _____
Initials: _____

- (i) Resolve Disputes. Resolve in good faith disputes arising between you and TRC Clients, TRC Employees, or other TRC franchisees. Such determination and resolution by us will be binding upon you. You must inform us at least 60 days prior to bringing any claim against TRC Clients, TRC Employees, and/or other TRC franchisees before a third party.
- (j) Annual Conference. TRC may, in its discretion, hold an Annual Conference at a location to be selected by TRC. TRC shall determine the topics and agenda for such conference to serve the purpose among other things, of updating franchisees on new developments affecting franchisees, exchanging information between franchisees and TRC's personnel regarding Franchised Business operations and programs, and recognizing franchisees for their achievements. TRC may require you to attend the Annual Conference. All expenses, including you and your employees' transportation to and from the Annual Conference, and lodging, meals, and salaries during the Annual Conference, are your sole responsibility.

8. COVENANTS OF FRANCHISEE

- (a) Covenant Not to Compete. Both during the term of this Agreement and for the period of one year after it expires or terminates for any reason, you covenant and agree that you will not, within the Area, either directly or indirectly, on your own behalf or on behalf of others, as an owner, shareholder (other than as the holder of less than 5% of the stock of a publicly traded company), partner, officer, director, manager, customer service representative or salesperson, engage in activities that are the same or essentially the same as those conducted by the Franchised Business.
- (b) Covenant Not To Solicit TRC Clients. Both during the term of this Agreement and for the period of one year after it expires or terminates for any reason, you covenant and agree that you will not, within the Area, either directly or indirectly, on your own behalf or on behalf of others, solicit, divert or actively appropriate any person or entity which is, or was at any time during the preceding 12-month period, a TRC Client, for the purpose of providing to such TRC Client services that are the same or essentially the same as those provided by the Franchised Business.
- (c) Covenant Not to Solicit Employees. Both during the term of this Agreement and for the period of one year after it expires or terminates for any reason, you covenant and agree that you will not, within the Area, either directly or indirectly, on your own behalf or on behalf of others, solicit, divert or recruit for employment any person or entity employed by TRC, including but not limited to TRC Employees, whether or not such employment was pursuant to written agreement, and whether or not such employment was for a determined period or was at-will.
- (d) Covenant Not To Disclose Proprietary and Confidential Information.

1.] You agree that all TRC Client Lists, employee lists, financial records, the TRC Manual, and other confidential or proprietary information with respect to TRC, the TRC System, the Franchised Business, the TRC Employees, the TRC Clients or other clients of TRC or its franchisees, whether assembled and compiled by you or produced and provided by us, and the physical or electronic embodiments of such information

Exhibit C

Franchise Agreement

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document

Page 24

Initials: _____

Initials: _____

15360529v4

constitute TRC's trade secrets and confidential, proprietary information (hereafter the "TRC Proprietary and Confidential Information"), and are and will be and remain TRC's property.

2.] Both during the term of this Agreement and for a period of five years after it expires or terminates for any reason, you covenant and agree that you will not disclose or make available to any person, business concern or other entity any TRC Proprietary or Confidential Information, including TRC Client Lists, and that you will not make or cause to be made any use of TRC Proprietary and Confidential Information other than as necessary in the conduct of the Franchised Business.

- (e) Obligation to Obtain Similar Covenants From Your Employees. You agree that as a condition of employment by you of any person, whether full or part-time, permanent or temporary, in the Franchised Business, you will obtain from such employee the same covenants as you have made in Sections 8(a)-(d) above, in a form acceptable to us, and that you will provide to us a copy of each such agreement within 15 days after the date that such employment begins. You further agree to require such employees, as a condition of continued employment, to sign any amendments to such covenants as TRC may, in its sole discretion, deem necessary, based on any change of applicable law. While such employment relationships and agreements are solely between you and such persons, the covenants required by this section are for the express benefit of and enforceable by TRC, and TRC's status as a third-party beneficiary of such covenants between you and your employees must be expressly acknowledged in each such employee covenant. You will be responsible for the compliance by your employees with such covenants. You will not take any action to release any of your employees or former employees from such covenants. If you become aware of any actual or threatened violation of such covenants by any of your employees or former employees, you will promptly and fully advise us in writing of all related facts known to you. You will cooperate with us in all ways reasonably requested by us to prevent or stop any such violation. You will institute, or permit TRC to institute in your name, any demand, suit or action we deem necessary, and such demand, suit or action will be maintained and prosecuted solely by and at our expense.
- (f) Protection of TRC Names and Marks and Other Property. You acknowledge that the TRC System, the TRC Names and Marks, and the TRC Manual are our sole and exclusive property. In no event and at no time will you challenge or contest, in any manner or fashion, either directly or indirectly, our right, title or interest in and to the any confidential or proprietary information constituting parts of the TRC System. You will in no event and at no time, either directly or indirectly, in any manner or fashion, disparage the name or goodwill of TRC, any of the TRC Names and Marks or the TRC System.
- (g) Covenant To Cease Use and Return All TRC Property Upon Termination.

1.] Upon expiration or termination of this Agreement for any reason, you must immediately cease using the TRC Names and Marks, the TRC Manual and the TRC System; cease to identify yourself as a member or part of the TRC System; remove all signs bearing the TRC Names and Marks or other identification of TRC or the TRC System; and cease using the Software System.

Exhibit C

Franchise Agreement

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document

Page 25

Initials: _____

Initials: _____

2.] Upon expiration or termination of this Agreement, for any reason, and as a prior condition to receiving any further or final payments due from us, you must promptly deliver to us all property belonging to us, including, among other things, all TRC Proprietary and Confidential Information, including TRC Client Lists, TRC Employee records and files, and all copies and embodiments thereof and without making or retaining any copies or other embodiments thereof, and we are authorized and empowered peaceably to take possession thereof. Should it become necessary for us to enter the business premises of the Franchised Business (whether by reason of your failure to perform any of the above or otherwise) or to remove any items therefrom, we have the right to do so without being guilty or liable for trespass or any other tort.

- (h) Covenant To Cooperate with Transition Of Franchised Business Upon Termination. You covenant and agree that upon the expiration or termination of this Agreement for any reason, you will cooperate fully with and assist us in the transition or transfer of the Franchised Business to TRC or to another franchisee of TRC, in order to continue the business of the Franchised Business as smoothly, or with as little interruption, as possible. You will to the best of your ability bring about a complete and effective transition of the TRC Clients, TRC Employees and franchise facilities to TRC or such other franchisee of TRC as we may designate. You will transfer the trade name registration and telephone numbers, listings and service (including fax and "rollover") of the Franchised Business, or you will promptly cause the same to be canceled or withdrawn, as we direct.
- (i) The Forgoing Covenants Are Essential and Severable. You acknowledge and agree that:
- 1.] the covenants contained in this Section 8 are of the essence of this Agreement;
 - 2.] it is your commitment to honor them that, in part, has induced TRC to enter into this Agreement and to grant a TRC franchise to you;
 - 3.] each such covenant is reasonable and necessary to protect and preserve the interests and properties of TRC and the TRC System for our benefit and the benefit of our franchisees;
 - 4.] irreparable loss and damage will be suffered by us should you breach any of such covenants;
 - 5.] each of such covenants is separate, distinct and severable, not only from each other but also from the other and remaining provisions of this Agreement, and the unenforceability of any such covenant or agreement will not affect the validity or enforceability of any other such covenant or any other provision of this Agreement; and
 - 6.] in addition to all other remedies available to us, we will be entitled to both temporary and permanent injunctive relief to prevent a breach or contemplated breach by you of any of such covenants, and any breach of any of the foregoing covenants will be deemed a material breach of this Agreement.

Exhibit C
Franchise Agreement

- (j) Covenants Binding On All Owners of Franchised Business. As an accommodation to its franchisees, TRC may permit the Franchised Business to be operated by a partnership, corporation or other legal entity, either upon commencement of this Agreement or during its term. Nonetheless, you acknowledge and agree that the covenants in this Section 8 are and must remain binding, not just on the legal entity operating the Franchised Business, but also on all owners of such legal entity. Each such person is required to sign this Agreement, and thereby bind him/herself personally to the terms of this Section 8 and each covenant set forth therein. If you are a partnership, corporation, limited liability company or other legal entity, you represent that each partner, shareholder, member or other owner of the Franchised Business has executed this Agreement below. If any additional person is to become a partner, shareholder, member or other owner of the Franchised Business, you shall cause such person to execute and deliver to TRC an Amendment to this Agreement in a form furnished by us indicating such individual's agreement to be bound by the terms of this Section 8, in advance of such person becoming such a new partner, shareholder, member or other owner of the Franchised Business.
- (k) Non-Disclosure Covenants Binding on Spouses of Owners of Franchised Business. If you are an individual Franchisee or if you are a partnership, corporation, limited liability company or other legal entity whose owners are signing this Agreement as required by Section 8(j) above, then your spouse or the spouse of each of such owners is required to sign this Agreement and thereby bind him/herself personally to the non-disclosure terms of Section 8(d) and each covenant set forth therein. You represent that each such spouse has executed this Agreement below for such purpose.

9. INDEPENDENT CONTRACTOR

- (a) Separate Entities. You are an independent contractor responsible for full control over the internal management and daily operation of your Franchised Business, and neither party to this Agreement is the agent, principal, partner, employee, employer or joint venture partner of the other party. You may not act or represent yourself, directly or by implication, as TRC's agent, partner, employee or joint venture partner, and you may not incur any obligation on TRC's behalf or in TRC's name. All contractual agreements entered into by you shall contain your corporate or fictitious name and a conspicuously displayed notice in the place TRC designates, that you operate your Franchised Business as an independently owned and operated TRC Staffing Services franchise and that you independently own and operate the Franchised Business as a TRC System franchisee. At TRC's request, you must prominently display a "Franchises Available" sign in the form TRC prescribes and in the place that TRC designates. Nothing in this Agreement authorizes you to make any contract, agreement, warranty, or representation on TRC's behalf, or to incur any debt or other obligation in TRC's name; and TRC shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action; nor shall TRC be liable by reason of any of your acts or omissions in the operation of the Franchised Business or for any claim or judgment arising therefrom against you or TRC.
- (b) Expenses of Franchised Business. Except as specifically provided, you will be solely responsible for and will promptly pay when due all expenses of the Franchised Business, including all taxes and levies imposed on or assessed against the Franchised Business,

Exhibit C

Franchise Agreement

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document

Page 27

Initials: _____

Initials: _____

15360529v4

and we will not in any way be liable for any such expenses, taxes, levies or disbursements in connection with the establishment and maintenance of the Franchised Business.

10. INSURANCE

- (a) Required Coverage. You must, at your own cost and expense, purchase and maintain, continuously throughout the term of this Agreement, the following insurance coverage against damage or loss caused by the Franchised Business or your employees:

1.] Commercial General Liability Insurance providing coverage on an occurrence basis with limits of not less than \$1,000,000 for each occurrence for Bodily Injury and Property Damage combined; \$2,000,000 annual general aggregate and \$2,000,000 products and completed operations annual aggregate. Such policy(ies) shall include premises and operations liability coverage, products and completed operations liability coverage, blanket contractual liability coverage, and personal and advertising injury coverage;

2.] Commercial Property Liability Insurance providing all risk coverage with limits equal to the value of contents, business personal property, and betterments and improvements, where applicable;

3.] Automobile Liability for Owned, Non-Owned and Hired Automobiles in no less than the following limit: \$500,000 combined single limit for Bodily Injury and Property Damage;

4.] Workers' Compensation (statutory coverage as required by the laws of the jurisdiction in which the work will be performed) with respect to your employees, and Employer's Liability Insurance in limits not less than \$1,000,000;

5.] Blanket Dishonesty Bond in no less than the following limit: \$1,000,000 per claim and in the aggregate, applicable to theft by your employees of assets owned by you or by TRC Clients;

6.] Professional Liability Insurance in limits of not less than \$1,000,000, applicable to any wrongful or negligent act or omission; and

7.] Employment Practices Liability Insurance in limits of not less than \$1,000,000 per claim and in the aggregate, applicable to claims by your employees as well as third parties.

- (b) Increases. You must, upon our request, increase the coverage afforded under policies described in Section 10 (a) above to such amounts as we may reasonably establish or add coverage types as we may reasonably require.
- (c) Additional Requirements. All insurance policies shall be issued by insurance companies with a financial rating of at least B+ status or better as rated in the most recent edition of Best's Insurance Reports. All Commercial General Liability insurance required to be provided and maintained by you must name TRC Staffing Services, Inc. as an "additional

Exhibit C

Franchise Agreement

"insured" (without obligation on TRC's part to pay the premium or any deductible amounts, all of which will be paid by you), must be in a form we find satisfactory and must be carried with insurance companies licensed to do business in the State(s) of operation of the Franchised Business. You must deliver to us, within 10 days after the date of this Agreement and, thereafter, within 10 days following the issuance or renewal of any such policy of insurance, the original policies or certificates of insurance, in a form we find satisfactory, evidencing the policies required to be provided and maintained by you hereunder. All such policies must be endorsed to provide that they may not be terminated or canceled, or the coverage afforded under such policies reduced in any respect, except upon 30 days' prior written notice by the insurer to us.

- (d) **Failure to Maintain.** If you fail to provide and maintain the insurance coverage required by this Agreement, we may, in addition to any other rights and remedies we may have with respect to such failure, and without in any way waiving such other rights and remedies, obtain such policies of insurance and make any payments required in connection with such policies. If we choose to obtain insurance on your behalf, you must pay us, on demand, the premium cost and administrative costs of 18% in connection with our obtaining the insurance on your behalf. All such payments made by us will be deducted from payments made to you as contemplated in Section 4(a) with interest from the date we incur any such expense at the prime rate of our bank.
- (e) **Insurance of TRC Employees.** Employer's liability and workers' compensation insurance for the TRC Employees of the Franchised Business will be provided and maintained by TRC. Such insurance, which may be provided through blanket policies maintained by us, will be in such amounts, and subject to such deductibles, as we deem adequate and appropriate. We will have the right to audit your records and charge back to you any additional expense allocation due us if you or your employee(s) fail to properly assign job classification codes, workers' compensation codes, or any other codes required by the TRC System resulting in incorrect workers' compensation classification. For purposes of determining the direct labor costs or allocations for workers' compensation and employer's liability insurance, we will allocate the cost based upon TRC's insurer's state rates multiplied by TRC's modification factor as determined by the National Council on Compensation Insurance (NCCI) or by the state in which the work is performed (if applicable under specific state workers' compensation law). In addition, should a workers' compensation claim be filed by a TRC Employee whose assignment record (order, time sheet, etc.) was incorrectly coded by you or your employees, or by a TRC Employee dispatched by you or your employees to a job assignment having a job description which is not within our approved job classification codes, you may be required to reimburse us (through offsets of payments due you or by direct payments to us from you) for 60% of the gross value of the claim, as determined by the insurance claims adjuster assigned to process the claim on behalf of TRC.

11. INDEMNIFICATION

You and your principals agree to indemnify, defend and hold TRC, TRC's affiliates and their respective principals, shareholders, directors, officers, employees, agents, successors and assignees ("Indemnitees") harmless against and to reimburse them for all claims, obligations, liabilities and damages ("Claims"), including the activities of you or your employees or (to the extent not actually covered by proceeds of

insurance) of TRC Employees furnished to TRC Clients, any and all taxes, directly or indirectly arising out of, in whole or in part: (a) the operation of the Franchised Business, including the use, condition, or construction, equipping, decorating, maintenance or operation of the Franchised Business, the proffering of any services through the Franchised Business, and Franchisee's advertising; (b) the use of the TRC Names and Marks; (c) the transfer of any interest in this Agreement or the Franchised Business in any manner not in accordance with this Agreement; (d) the infringement, alleged infringement, or any other violation or alleged violation by you or any of your principals of any patent, mark or copyright or other proprietary right owned or controlled by third parties; or (e) libel, slander or any other form of defamation of TRC, the TRC System or any franchisee or developer operating under the System, by you or by any of your principals. For purposes of this indemnification, "Claims" shall mean and include all obligations, actual, consequential, punitive and other damages, and costs reasonably incurred in the defense of any action, including attorneys', attorney assistants' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether or not such claims exceed the amount of insurance coverage available through you to TRC. TRC shall have the right to defend any such claim against it in such manner as TRC deems appropriate or desirable in TRC's sole discretion. Such an undertaking by TRC shall, in no manner or form, diminish you and each of your principals' obligation to indemnify the Indemnitees and to hold them harmless. This indemnity shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

12. BOOKS AND RECORDS

- (a) Inspection. We have the right, upon reasonable notice and during your regular business hours, to inspect and copy all books and records of account of your Franchised Business.
- (b) Maintenance. You must keep and maintain at your office, true and correct records and books of account and operations of the Franchised Business, and in connection therewith, employ such bookkeeping, accounting and reporting systems as are necessary and appropriate and as may be established by us for our franchisees or reasonably requested by us.
- (c) TRC Client and Staffing Employee Lists. You will also be required to maintain true and correct and current listings of the name, address and telephone number of each TRC Client and of each TRC Employee furnished through the Franchised Business. Such listings, along with all other books, records and accounts of or relating to the Franchised Business, excepting only your and the Franchised Business's financial tax and accounting records, are the sole property of TRC.

13. ASSIGNMENT BY TRC

Our rights under this Agreement are strictly for our benefit, and the benefit of our successors and assigns. We may assign this Agreement without your consent if the assignee agrees in writing to assume all of our obligations.

14. ASSIGNMENT BY FRANCHISEE

- (a) Transfers. You may not sell, assign, transfer, sub-license or encumber this Agreement or any of your rights, obligations, or interests herein, or suffer or permit any sale, assignment, transfer, sub-license or encumbrance to occur by operation of law or

Exhibit C

Franchise Agreement

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document

Page 30

Initials: _____
Initials: _____

15360529v4

otherwise, without complying with terms of this Section 14. You may not sell, assign, transfer, or convey any interest in this Agreement or in the Franchised Business without the prior written consent of TRC, which consent will not be unreasonably withheld.

1.] *Corporation.* If you are a corporation, then any issuance, redemption, or transfer of the equity or voting securities of the corporation, or any disposition of the assets of the corporation (including by merger, reorganization, or consolidation), whether in one transaction or in a series of transactions which, in the aggregate, results in either (i) more than a twenty-five-percent (25%) change in the beneficial ownership of the corporation or (ii) a change in the voting control of the corporation, is a transfer which requires the prior written consent of TRC, which consent will not be unreasonably withheld. All share certificates evidencing ownership of the corporation must contain the following provision:

“The transfer of stock in this corporation is subject to the restrictive provisions of a Franchise Agreement with TRC Staffing Services, Inc. Reference is made to the Franchise Agreement for all particulars (a copy of which can be obtained from TRC Staffing Services, Inc., Atlanta, Georgia).”

2.] *Partnership or Limited Liability Company.* If you are a general or limited partnership or a limited liability company, then the admission of a new partner or member, or the redemption, purchase, liquidation, or transfer of a partnership or limited liability company membership interest, or any disposition of the assets of the partnership or company, in one transaction or in a series of transactions which, in the aggregate, results in either (i) more than a twenty-five-percent (25%) change in the beneficial ownership of the partnership or company (including by merger, reorganization, or consolidation), or (ii) a change in the voting control of the partnership or company, is a transfer which requires the prior written consent of TRC, which will not be unreasonably withheld. The partnership agreement or limited liability company operating agreement and all certificates (if any) representing limited liability company membership interests must contain the following provision:

“The transfer of a legal or beneficial interest in the [partnership] [limited liability company] is subject to the restrictive provisions of a Franchise Agreement with TRC Staffing Services, Inc. Reference is made to the Franchise Agreement for all particulars (a copy of which can be obtained from TRC Staffing Services, Inc., Atlanta, Georgia).”

3.] *Subsequent Assignment to Corporation, Limited Partnership or Limited Liability Company.* If you have entered into this Agreement as one or more individual(s), and if you subsequently desire to conduct the Franchised Business in an incorporated, limited partnership or limited liability company (“LLC”) form, we will not unreasonably withhold our consent to the transfer of your interest in this Agreement to any legal entity formed for that purpose if you and such entity, prior to transfer, satisfy reasonable requirements we will impose, including, among other things, the following:

- (i) You must at all times be the record and/or beneficial owner of and must have, by law or by written agreement satisfactory to us, voting control of

Exhibit C

Franchise Agreement

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document

Page 31

Initials: _____

Initials: _____

not less than 51% of the issued and outstanding shares of each class of the capital stock or partnership or membership interests of the corporation, limited partnership or LLC and, in the case of a limited partnership, be the general partner;

- (ii) No other person or entity, except members of your immediate family or trusts for the benefit of such members, may own or have any right to acquire any capital stock, securities or interest of the corporation, limited partnership or LLC;
- (iii) The form and content of the articles or certificate of incorporation or organization and by-laws or (in the case of a limited partnership) partnership agreement or (in the case of an LLC) operating agreement of such corporation, partnership or LLC must have been approved by TRC and must contain provisions enforceable under applicable law restricting the issuance and transfer of capital stock, securities or interests of the corporation, partnership or LLC to the extent we may reasonably require;
- (iv) We must be furnished in writing the names and addresses of all shareholders, partners or members or prospective shareholders, partners or members of the corporation, limited partnership or LLC and you, and (if requested by TRC) each such shareholder, partner or member or prospective shareholder, partner or member will have guaranteed in writing (in a form we find satisfactory) the performance by the corporation, limited partnership, or LLC of your obligations under this Agreement; and
- (v) Each shareholder, partner or member will have executed and delivered to us an amendment to this Agreement in a form furnished by TRC indicating his/her agreement to be bound by the terms of Section 8 of this Agreement.

After assignment of this Agreement to a corporation, limited partnership or LLC as above provided, the sale, transfer, assignment or encumbrance or change in rights of any class or series of capital stock, securities or membership interests of such corporation, limited partnership, or LLC, whether by operation of law or otherwise (including a reorganization, merger or consolidation) will be subject to the terms of this Section 14 governing such changes.

4.] *Voluntary Transfers to Third Parties.* In connection with any transfer to a third party, we must consent in writing before the transfer may occur, and our consent will be conditioned on fulfilling each of the following requirements to the full satisfaction of TRC:

- (i) The proposed transferee must fully satisfy all obligations to us arising out of the operation of the Franchised Business and, if requested by us, must deposit with us funds sufficient in our judgment to pay all known creditors of the Franchised Business;

Exhibit C

Franchise Agreement

2018 Franchise Disclosure Document

Page 32

Initials: _____

Initials: _____

- (ii) The proposed transferee must demonstrate to our satisfaction that he/she/it meets all financial and managerial requirements then applicable to new franchisees of TRC;
- (iii) The proposed transferee must agree to take all training programs then required by us for our new franchisees;
- (iv) The proposed transferee (and each partner, member or shareholder thereof and, in accordance with Section 8(k) their respective spouses) must execute such documents (including, among other things, the latest form of franchise agreement that we are then using but reflecting the number of five-year renewal options actually remaining under this Agreement) reflecting the transferee's assumption of your obligations as we may require;
- (v) The proposed transferee must pay us a transfer fee equal to the greater of 5% of the total sales price paid to you, including all consideration of any kind or nature payable to or for your benefit in connection with or arising from such transfer, or \$2,000.00 to compensate TRC for our administrative and training expenses related to the transfer; which amount is intended by TRC and you as liquidated damages and a reasonable estimate of such expenses, the actual amount of such expenses being difficult or impossible to estimate;
- (vi) The proposed transferee (and each partner, member or shareholder thereof and, in accordance with Section 8(k) their respective spouses) must have duly executed an agreement to be bound by, and to assume and perform all of your duties under, this Agreement (including, in the case of such partners, members or shareholders, an amendment to this Agreement in a form furnished by TRC);
- (vii) The transferor and each of its partners, members, shareholders, officers and directors must execute a general release of any and all claims against TRC, its shareholders, officers, directors, employees and agents;
- (viii) You (and your principals if you are a partnership, corporation or limited liability company), and the members of their respective families must comply with the post-termination provisions of this Agreement;
- (ix) The transferee must obtain, within the time limits set by TRC, and maintain thereafter, all permits and licenses required for the operation of the Franchised Business;
- (x) To the extent required by the terms of any leases or other agreements, the lessors or other parties must have consented to the proposed transfer;

Exhibit C

Franchise Agreement

2018 Franchise Disclosure Document

Page 33

Initials: _____

Initials: _____

TRC Staffing Services, Inc.

15360529v4

- (xi) You must request that TRC provide the prospective transferee with TRC's current form of disclosure document and TRC shall not be liable for any representations not included in the disclosure document; and
 - (xii.) You or the transferee shall provide TRC with a copy of the executed purchase agreement relating to the proposed transfer with all supporting documents and schedules, including transferee's assumption of and agreement to faithfully perform all of your obligations under this Agreement.
 - (xiii) In any event, TRC may withhold or condition its consent to any transfer as it deems appropriate based on the circumstances of the transfer or otherwise.
- (b) Death or Disability. If you are one or more individuals, and one of you dies or becomes permanently disabled (which will mean disability that exists or is expected to exist for more than six months and is confirmed in writing by a medical doctor competent in the field of medicine to which the disability relates), and the transfer of this Agreement to your spouse or heirs, whether transfer is by will or by operation of law, would constitute a transfer requiring our consent under Section 14(a), we will not unreasonably withhold our consent if, in our sole judgment, such transferee(s) will be capable of conducting the Franchised Business in a manner we find satisfactory and such transferee(s) comply with the requirements of Section 14(a)[4].
- (c) First Right to Purchase -- Proposed Transfer. If you receive a good faith binding offer for the purchase of your rights in this Agreement, and you desire to accept it, you must, before accepting the offer, first disclose and furnish a copy of the offer in writing to us and offer in writing to sell your rights under this Agreement and all assets of the Franchised Business to us on the same terms and conditions as contained in such good faith offer, but without the provision for or consideration related to any retained management contract or arrangement. We have the right, exercisable by written notice to you given within 30 days after our receipt of such written offer, to purchase your rights in this Agreement and the assets of the Franchised Business upon such terms and conditions. If we accept such offer, the purchase and sale will be consummated no later than 30 days following our acceptance. If we fail to accept the offer within the 30-day period, this failure will be deemed to be consent by TRC to such sale by you and you will be free to accept such good faith offer and sell your interest in this Agreement to the offer or upon the terms and conditions stated in the offer; provided, however, the potential purchaser of the Franchised Business (the "Purchaser") must satisfy the Conditions To Transfer set forth in Section 14(a)[4] above.

If the sale to the Purchaser is not consummated within 90 days following the failure of TRC to exercise our option as above provided, then the restrictions of this Section 14 will be renewed, and any sale or transfer by you of your interest in this Agreement, whether to the Purchaser or any other person or entity, will again be subject to the restrictions stated in this Section 14.

(d) **Continuing Obligation.** No sale, transfer, conveyance or assignment by you of your interest in this Agreement or the Franchised Business will relieve you from your duties, obligations and covenants hereunder, or the shareholders, members or partners participating in any transfer (including the provisions of Section 8, for purposes of which the one-year and five-year periods referenced in such Section will commence), and you and they will remain jointly and severally liable with any assignee of such interest for the full and prompt performance of your and their duties, obligations and covenants. You will not take any action to release any shareholder, member, or partner or former shareholder, member or partner from the provisions of Section 8.

15. TERMINATION

- (a) **General.** This Agreement and the franchise granted may be terminated:
- 1.] By You. Upon not fewer than 90 days' prior written notice to us;
 - 2.] By TRC. In any of the following events, any of which will be deemed a default:
 - (a) Immediately upon any material breach of this Agreement;
 - (b) Upon 90 days' prior written notice to you of any other breach or failure of performance by you of any provision of this Agreement, or failure to perform an obligation within the time period prescribed, which is not cured to our satisfaction within that 90-day period;
 - (c) Upon 90 days' prior written notice if you have not achieved the Minimum Performance Criteria specified in Section 2(e);
 - (d) Upon 30 days' prior written notice to you or your estate or personal representative, where you are an individual, if upon your disability or death we determine, in our sole judgment, that you or your assignee are not capable of conducting the Franchised Business in a manner satisfactory to us as provided in Section 14 (b) above;
 - (e) Immediately, if you become insolvent; or make a general assignment for the benefit of creditors, or to an agent authorized to liquidate your property or assets; or become or are adjudicated bankrupt, or voluntarily file a petition in bankruptcy or reorganization, or to effect a plan or other arrangement with creditors; or file an answer to a creditor's petition or other petitions filed against you (admitting the material allegations of such petition) for an adjudication of bankruptcy, or for reorganization, or to effect a plan or other arrangement with creditors; or apply for or suffer the appointment of a receiver or trustee of any of your assets and property, or such receiver or trustee is appointed for any of your property or assets, and such trustee or receiver so appointed is not discharged within 15 days after the date of his appointment; or all or substantially all of your property is attached by the United States or any state or by any officer or instrumentality thereof, and so remains and continues for a period of 15 days; or a writ or warrant of attachment or any similar process is issued by any court against all or any

substantial portion of your property or assets, and such writ, warrant of attachment, or any similar process is not released or bonded within 15 days after entry or levy;

(f) Immediately if you are convicted of a felony or a crime involving moral turpitude, or if you take or appropriate for your own use any property of TRC;

(g) Immediately, if you cease operation of the Franchised Business during regular business hours for more than five successive Working Days, without our prior written consent;

(h) Immediately, where you are a corporation or LLC, upon the dissolution or liquidation of the corporation or LLC; and

(i) Immediately, where you are a corporation, partnership or limited liability company, upon written notice to you, in the event of the death or disability of any one or more of the shareholders, partners or members, or the attempted assignment or transfer of the interest of one or more of the shareholders, partners or members, or the occurrence of any act or event by any one or more of the shareholders, partners or members of an act described in clause (f) above.

- (b) No Limitation of Other Remedies. Our right to terminate this Agreement and the franchise granted in it is in addition to all other rights and remedies, whether at law or in equity, that we might have against you as a result of any breach or default by you of any provision of this Agreement.
- (c) Accounting. Upon any termination of this Agreement, whether by us or you, or upon expiration of the term of this Agreement, both we and you will promptly report to each other all payroll and billing information and, subject to Section 4(e), account for and pay to each other proper percentages and amounts of all Gross Profits, Liquidated Damages, Software Usage Fees, deposits, advances, uncollectible billings and accounts and other sums, if any, pursuant to this Agreement.

16. NONRENEWAL RIGHT

Effective as of the expiration of the fifth (5th) Renewed Term of this Agreement, we shall have, in our sole discretion, the right not to renew this Agreement for a payment to you equal to your share of the Gross Profits of the Franchised Business (that is, the amount of the Gross Profits retained by you after payment of the Continuing Fee in Section 4(b) and after adjustment for uncollectible accounts in Section 4(c)) for the six full Accounting Periods immediately preceding the date on which we notify you of our intention to not renew this Agreement. Notification of our intent not to renew this Agreement as set forth above shall be provided to you in writing at least one hundred and eighty (180) days before the expiration of the term of this Agreement. Closing shall be at our mutual convenience, but in no event later than the expiration date of this Agreement. At the closing, the parties shall execute mutual releases with respect to any liability, duty or the performance of any covenant, condition or obligation under this Agreement, provided, however, that our release of you shall not include those covenants, conditions or obligations imposed upon you by Sections 8, 11 and any other provisions of this Agreement that by their plain meaning survive termination of this Agreement. The payment for nonrenewal is in part consideration for your covenants and agreements in Sections 8, 11 and any other provisions of this Agreement that by their

Exhibit C

Franchise Agreement

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document

Page 36

Initials: _____

Initials: _____

15360529v4

plain meaning survive termination of this Agreement and is expressly conditioned on your compliance with those covenants and agreements. The payment for nonrenewal shall be made in eight (8) equal quarterly payments, without interest, the first such payment being made at the closing, with the second payment being made 3 months later, and each subsequent payment being made the same day of the third month following the date of the previous payment. The payment includes consideration for the furniture, fixtures & equipment used in the conduct of the Franchised Business, which will be transferred to us at closing as of the date of termination under a bill of sale free and clear of all liens or encumbrances whatsoever without further consideration to you. We will assume those ongoing liabilities relating to the operation of the Franchised Business commencing with the effective date of termination which we, in our sole discretion, deem necessary to its ongoing operation. You will pay all liabilities which relate to the operation of the Franchised Business up to the effective date of termination, and we will be entitled to withhold any amounts due to you, pursuant to this Agreement or otherwise, pending receipt of proof of payment of all such liabilities. All amounts payable to you under this Agreement through the effective date of the termination (less any amounts properly due to us from you) will be paid in due course.

In the event we exercise our right not to renew this Agreement as set forth above, you agree to abide by each of the terms and conditions set forth in Sections 8, 11 and any other provisions of this Agreement that by their plain meaning survive termination of this Agreement.

17. NOTICES

All notices permitted or required must be in writing, delivered personally or, if mailed, sent by certified or registered mail, return receipt requested, in an envelope with proper postage, addressed to the party to whom the notice is directed at its address shown below or at such other address as that party will designate in writing by like notice. Notices sent by mail will be deemed given and received 3 business days after deposit in the U.S. Postal Service.

18. WAIVER OF DEFAULT BY TRC

Our waiver of any particular breach or default by you will not affect or impair our right with respect to any subsequent breach or default of the same or a different kind; nor will any delay or omission of TRC to exercise any right arising from any breach or default affect or impair our right as to the same or any future breach or default.

19. RECITALS INCORPORATED

The Recitals are incorporated in and made part of this Agreement.

20. RIGHT TO OPERATE

We may enter your Franchised Business and take possession of it, its equipment, furniture, fixtures, records, lists and supplies and continue the operation of the Franchised Business for your benefit and account (after paying operating expenses including reasonable management expenses and the payments owed to us under this Agreement) pending expiration, termination or assignment of this Agreement if you commit any act of default under this Agreement, if you die or become incapacitated, or if, in our reasonable opinion, any event jeopardizes the continued operation of the Franchised Business.

21. ENFORCEMENT OF RIGHTS

The existence of any claim, demand, action or cause of action by you against us, or any parent, subsidiary or affiliate of TRC, whether predicated upon this Agreement or otherwise, will not constitute a defense to the enforcement by us of any of our rights hereunder.

22. INTERPRETATION AND EXECUTION OF AGREEMENT

- (a) Governing Law. This Agreement has been accepted, and therefore entered into, in Atlanta, Georgia, and will be governed by and construed in accordance with the laws of the State of Georgia, without reference to its principles of conflicts of laws.
- (b) Compliance With Law. It is the intention of both you and us that this Agreement comply with the provisions and requirements of all applicable laws. This Agreement will be deemed to contain and will be construed so as to contain and be consistent with all mandatory provisions and requirements of applicable laws, which provisions and requirements are incorporated herein by reference.
- (c) Construction. All terms and words used in this Agreement, regardless of the number and gender form in which they are used, will be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this Agreement or any section or clause of this Agreement may require, the same as if such words had been fully and properly written in such number and gender form.
- (d) Entire Agreement. This instrument, together with all schedules, addendum, exhibits and riders attached to this Agreement, contains the entire agreement of the parties and no representations, inducements, promises, or agreements, oral or otherwise, not embodied herein will be of any force or effect. The foregoing notwithstanding, nothing herein is intended to disclaim the representations we made in the Franchise Disclosure Document furnished to you.
- (e) Amendments. This Agreement may not be amended or modified except by a writing signed by both you and us.
- (f) Invalidity. Should any part of this Agreement for any reason be declared invalid, such decision will not affect the validity of any remaining portion, which remaining portion will remain in full force and effect as if this Agreement had been executed with the invalid portion eliminated.
- (g) Survival. The provisions of this Agreement where the context or sense of this Agreement so indicates will survive any termination or cancellation of this Agreement.
- (h) Force Majeure. We will not be liable to you or any other person for our failure to perform or comply with any of our obligations under this Agreement where our nonperformance or noncompliance is caused by or due to events or circumstances beyond our control.

- (i) Effectiveness. This Agreement will not be binding upon TRC until it has been fully executed by you and fully executed by a duly authorized officer of TRC at our offices in Atlanta, Georgia.
- (j) Counterparts. This Agreement may be executed in counterparts, all of which together will constitute one and the same Agreement.
- (k) Consent to Jurisdiction of Georgia Courts. You consent to submit to the jurisdiction of the courts of the State of Georgia and the United States District Court for the Northern District of Georgia in any suit or action regarding, relating to or arising out of this Agreement or the franchise relationship hereby created. You further agree that such courts will be the sole and exclusive venue and forum for any suit or action you bring for a declaration of rights regarding this Agreement.
- (l) Limitation on Actions. The parties further agree that no cause of action arising out of or under this Agreement may be maintained by either party against the other unless brought before the expiration of one (1) year after the act, transaction or occurrence upon which such action is based or the expiration of one (1) year after the complaining party becomes aware of facts or circumstances reasonably indicating that such party may have a claim against the other party hereunder, whichever occurs sooner, and that any action not brought within this period shall be barred as a claim, counterclaim, defense or set-off.
- (m) No Right to Offset. You shall not withhold all or any part of any payment to TRC or any of its affiliates on the grounds of TRC's alleged nonperformance or as an offset against any amount TRC or any of TRC's affiliates allegedly may owe you under this Agreement or any related agreements.
- (n) Third Party Beneficiaries. TRC's officers, principals, directors, shareholders, agents and/or employees are express third party beneficiaries of the dispute resolution procedures set forth in this Agreement, each having authority to specifically enforce the dispute resolution rights asserted against such person(s) by you.
- (o) Prior Notice of Claims. As a condition precedent to commencing an action for damages or for violation or breach of this Agreement, you must notify TRC within thirty (30) days after the occurrence of the violation or breach, and failure to timely give such notice shall preclude any claim for damages.

23. GUARANTEE OF PRINCIPALS

If you are a corporation, or subsequent to execution hereof, you assign this Agreement to a corporation, all shareholders owning more than 10% of your outstanding shares (or if you are a partnership, or subsequent to execution hereof, you assign this Agreement to a partnership, all general partners, or if you are a limited liability company, or subsequent to execution hereof you assign this Agreement to a limited liability company, all members) hereby personally and unconditionally guarantee without notice, demand or presentment, the payment of all of your monetary obligations under this Agreement and any other agreement between you and TRC and/or TRC's affiliates, as if each were an original party to this or any other agreement in his or her individual capacity. All such personal guarantors further agree to be bound by the restrictions upon your activities upon transfer, termination or expiration and nonrenewal of this

Exhibit C

Franchise Agreement

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document

Page 39

Initials: _____
Initials: _____

Agreement as if each were an original party to this Agreement in his or her individual capacity. All such personal guarantors must execute a continuing personal guarantee in the form attached hereto as Exhibit E.

24. SPOUSAL CONSENT

If you are an individual(s), or subsequent to execution hereof, you assign this Agreement to an individual(s), such individual's spouse hereby personally and unconditionally guarantees without notice, demand or presentment the payment of all of your monetary obligations under this Agreement as if each were an original party to this Agreement in his or her individual capacity. All such spouses further agree to be bound by the restrictions upon your activities upon transfer, termination or expiration of this Agreement as if each were an original party to this Agreement in his or her individual capacity. All such spouses must execute a spousal consent in the form attached hereto as Exhibit E. In the event of divorce and re-marriage, or subsequent marriage, you covenant and agree to provide TRC with a properly executed spousal consent, in the form prescribed by TRC.

25. ANTI-TERRORIST ACTIVITIES

You certify that you, nor your owners, principals, employees or anyone associated with you is listed in the Annex to Executive Order 13224. (The Annex is available at <http://www.treasury.gov/offices/enforcement/ofac/sanctions/terrorism.html>.) You agree not to hire or have any dealings with a person listed in the Annex. You certify that you have no knowledge or information that, if generally known, would result in you, your owners, principals, employees, or anyone associated with you being listed in the Annex to Executive Order 13224. You agree to comply with and/or assist TRC to the fullest extent possible in TRC's efforts to comply with the Anti-Terrorism Laws (as defined below). In connection with such compliance, you certify, represent, and warrant that none of your property or interests are subject to being "blocked" under any of the Anti-Terrorism Laws and that you and your owners or principals are not otherwise in violation of any of the Anti-Terrorism Laws. You are solely responsible for ascertaining what actions must be taken by you to comply with all such Anti-Terrorism Laws, and you specifically acknowledges and agrees that your indemnification responsibilities as provided in Section 11 of this Agreement pertain to your obligations under this Section 25. Any misrepresentation by you under this Section or any violation of the Anti-Terrorism Laws by you, your owners, principals or employees shall constitute grounds for immediate termination of this Agreement and any other agreement you have entered into with TRC or with one of TRC's affiliates in accordance with the terms of this Agreement. As used herein, "Anti-Terrorism Laws" means Executive Order 13224 issued by the President of the United States, the Terrorism Sanctions Regulations (Title 31, Part 595 of the U.S. Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the U.S. Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the U.S. Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies lists and any other requirements of any Governmental Authority (including without limitation, the United States Department of Treasury Office of Foreign Assets Control) addressing or in any way relating to terrorist acts and acts of war.

[Signatures on following pages]

Exhibit C

Franchise Agreement

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document

Page 40

Initials: _____

Initials: _____

15360529v4

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the later of the dates provided below.

FRANCHISEE:
(If an individual):

Signed: _____

Print Name: _____

Date signed: _____

Attest: _____

FRANCHISOR:
TRC STAFFING SERVICES, INC.

By: _____

South Terraces, 115 Perimeter Center Place, NE
Suite 850
Atlanta, Georgia 30346-1249

Date signed: _____

If a corporation, partnership
or limited liability company (LLC)

Name of Corp., Partnership, LLC or Other

Entity: _____

Type of Entity: _____

State of Incorporation/
Organization: _____

Corporate Secretary: _____

Signed By: _____

Title: _____

Address: _____

[Signatures on following page]

To induce TRC to enter into this Agreement, each of the undersigned individuals or entities certifies that he/she/it is an owner of the above named Franchisee and hereby signs this Agreement and agrees to be jointly and severally bound with the other undersigned by the provisions of Section 8 (covenants of Franchisee) and Section 14 (assignments of interest in Franchised Business). We each also hereby individually guarantee the performance by the Franchisee of all of the obligations and payments under this Agreement.

We further agree that TRC does not have to pursue any remedies TRC may have against the Franchisee; instead, TRC may proceed directly and primarily against any one or all of us without joining the Franchisee as principal or as a named party in any such proceeding.

Print Name of Shareholder/

Partner/Member:

% Ownership

Signed: _____

Name: (Print): _____

Exhibit C

Franchise Agreement

2018 Franchise Disclosure Document

Page 42

Initials: _____

Initials: _____

TRC Staffing Services, Inc.

15360529v4

SCHEDULE A

Description of Area

The Area will be

EXHIBIT B
to
TRC STAFFING SERVICES, INC.'S
FRANCHISE AGREEMENT

COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, the undersigned ("Assignor") hereby assigns and transfers to TRC STAFFING SERVICES, INC., a Georgia corporation, with its principal place of business address at South Terraces, 115 Perimeter Center Place, NE, Suite 850, Atlanta, Georgia 30346-1249 ("Assignee"), all of Assignor's right, title and interest as tenant in, to and under that certain lease, a copy of which is attached hereto as Exhibit 1 (the "Lease") respecting premises commonly known as _____

This Assignment is for collateral purposes only and except as specified herein, Assignee has no liability or obligation of any kind whatsoever arising from or in connection with this Assignment or the Lease unless Assignee takes possession of the premises demised by the Lease pursuant to the terms hereof and assumes in writing the obligations of Assignor thereunder.

Assignor represents and warrants to Assignee that it has full power and authority to so assign the Lease and its interest therein and that Assignor has not previously assigned or transferred, and is not obligated to assign or transfer, any of its interest in the Lease or the premises demised thereby.

Upon a default by Assignor under the Lease or under the franchise agreement for a Franchised Business between Assignee and Assignor (the "Franchise Agreement"), or in the event of a default by Assignor under any document or instrument securing the Franchise Agreement, or upon expiration or termination of the Franchise Agreement, Assignee has the right and is hereby empowered to take possession of the premises demised by the Lease, expel Assignor therefrom, and, in such event, Assignor will have no further right, title or interest in the Lease. Assignor hereby authorizes the Lessor to disclose to Assignee, upon its request, sales and other information furnished to the Lessor by Assignor.

Assignor agrees that it will not suffer or permit any surrender, termination, amendment or modification of the Lease without the prior written consent of Assignee. Throughout the term of the Franchise Agreement and any renewals thereto, Assignor agrees that it must elect and exercise all options to extend the term of or renew the Lease not less than thirty (30) days prior to the last day that the option must be exercised, unless Assignee otherwise agrees in writing. If Assignee does not otherwise agree in writing, and upon failure of Assignor to so elect to extend or renew the Lease as aforesaid, Assignor hereby appoints Assignee as its true and lawful attorney-in-fact to exercise such extension or renewal options in the name, place and stead of Assignor for the purpose of effecting such extension or renewal.

ASSIGNOR:

BY: _____

TITLE: _____

ASSIGNEE:

Date: _____

TRC STAFFING SERVICES, INC.:

By: _____

CONSENT AND AGREEMENT OF LESSOR

The undersigned Lessor under the aforescribed Lease hereby:

- (a) Agrees to notify Assignee in writing of and upon the failure of Assignor to cure any default by Assignor under the Lease;
- (b) Agrees that Assignee has the right, but shall not be obligated, to cure any default by Assignor under the Lease within 30 days after delivery by Lessor of notice thereof in accordance with paragraph (a) above;
- (c) Consents to the foregoing Collateral Assignment and agrees that if Assignee takes possession of the premises demised by the Lease and confirms to Lessor in writing the assumption of the Lease by Assignee as tenant thereunder, Lessor must recognize Assignee as tenant under the Lease, provided that Assignee cures within the 30-day period the defaults, if any, of Assignor under the Lease;
- (d) Agrees that Assignee may further assign the Lease to a person, firm or corporation who must agree to assume the tenant's obligations under the Lease and who is reasonably acceptable to Lessor and upon such assignment Assignee will have no further liability or obligation under the Lease as assignee, tenant or otherwise.

DATED: _____

LESSOR:

EXHIBIT C
to
TRC STAFFING SERVICES, INC.'S
FRANCHISE AGREEMENT

CONDITIONAL ASSIGNMENT
OF FRANCHISEE'S TELEPHONE NUMBERS

1. _____, doing business at _____ ("Assignor"), in exchange for valuable consideration provided by TRC STAFFING SERVICES, INC. ("Assignee"), receipt of which is hereby acknowledged hereby conditionally assigns to Assignee all telephone numbers and listings utilized by Assignor in the operation of its Franchised Business at Assignor's above-referenced address. Those numbers are as follows:

2. The conditional agreement will become effective automatically upon expiration or termination of Assignor's franchise. Upon the occurrence of that condition, Assignor must do all things required by the telephone company to assure the effectiveness of the assignment of telephone numbers as if the Assignee had been originally issued such telephones, telephone numbers, telephone listings and the usage thereof.

3. Assignor agrees to pay the telephone company on or before the effective date of assignment all amounts owed for the use of the telephone number(s) including, without limitation, Yellow Pages advertising. Assignor further agrees to indemnify Assignee for any sums Assignee must pay the telephone company to effectuate this agreement, and agrees to fully cooperate with the telephone company and Assignee in effectuating this assignment.

ASSIGNOR:

BY: _____ Date: _____

TITLE: _____

ASSIGNEE:

TRC STAFFING SERVICES, INC.:

By: _____

EXHIBIT D
to
TRC STAFFING SERVICES, INC.'S
FRANCHISE AGREEMENT

PERSONAL GUARANTY

NOTE: IF FRANCHISEE IS A CORPORATION, EACH OF FRANCHISEE'S SHAREHOLDERS MUST EXECUTE THE FOLLOWING UNDERTAKING. IF FRANCHISEE IS A PARTNERSHIP, EACH OF FRANCHISEE'S GENERAL PARTNERS MUST EXECUTE THE FOLLOWING UNDERTAKING. IF FRANCHISEE IS A LIMITED LIABILITY COMPANY, EACH OF FRANCHISEE'S MEMBERS MUST EXECUTE THE FOLLOWING UNDERTAKING.

The undersigned persons hereby represent to TRC STAFFING SERVICES, INC. that they are all of the shareholders of the franchisee, or all of the general partners of the franchisee, or all of the members and managers of the franchisee, as the case may be. In consideration of the grant by TRC STAFFING SERVICES, INC. to the franchisee as herein provided, each of the undersigned hereby agrees, in consideration of benefits received and to be received by each of them, jointly and severally, and for themselves, their heirs, legal representatives and assigns that they, and each of them, to be firmly bound by all of the terms, provisions and conditions of the foregoing TRC STAFFING SERVICES, INC. Franchise Agreement, and any other agreement between the franchisee and TRC STAFFING SERVICES, INC. and/or its affiliates, that they and each of them do hereby unconditionally guarantee the full and timely performance by the franchisee of each and every obligation of the franchisee under the aforesaid Franchise Agreement or other agreement, including, without limitation, any indebtedness of the franchisee arising under or by virtue of the aforesaid Franchise Agreement and that they and each of them will not permit or cause any change in the percentage of the franchisee owned, directly or indirectly, by any person, without first obtaining the written consent of TRC STAFFING SERVICES, INC. prior to said proposed transfer, which consent must not be unreasonably withheld, and without first paying or causing to be paid to TRC STAFFING SERVICES, INC. the transfer fee provided for in said Franchise Agreement, if applicable, and without otherwise complying with the transfer provisions of the foregoing Franchise Agreement. The undersigned further agree to be bound by the in-term and post-term covenants against competition of the aforesaid Franchise Agreement.

D-1

Franchise Agreement

2018 Franchise Disclosure Document

TRC Staffing Services, Inc.

Initials: _____

15360529v4

EXHIBIT E
to
TRC STAFFING SERVICES, INC.'S
FRANCHISE AGREEMENT

SPOUSAL CONSENT

NOTE: IF FRANCHISEE IS AN INDIVIDUAL(S), EACH INDIVIDUAL'S SPOUSE MUST SIGN THIS SPOUSAL CONSENT.

The individual(s) listed below represent to TRC Staffing Services, Inc. ("Company") that each is the spouse of the individual(s) who have signed a Franchise Agreement with the Company dated _____.

In consideration of the grant by the Company to Franchisee under the Franchise Agreement, each of the individual spouses listed below agrees, in consideration of benefits received and to be received by each of them, jointly and severally, and for themselves, their heirs, legal representatives and assigns that they, and each of them:

- a. must be firmly bound by all of the terms, provisions and conditions of the Franchise Agreement;
 - b. unconditionally guarantee the full and timely performance by Franchisee of all of Franchisee's obligations under the Franchise Agreement, including, without limitation, any of Franchisee's indebtedness arising under or by virtue of the Franchise Agreement;
 - c. agree to be bound by the in-term and post-term covenants of the Franchise Agreement.
-
-

E-1

Franchise Agreement

2018 Franchise Disclosure Document

TRC Staffing Services, Inc.

15360529v4

Initials: _____

EXHIBIT D

FRANCHISE COMPUTER PLAN COMPUTER HARDWARE LEASE AND RENEWAL

Exhibit D

TRC Staffing Services, Inc.
15360529v4

2018 Franchise Disclosure Document

TRC STAFFING SERVICES, INC. FRANCHISE COMPUTER PLAN COMPUTER HARDWARE LEASE

This Computer Hardware Lease Agreement (this "Lease") is made by and between _____ (referred to individually and, if more than one person, jointly, as "you" or "Franchisee") and TRC Staffing Services, Inc. (referred to as "we", "us" or "TRC") as of the later of the two dates indicated beneath the signatures of you and TRC below (the "Effective Date of this Lease").

WHEREAS, you have already entered into a Franchise Agreement with TRC dated _____ (such agreement as amended from time to time by us and you during the term of this Lease being referred to in this Lease as the "Franchise Agreement"), the terms of which are fully incorporated in this Lease by reference. TRC is making available, without reference to race, sex, religion, or ethnic origin, certain computer hardware, on the terms and conditions set forth in this Lease, to assist TRC franchisees in the operation of their new or existing TRC temporary and staffing services business franchise (the "Franchised Business").

NOW, THEREFORE, upon the terms and conditions hereinafter stated, and for consideration of \$10.00 and other adequate consideration, the receipt and sufficiency of which is hereby acknowledged, you agree as follows:

1. Prior Hardware Leasing Arrangements

This Lease replaces any prior lease for computer hardware that you may have previously entered into with TRC, including any National Computer Program lease. This Lease satisfies your obligation under your Franchise Agreement with TRC to obtain computer hardware, as well as any obligation to obtain computer hardware under any Loan and Security Agreement and Promissory Note you have entered with TRC.

Location covered by this Lease [address]: _____

_____ ("Location").

2. Hardware System. You acknowledge your obligation under the Franchise Agreement to lease from us a log-on for the computer programs, software, and applications (the "Software System") for use in Franchised Business for so long as you are a TRC franchisee. We will deliver to you and install at the location indicated above within 30 days following the Effective Date of this Lease (if we have not already), F.O.B. such Location, the computer hardware described on Schedule 1 attached to this Lease, to be completed and signed by you and TRC upon installation, and all necessary documentation; or such other computer hardware system as TRC determines may be required from time to time to run the Software System (the "Hardware System"). We will lease the Hardware System to you, free of charge. For purposes of this Lease, the "Operational Date" means the date on which we have certified the installed Hardware System as operational.

3. Term and Termination. This Lease will begin on the Effective Date of this Lease and will run concurrently with the dates of the Franchise Agreement. In addition, this Lease may be terminated at any time by TRC for breach, effective 30 days after TRC sends you written notice of the breach and you fail to cure it during that 30-day period. Upon termination of the Franchise Agreement, for any reason, this lease will terminate immediately.

4. System Improvements. TRC, in its sole discretion, may, from time to time, replace or upgrade one or more components of the Hardware System for all participating franchisees, without replacing the entire system (a "System Improvement"). System Improvements will be at no cost to you.

5. Site Preparation. You will be responsible, at your own expense, for preparing the site for the Hardware System at the Location in accordance with our installation specifications. This includes installing cable and wiring that meets TRC's standards. You are also responsible, at your own expense, for setting up broadband internet connections that do not go through the branch phone system and are not shared with any other equipment. We will be responsible, at our own expense, for shipping the hardware and coordinating the installation with you. We will assist you with the design and plan for you to present to your local vendor. Upon completion of installation, we will certify to you that the Hardware System is operational and ready for use.

6. Usage Restrictions. The Hardware System will remain at all times the property of TRC. You must keep the Hardware System at all times at the Location, must not move the Hardware System to any other location (except if and when the premises of the Franchised Business are relocated with our consent as provided in the Franchise Agreement), and must not use the Hardware System for any purposes other than servicing the Franchised Business. Any other use will be a default under this Lease. Only the Software System or other software approved by TRC for use by TRC franchisees may be used on the Hardware System. Use of any other software will be a breach of this Lease. You are not allowed to make any copies, downloads, or other duplications of the Software System. Any person using the TRC Hardware System must sign and abide by the TRC Computer Rules Agreement attached hereto as Schedule 2 and the TRC Intellectual Property Policy attached hereto as Schedule 3. Laptops or home computers that are the personal property of franchise owners or employees may not be connected to the network of TRC's Hardware System.

7. Internet Service. You must use the Internet service provider (ISP) approved by TRC for all TRC Franchisees for all Internet access.

8. Warranty and Remedies. THIS HARDWARE SYSTEM IS PROVIDED TO YOU "AS IS". TRC MAKES NO WARRANTIES OR REPRESENTATIONS, EITHER EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER RELATING TO THE HARDWARE SYSTEM, INCLUDING, WITHOUT LIMITATION, THE DESIGN AND CONDITION OF THE HARDWARE SYSTEM, ITS QUALITY, SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. TRC will not be liable for payment of any consequential damages resulting from any default in the performance of our obligations under this Lease.

9. Risk of Loss. Following the Operational Date and until surrender of the Hardware System, you will assume and will bear the entire risk of loss and damage to the Hardware System for any cause that is not our fault. In the event of loss or damage of any kind for which you bear the risk to any item of the Hardware System, it must be reported to us. If, in our reasonable judgment, the Hardware System is determined to be lost, stolen, destroyed or damaged beyond repair, then you must pay us the replacement

Exhibit D

Franchise Computer Plan

Computer Hardware Lease and Renewal

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document

Page 2

Initials: _____

Initials: _____

cost of the Hardware System. We may withhold such amount from the Gross Profits payable to you under the Franchise Agreement.

10. Hardware Maintenance. In the event you request maintenance from us, and the Hardware System cannot be promptly restored to good working order through diagnostic assistance and advice by telephone, we will promptly respond by repairing or shipping replacement equipment to the Location. You may not perform any maintenance, or repairs or replace any equipment without our permission. We will not be responsible for malfunctions caused by deliberate or negligent acts of persons other than ourselves or causes external to the Hardware System. Unless specifically indicated in this Lease, maintenance will not include operating supplies or accessories; cleaning supplies necessary for preventive maintenance; painting or refinishing the equipment or furnishing materials for that purpose; electrical work external to the machines; or maintenance of accessories, alterations, attachments or other devices not furnished by us.

11. Maintenance Fees. Presently, we do not charge a maintenance fee for the Hardware System, however, we reserve the right to do so in the future. We will give 30 days written notice if we chose to exercise this fee.

12. Surrender of Hardware. In the event that this Lease is terminated or expires, you will surrender the Hardware System to us in good repair, condition and working order — ordinary wear and tear excepted — in the manner directed by us, any transportation or relocation of the Hardware System to be at our cost. You hereby give us the right to enter the Location during normal business hours in order to remove the Hardware System.

13. Governing Law. This Lease has been accepted in Atlanta, Georgia, and you acknowledge that you have agreed with TRC that this transaction will be governed by and interpreted under the laws of the State of Georgia.

14. Continuing Obligation. No sale, transfer, conveyance or assignment by you of your interest in the Franchised Business or the Franchise Agreement will relieve you from your duties, obligations and agreements under this Lease, and you will remain jointly and severally liable with any assignee of such interest for the full and prompt performance of your duties, obligations and covenants in this Lease, unless TRC expressly consents in writing to the assumption of them by the assignee.

15. Joint and Several Obligation. If more than one person executes this Lease, the term "you" as used herein will mean all persons signing this Lease and each of you will be jointly and severally obligated hereunder.

[Signatures on following page]

IN WITNESS WHEREOF, each party hereto has executed this Lease, under seal, all on the day written below.

"TRC":

TRC STAFFING SERVICES, INC.

By: _____
Name: _____
Title: _____
Date: _____

"FRANCHISEE":
(If an Individual:)

Signed: _____
Print Name: _____
Date: _____
(If a Corporation or Limited Liability Company ("LLC")):

Name of Corporation/LLC: _____

State of Incorporation/Organization: _____

Signed By: _____
Title: _____
Date: _____
Address: _____

[Impress Corporate Seal Here]

Co-Signee: _____

Name: _____
Address: _____

Date: _____

Exhibit D
Franchise Computer Plan
Computer Hardware Lease and Renewal

2018 Franchise Disclosure Document
Page 4

TRC Staffing Services, Inc.

15360529v4

Initials: _____
Initials: _____

Schedule 1
Hardware System
Installation Acknowledgment

Personal Computers -- brand: _____ model: _____ serial no.: _____

brand: _____ model: _____

serial no.: _____

brand: _____ model: _____

serial no.: _____

brand: _____ model: _____

brand: _____ model: _____

brand: _____ model: _____ serial no.: _____

Monitors -- brand: _____ model: _____

serial no.: _____

brand: _____ model: _____

serial no.: _____

brand: _____ model: _____

brand: _____ model: _____

brand: _____ model: _____

serial no.: _____

serial no.: _____

serial no.: _____

serial no.: _____

Check Printer -- brand: _____ model: _____ serial no.: _____

Router/Network Equipment _____

Initials: _____ (Franchisee) _____ (TRC)
 Date: _____

Exhibit D
Franchise Computer Plan

Computer Hardware Lease and Renewal

2018 Franchise Disclosure Document

Page 5

TRC Staffing Services, Inc.

15360529v4

Initials: _____

Initials: _____

Schedule 2

TRC Computer Rules Agreement

Exhibit D
Franchise Computer Plan
Computer Hardware Lease and Renewal
2018 Franchise Disclosure Document
Page 6

TRC Staffing Services, Inc.

15360529v4

Initials: _____
Initials: _____



Agreement to Abide by Rules for Use of and Access to TRC's Computers and Peripheral Devices

1. All computer equipment is the property of TRC Staffing Services, Inc., and is intended for TRC business use only, at the location in which it was installed. You may not move computer equipment within a facility or to another location without written permission from the MIS department.
2. You may not allow a client to attach a TRC computer to a network at a client location without written permission from the MIS department.
3. *You may not install, nor allow anyone else to install, any software unless provided and approved by TRC's MIS department.* This includes screen savers, games, software provided by clients, e-mail items and items downloaded from the Internet.
4. You may not use TRC's computer equipment and/or your access to the Internet to access private mail accounts or "instant messaging systems," such as AOL, Hotmail, etc.
5. When accessing the Internet, you may not download programs from the Internet that install themselves on TRC's computer without the express permission of TRC's MIS department. This includes AOL Instant Messenger, etc.
6. E-mail is not the U. S. Mail. You have no expectation of privacy or confidentiality in your communication with anyone via TRC's e-mail. Your e-mail may be read by others during routine audits.
7. Computer viruses are a major concern to TRC. You are highly likely to receive them in resumes. If the anti-virus program informs you that it has repaired an e-mail attachment, do not forward that attachment to others. Delete it immediately. Removal of the virus frequently damages the document. Attempting to use the document can disable Word or Excel.
8. You may not insert disks into TRC's computer equipment that have been used on your personal computer or anyone else's computer. This includes resumes from applicants. They may contain viruses, some too new for our anti-virus software to identify.
9. You may not attach your personal laptop computer or anyone else's laptop computer to TRC's computer without written permission from TRC's MIS department.

We believe these rules are clear. If you do not understand any portion of this document, it is your responsibility to ask your manager or TRC's MIS department for further explanation. Violation of these rules by an employee or other representative of TRC may lead to severe penalties and costs to the branch. Additionally, employees of TRC may be subject to disciplinary measures up to and including immediate termination of employment with TRC.

Exhibit D
Franchise Computer Plan
Computer Hardware Lease and Renewal
TRC Staffing Services, Inc. 2018 Franchise Disclosure Document
15360529v4 Page 7

Initials: _____
Initials: _____

Schedule 3

TRC Intellectual Property Policy

Exhibit D
Franchise Computer Plan
Computer Hardware Lease and Renewal
2018 Franchise Disclosure Document
Page 8

TRC Staffing Services, Inc.

15360529v4

Initials: _____
Initials: _____



INTELLECTUAL PROPERTY POLICY

All computers, computer programs and files, e-mail systems, facsimile systems, and software furnished by TRC Staffing Services, Inc. (TRC) are TRC property intended for business use and are to be used solely for job-related purposes. Employees or representatives should not use a password, access a file, or retrieve any stored communication without authorization. All TRC employees or representatives are expected to use the company's resources responsibly, professionally, ethically, and lawfully.

Computer Use

As an employee or representative of TRC, you may be granted the use of an individual computer system (desktop, laptop, or both) and given access to the TRC computer network (collectively referred to as "TRC computer resources") for the sole purpose of assisting you in the performance of your job. You should have no expectation of privacy in anything you create, store, send, or receive on TRC computer resources. TRC may review any material created, stored, sent or received on your individual computer system, on its network, through the Internet, or through any other computer system or network owned, managed or made available for your use by the company.

All documents, models, computer software and programs, and other items prepared in connection with or relating to TRC computer resources shall be the property of TRC, and TRC assumes the future copyright in any such items as and when such copyright comes into existence.

Use of TRC computer resources for any of the following activities is strictly prohibited:

- Sending, receiving, downloading, displaying, printing, or otherwise disseminating material that is sexually explicit, profane, obscene, harassing, fraudulent, racially offensive, political or religious in nature, intimidating, defamatory, or otherwise unlawful.
- Disseminating or storing commercial or personal advertisements, solicitations, promotions, destructive programs (also known as computer viruses or self-replicating codes), political or religious information, or any other unauthorized material.
- Wasting computer resources by such practices as sending mass mailings or chain letters, spending excessive amounts of time on the Internet, playing games, engaging in online chat groups, printing multiple copies of personal or non-work-related documents, or otherwise creating unnecessary network traffic.

- Installing any software or Internet-based program, whether from a disk, CD-ROM, e-mail attachment, or the Internet, that has not been approved by TRC's corporate MIS department.
- Using or copying software in violation of a license agreement or copyright.
- Any computer activity that may be found to be in violation of local, state, federal, or international law.

If you become aware of someone using TRC computer resources for any of these activities, please advise your supervisor, or Human Resources at Home Office. Violations of this policy may result in disciplinary action, including possible termination, as well as civil or criminal penalties, if warranted.

E-mail Use

TRC employees or representatives should endeavor to make all electronic communication truthful and accurate. Always use the same care in drafting e-mail and other electronic documents as you would any other written communication. Please keep in mind that anything created or stored on TRC computer resources may, and likely will, be reviewed by others.

Never consider electronic communications to be either private or secure. E-mail is stored on any number of TRC computer resources, including your desktop or laptop. Copies of your messages may be retrieved by TRC for review, and may be forwarded to others either electronically or on paper.

The company has the right, but not the duty, to monitor any and all aspects of corporate e-mail use, including, but not limited to, reviewing e-mail sent and received by you through TRC computer resources.

To prevent "spamming" (unsolicited mass-mailings), you may not send unsolicited e-mail to persons with whom you do not have a prior relationship, without the express consent of your supervisor.

Employees are not permitted to alter the "From:" line or other attribution-of-origin information in e-mail, messages, or postings. Anonymous or pseudonym communication via e-mail is expressly forbidden.

Internet Use

Since the Internet can be a valuable source of information and an effective tool for research, certain employees may be provided access to the Internet for the sole purpose of assisting them in performing their duties. Additionally, Internet-based e-mail can provide a means of communication with other employees, our clients, outside vendors, and other businesses. Use of the Internet, however, must at all times be tempered with common sense and good judgment.

If you abuse your right to use the Internet in the performance of your duties, the privilege may be taken away from you. In addition, you may be subject to disciplinary action, including possible termination, as well as civil or criminal penalties, if warranted.

Your use of the Internet through TRC computer resources is governed by the following policy:

**Exhibit D
Franchise Computer Plan
Computer Hardware Lease and Renewal**

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document
Page 10

Initials: _____
Initials: _____

- TRC is not responsible for material viewed on or downloaded by you from the Internet. The Internet is a worldwide network of computers that contains millions of pages of information. You are cautioned that many of these pages include offensive, sexually explicit, and otherwise inappropriate content. TRC recognizes that it is sometimes difficult to avoid accidental contact with some of this material while using the Internet, since even innocuous searches may lead to sites where such offensive content is displayed. In addition, having an e-mail address on the Internet may generate unsolicited e-mail containing material you find offensive. As a user of the Internet for TRC business purposes only, you are cautioned that accessing, or remaining on these sites voluntarily constitutes a violation of company policy. If accessed, you should immediately disconnect from such sites.
- The company has the right, but not the duty, to monitor any and all aspects of Internet use through TRC computer resources, including, but not limited to, monitoring sites visited by employees on the Internet, monitoring chat groups and newsgroups, reviewing material down or uploaded by users to and from the Internet, monitoring the amount of time spent online and reviewing e-mail sent and received through the Internet or internal systems.
- As a TRC employee or representative you are hereby notified that TRC may use software to identify inappropriate access to certain Internet sites. Additionally, such sites may be blocked from access by TRC computer resources.
- To ensure security, your access to the Internet and e-mail, through TRC computer resources, must only be through an approved Internet Service Provider using software and hardware approved by TRC's corporate MIS officer. Accessing the Internet directly via modem from your workstation is strictly prohibited without prior approval by TRC.

EXHIBIT E

OPERATIONS MANUAL TABLE OF CONTENTS

TABLE OF CONTENTS

UNIT ONE: THE STAFFING EMPLOYEE	1001
I. The Acceptance Process.....	
Step One: TRC Greeting and Screening	1001
Step Two: The TRC Evaluation Process	1021
Step Three: The TRC Employee Orientation	1041
Step Four: The TRC Interviewing Process	1091
Step Five: Staffing Employee Application Maintenance	1141
II. Inactivation, Separation, Termination Overview	1151
III. Staffing Employee File Systems	1161
IV. Supervision of the Staffing Employee	1181
Total Pages – Unit One	59 Pages
UNIT TWO: THE STAFFING EMPLOYEE AND THE LAW.....	2000
Total Pages – Unit Two.....	1 Page
UNIT THREE: THE CLIENT.....	3000
I. Introduction	3001
II. The Client Order	3003
III. TRC Quality Performance System	3031
IV. The Weekly Activity Report	3051
V. Client Records	3061
Total Pages – Unit Three	24 Pages
UNIT FOUR: RECRUITING AND RETENTION.....	4000
I. Recruiting, the Basics of the Business	4001
II. Retention	4021
Total Pages – Unit Four	33 Pages

TABLE OF CONTENTS

UNIT FIVE: SALARY ADMINISTRATION AND PRICING OUR BUSINESS	5000
I. Philosophy.....	5001
II. Pricing Our Business.....	5011
III. Salary Administration	5021
IV. Financial Information.....	5031
Total Pages – Unit Five	10 Pages
UNIT SIX: TIME MANAGEMENT	6000
I. Introduction	6001
II. How Can We Become Better Time Managers	6011
III. Team Time Management	6021
IV. Individual Time Management	6031
Total Pages – Unit Six	19 Pages
UNIT SEVEN: SUPPORT SYSTEMS.....	7000
I. Accounting	7001
II. Credit.....	7021
III. Payroll and Billing	7051
IV. Marketing and Training.....	7115
Total Pages – Unit Seven.....	32 Pages
Total Pages – All Units.....	178 Total Pages

EXHIBIT F

LIST OF STATE ADMINISTRATORS

REGISTRATION STATES

California Commissioner of the Department of Business Oversight 320 West 4 th Street, Suite 750 Los Angeles, CA 90013-2344 (1-(866) 275-2677)	Minnesota Minnesota Dept. of Commerce 133 East Seventh Street St. Paul, MN 55101 (612) 296-6328	South Dakota Dept. of Commerce & Regulation Division of Securities 118 West Capitol Pierre, SD 57501-5070
Hawaii Business Registration Div. Dept. of Commerce & Consumer Affairs 1010 Richards Street Honolulu, HI 96813 (808) 586-2722	New York New York Department of Law Investor Protection Bureau 120 Broadway, 23rd Floor New York, NY 10271 (212) 416-8211	Virginia State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street, Richmond, VA 23219 (804) 371-9051 Agent For Consent of Service Process: Clerk, State Corporation Commission 1300 E. Main Street, First Floor Richmond, VA 23219
Illinois Franchise Bureau Office of Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465	North Dakota Franchise Examiner Securities Department 600 East Boulevard, 5 th Fl. Bismarck, ND 58505 (701) 224-4712	Washington Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507-9033 (206) 753-6928
Indiana Deputy Commissioner, Franchise Division Indiana Securities Commission Secretary of State 302 West Washington Street, Room E-111 Indianapolis, IN 46204 (317) 232-6681	Oregon Department of Consumer & Business Services Division of Finance and Corporate Securities Labor and Industries Building 350 Winter Street NE, Room 410 Salem, OR 97301 (503) 378-4387	Wisconsin Securities and Franchise Registration Wisconsin Securities Commission P.O. Box 1768 Madison, WI 53701 (608) 266-8559
Maryland Office of the Attorney General, Securities Division 200 St. Paul Place Baltimore, MD 21202 (410) 576-7044	Rhode Island Chief Securities Examiner Department of Business Regulation Securities Division Franchise Section 233 Richmond Street, Suite 232 Providence, RI 02903-4232 (401) 277-3048	Michigan Consumer Protection Division Michigan Department of Attorney General 670 Law Building Lansing, MI 48913 (517) 373-7117

EXHIBIT G

REGISTERED AGENTS TO RECEIVE SERVICE OF PROCESS

AGENTS FOR SERVICE OF PROCESS

CALIFORNIA

Commissioner of the Department of Business
Oversight
320 West Fourth Street, Suite 750
Los Angeles, California 90013

HAWAII

Department of
Commerce and Consumer Affairs
Business Registration Division
Commissioner of Securities
King Kalakaua Building
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

ILLINOIS

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706

INDIANA

Chief Deputy Commissioner
Franchise Section
Indiana Securities Division
Secretary of State
Room E-111
302 West Washington Street
Indianapolis, Indiana 46204

MARYLAND

Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland 21202

MICHIGAN

Michigan Department of Commerce
Corporation and Securities Bureau
6546 Mercantile Way
P.O. Box 30222
Lansing, Michigan 48910

MINNESOTA

The Commissioner of Commerce of Minnesota
Department of Commerce
85 7th Place East, Suite 500
St. Paul, Minnesota 55101

NEW YORK

Secretary of State of the State of New York
162 Washington Avenue
Albany, New York 12231

NORTH DAKOTA

The Securities Commissioner
State Capitol
600 East Boulevard
Bismarck, North Dakota 58505

OREGON

Director
Department of Insurance and Finance
21 Labor and Industries Building
Salem, Oregon 97310

RHODE ISLAND

Director of Department of Business Regulation
Suite 232
233 Richmond Street
Providence, Rhode Island 02903-4232

SOUTH DAKOTA

Director
Division of Securities
118 West Capitol Avenue
Pierre, South Dakota 57501-2017

VIRGINIA

Clerk of the State Corporation Commission
1300 East Main Street
Richmond, Virginia 23219

WASHINGTON

Director of Department of Financial Institutions
General Administration Building
Securities Division
150 Israel Rd. SW
Tumwater, Washington 98501

WISCONSIN

Commissioner of Securities
345 West Washington Avenue
Madison, Wisconsin 53703

Exhibit G

Registered Agents to Receive Service of Process

2018 Franchise Disclosure Document

Page 1

EXHIBIT H

STATE SPECIFIC ADDENDA

**TRC STAFFING SERVICES, INC.
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF CALIFORNIA**

**THE TRC STAFFING SERVICES, INC. FRANCHISE DISCLOSURE DOCUMENT
("FDD")
CONTAINS INFORMATION REQUIRED BY BOTH
THE FEDERAL TRADE COMMISSION AND THE STATE OF CALIFORNIA.
THIS ADDENDUM TO THE FDD CONTAINS INFORMATION
REQUIRED EXCLUSIVELY BY THE STATE OF CALIFORNIA AND IS BEING
PROVIDED
TO YOU AT THE SAME TIME AS THE FDD.**

* * *

**THE INFORMATION CONTAINED HEREIN MUST BE
REVIEWED IN CONJUNCTION WITH THE FDD**

CALIFORNIA ADDENDUM TO TRC STAFFING SERVICES, INC.

In recognition of the requirements of the California Franchise Investment Law, Cal. Corporations Code Sections 31000 *et seq.* the Franchise Disclosure Document for TRC Staffing Services, Inc. for use in the State of California shall be amended as follows:

Item 3 of the FDD is supplemented to include the following:

Neither the franchisor nor any person or franchise broker in Item 2 of the FDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934,¹⁵ U.S.C.A. 78a *et seq.*, suspending or expelling such person from membership in such association or exchange.

Item 17 of the FDD shall be supplemented to include the following:

California Business & Professions Code Sections 20000 through 20043 provides rights to the franchisee concerning termination or nonrenewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 *et seq.*).

The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as the Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provision of a franchise agreement restricting venue to a forum outside the state of California.

The Franchise Agreement requires application of the law of the State of Georgia. This provision may not be enforceable under California law.

The Franchise Agreement requires litigation in the state courts of the State of Georgia or the United States District Court for the Northern District of Georgia with costs being borne as determined by the court.

Section 31125 of the California Corporation Code requires the franchisor to give the franchisee a disclosure document, in a form and containing such information as the Commissioner may by rule or order require, prior to a solicitation of a proposed material modification of an existing franchise.

You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043).

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with the offering circular.

FRANCHISE DISCLOSURE DOCUMENT

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT www.corp.ca.gov.

Exhibit H

California Addendum

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document

Page 3

15360529v4

**TRC STAFFING SERVICES, INC.
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF ILLINOIS**

**THE TRC STAFFING SERVICES, INC. FRANCHISE DISCLOSURE DOCUMENT
("FDD")
CONTAINS INFORMATION REQUIRED BY BOTH
THE FEDERAL TRADE COMMISSION AND THE STATE OF ILLINOIS.
THIS ADDENDUM TO THE FDD CONTAINS INFORMATION
REQUIRED EXCLUSIVELY BY THE STATE OF ILLINOIS AND IS BEING
PROVIDED
TO YOU AT THE SAME TIME AS THE FDD.**

* * *

**THE INFORMATION CONTAINED HEREIN MUST BE
REVIEWED IN CONJUNCTION WITH THE FDD**

TRC STAFFING SERVICES, INC.
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF ILLINOIS

Table of Contents

1. AMENDMENT TO TRC STAFFING SERVICES, INC. FRANCHISE AGREEMENT REQUIRED BY THE STATE OF ILLINOIS
2. ADDENDUM TO TRC STAFFING SERVICES, INC. FRANCHISE DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF ILLINOIS
3. RECEIPT FOR ILLINOIS ADDENDUM

Exhibit H

Illinois Addendum

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document

Page 2

15360529v4

**AMENDMENT TO TRC STAFFING SERVICES, INC.
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF ILLINOIS**

This Amendment shall pertain to franchises sold in the State of Illinois and shall be for the purpose of complying with Illinois statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement shall be amended as follows:

1. Paragraph 22(a) of the Agreement shall be supplemented as follows:

However, the foregoing choice of law should not be considered a waiver of any right conferred upon you by the provisions of the Illinois Franchise Disclosure Act of 1987 (the "Act") and The Rules and Regulations under the Act with respect to the offer and sale of a franchise and the franchise relationship. Where required under Illinois law, the laws of the State of Illinois will govern.

2. Paragraph 22(k) of the Agreement shall be supplemented as follows:

Any provision which designates jurisdiction or venue or requires you to agree to jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which is otherwise enforceable in Illinois, except arbitration may take place outside the State of Illinois.

3. Paragraph 22(l) of the Agreement is supplemented as follows:

The foregoing notwithstanding, an action brought under Section 26 of the Act to enforce any liability created by the Act may be maintained if brought before the expiration of 3 years after the act or transaction constituting the violation upon which it is based, the expiration of one year after the franchisee becomes aware of facts or circumstances reasonably indicating that he may have a claim for relief in respect to conduct governed by the Act, or 90 days after delivery to the franchisee of a written notice disclosing the violation, whichever shall first expire.

4. Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act is void." To the extent that any provision in the Agreement is inconsistent with Illinois law, Illinois law will control.

Franchisee's Initials/Date

Franchisor's Initials/Date

AMENDMENT TO TRC STAFFING SERVICES, INC.
LOAN AND SECURITY AGREEMENT
REQUIRED BY THE STATE OF ILLINOIS

This Amendment shall pertain to franchises sold in the State of Illinois and shall be for the purpose of complying with Illinois statutes and regulations. Notwithstanding anything which may be contained in the body of the Loan and Security Agreement (the "Agreement") to the contrary, the Agreement shall be amended as follows:

1. Section L (2) of the Agreement shall be supplemented as follows:

The foregoing notwithstanding, Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act is void." To the extent that any provision in the Agreement is inconsistent with Illinois law, Illinois law will control.

Franchisee's Initials/Date

Franchisor's Initials/Date

Exhibit H

Illinois Addendum

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document

Page 4

15360529v4

ADDENDUM TO TRC STAFFING SERVICES, INC.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF ILLINOIS

For franchises and Franchisees subject to the Illinois Franchise Disclosure Act of 1987 and the Illinois General Rules and Regulations under the Franchise Disclosure Act, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the TRC Staffing Services, Inc. Illinois Franchise Disclosure Document.

Item 17 shall be supplemented to include the following disclosure:

The conditions under which your franchise can be terminated and your rights upon nonrenewal may be affected by Illinois law, ILL. Rev. Stat 1989, ch 121 2, paras. 1719 and 1720.

Any choice of law provision in the Franchise Agreement should not be considered a waiver of any right conferred upon you by the provisions of the Illinois Franchise Disclosure Act of 1987 and the Rules and Regulations under the Act with respect to the offer and sale of a franchise and the franchise relationship. Where required under Illinois law, the laws of the State of Illinois will govern.

Any provision which designates jurisdiction or venue or requires Franchisee to agree to jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which is otherwise enforceable in Illinois, except arbitration may take place outside the State of Illinois.

Section 41 of the Illinois Franchise Disclosure Act states that “any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void.” To the extent that any provision in the Franchise Agreement or Loan and Security Agreement is inconsistent with Illinois law, Illinois law will control.

Exhibit H
Illinois Addendum

**TRC STAFFING SERVICES, INC.
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF INDIANA**

**THE TRC STAFFING SERVICES, INC. FRANCHISE DISCLOSURE DOCUMENT
("FDD")
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THE FEDERAL TRADE COMMISSION AND THE STATE OF INDIANA.
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TO YOU AT THE SAME TIME AS THE FDD.**

* * *

**THE INFORMATION CONTAINED HEREIN MUST BE REVIEWED IN
CONJUNCTION WITH THE FDD**

**AMENDMENT TO TRC STAFFING SERVICES, INC.
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF INDIANA**

This Amendment shall pertain to franchises sold in the State of Indiana and shall be for the purpose of complying with Indiana statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement shall be amended as follows:

1. Section 2 of the Franchise Agreement entitled "Grant of Franchise" is supplemented by the following provision:

Ind. Code §§ 23-2-2.7-1(2) and 23-2-2.7-2(6) prohibit any provision in a franchise agreement allowing a franchisor to establish, and prohibit a franchisor from establishing a franchisor-owned outlet engaged in a substantially identical business to that of the franchisee within the Territory granted the franchisee by the Franchise Agreement; or, if no exclusive territory is designated, permitting the franchisor to compete unfairly with the franchisee within a reasonable area. To the extent that any provision of the Franchise Agreement conflicts with Indiana law, Indiana law will control.

2. Sections 2(b) and 14(a)(4)(vii) of the Franchise Agreement is supplemented by the following provision:

To the extent you are required to execute a release in favor of TRC Staffing Services, Inc., such release shall exclude liabilities arising under the Indiana Deceptive Franchise Practices Law, Ind. Code § 23-2-2.7-1 (5).

3. Ind. Code § 23-2-2.7-1(10) prohibits any provision in the Franchise Agreement which limits litigation brought for breach of the Agreement in any manner whatsoever. To the extent that any provision of the Franchise Agreement conflicts with Indiana Code § 23-2-2.7-1 (10), Indiana law will control.

4. Section 11 of the Franchise Agreement entitled "Indemnification" is supplemented by the following provision:

; provided, however, such indemnification obligations shall exclude liability caused by your proper reliance on or use of procedures or materials provided by TRC Staffing Services, Inc. or caused by TRC Staffing Services, Inc.'s negligence.

5. Section 14(b) of the Franchise Agreement entitled "Death or Disability" is supplemented by the following provision:

Ind. Code § 23-2-2.7-2(3) makes it unlawful for a franchisor to deny the surviving spouse, heirs, or estate of a deceased franchisee the opportunity to participate in the ownership of the franchise under a valid franchise agreement for a reasonable time after the death of the franchisee, provided that the surviving spouse, heirs or estate maintains all standards and obligations of the franchise.

8. Section 22(a) of the Agreement entitled "Governing Law" is supplemented by the following provision:

Exhibit H

Indiana Addendum

However, the foregoing choice of law should not be considered a waiver of any right conferred upon you by the provisions of the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Law with respect to the offer and sale of a franchise and the franchise relationship. Notwithstanding anything in this Agreement to the contrary, this Agreement shall be governed by the Indiana Franchise Disclosure Law Ind. Code § 23-2-2.5 and the Indiana Deceptive Franchise Practices Law Ind. Code § 23-2-2.7.

9. Sections 22(K) entitled “Consent To Jurisdiction of Georgia Courts” of the Agreement are both supplemented by the following provision:

Indiana franchisees are allowed access to Indiana courts. Any provision which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of Indiana with respect to any matter governed by the Indiana Deceptive Franchise Practices Law and Indiana Franchise Disclosure Law is void.

11. Section 22(1) of the Agreement entitled “Limitation on Actions” is supplemented by the following provision:

Ind. Code § 23-2-2.7-1 (1) and 23-2-2.5-30 impose different time limitations or litigation brought for breach of the Franchise Agreement or violation of Indiana law in connection with the Franchise Agreement. To the extent that any provision of the Franchise Agreement conflicts with Indiana law, Indiana law will control.

Franchisee (Initials/Date)

TRC Staffing Services, Inc, (Initials/Date)

Exhibit H

Indiana Addendum

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document

Page 2

15360529v4

ADDENDUM TO TRC STAFFING SERVICES, INC.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF INDIANA

For franchises and franchisees subject to the Indiana Franchise Disclosure Law and the Indiana Deceptive Franchise Practices Law, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the TRC Staffing Services, Inc. Franchise Disclosure Document.

Item 8. Item 8 of the offering circular is amended to include the following disclosure:

The Indiana Deceptive Franchise Practices Law, Ind. Code §23-2-2.7-1(4) prohibits provisions in a franchise agreement subject to the Law which allow the franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee. To the extent that any provision of the Franchise Agreement conflicts with Indiana Law, Indiana Law will control.

The Indiana Deceptive Franchise Practices Law, Ind. Code§ 23-2-2,7-2(6) makes it unlawful for any franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee. To the extent that any of TRC Staffing Services, Inc.'s business practices conflicts with Indiana Law, Indiana Law will control.

Item 12. Item 12 of the offering circular is amended to include the following disclosure:

Ind. Code § 23-2-2.7-1(2) prohibits any provision in the Agreement which allows TRC Staffing Services, Inc. to establish a franchisor-owned outlet engaged in a substantially identical business to that of the Franchised Business within the Territory. Ind. Code § 23-2-2.7-2(4) prohibits any franchisor who has entered into any franchise agreement with a franchisee who is either a resident of Indiana or a nonresident operating a franchise in Indiana from establishing a franchisor-owned outlet engaged in a substantially identical business to that of the Franchised Business within the Territory. To the extent that any provision of the Agreement or TRC Staffing Services, Inc.'s business practices conflict with Indiana Law, Indiana Law will control.

Item 17. Item 17 of the offering circular is amended to include the following disclosure:

To the extent you are required to execute a release in favor of TRC Staffing Services, Inc., such release shall exclude liabilities arising under the Indiana Deceptive Franchise Practices Law, Ind. Code § 23-2-2.7-1.

Ind. Code §23-2-2.7-2(3) makes it unlawful for a franchisor to deny the surviving spouse, heirs, or estate of a deceased franchisee the opportunity to participate in the ownership of the franchise under a valid franchise agreement for a reasonable time after the death of the franchisee, provided that the surviving spouse, heirs or estate maintains all standards and obligations of the franchise. To the extent that the Franchise Agreement requires a surviving spouse, heirs or an estate representative to assume liability under the Franchise Agreement and to complete training, the Franchise Agreement has been amended in accordance with Indiana Law to provide that all such conditions must be met within 6 months of the franchisee's date of death.

Ind. Code §23-2-2.7-1(10) prohibits any provision in the Agreement which limits litigation brought for breach of the Agreement in any manner whatsoever. To the extent that any provision of the Agreement conflicts with Indiana Law, Indiana Law will control.

The choice of law provision contained in the Franchise Agreement should not be considered a waiver of any right conferred upon you by the provisions of the Indiana Franchise Disclosure Law or the Indiana Deceptive Franchise Practices Law with respect to the offer and sale of a franchise and the franchise relationship. Notwithstanding anything in this Agreement to the contrary, the Franchise Agreement shall be governed by the Indiana Franchise Disclosure Law IC § 23-2-2.5 and the Indiana Deceptive Franchise Practices Law IC § 23-2-2.7, under Ind. Code §23-2-2.7.

Indiana franchisees are allowed access to Indiana courts. Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of Indiana with respect to any matter governed by the Indiana Deceptive Franchise Practices Law and Indiana Franchise Disclosure Law is void. The post term covenant not to compete is limited to your non-exclusive area under the Franchise Agreement pursuant to Ind. Code §23-2-2.7-1(9).

Exhibit H
Indiana Addendum

**TRC STAFFING SERVICES, INC.
AMENDMENT TO FRANCHISE AGREEMENT AND
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF MARYLAND**

**THE TRC STAFFING SERVICES, INC. FRANCHISE DISCLOSURE DOCUMENT
("FDD")
CONTAINS INFORMATION REQUIRED BY BOTH
THE FEDERAL TRADE COMMISSION AND THE STATE OF MARYLAND.
THIS ADDENDUM TO THE FDD CONTAINS INFORMATION REQUIRED
EXCLUSIVELY BY THE STATE OF MARYLAND
AND IS BEING PROVIDED TO YOU AT THE SAME TIME AS THE FDD**

* * *

**THE INFORMATION CONTAINED HEREIN MUST BE
REVIEWED IN CONJUNCTION WITH THE FDD**

AMENDMENT TO TRC STAFFING SERVICES, INC.
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF MARYLAND

This Amendment shall pertain to franchises sold to residents of Maryland, to franchises sold in the State of Maryland, and to franchises sold which are to be located in Maryland, and shall be for the purpose of complying with Maryland statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement shall be amended as follows:

In Maryland, any general release required of the franchisee as a condition of renewal, sale, assignment and/or transfer shall not apply to any release from liability under the Maryland Franchise Registration and Disclosure Law. Sections 2.2.8, and 193.7 of the Franchise Agreement are amended accordingly.

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Maryland Franchise Registration and Disclosure Law provides that any action brought under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

Section 22(k) of the Franchise Agreement is amended to provide that you may file a lawsuit alleging a cause of action arising under the Maryland Franchise Registration and Disclosure Law in any court of competent jurisdiction within the State of Maryland.

Section 15(a) of the Franchise Agreement provides that TRC Staffing Services, Inc. may terminate you if you file a petition in bankruptcy or bankruptcy proceedings are commenced naming you as debtor. These provisions may not be enforceable under federal bankruptcy law.

Franchisee's Initials/Date

Franchisor's Initials/Date

ADDENDUM TO TRC STAFFING SERVICES, INC.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF MARYLAND

For franchises and franchisees subject to the Maryland Franchise Registration and Disclosure Law, the following information replaces or supplements, as the case may be, the corresponding disclosures in the main body of the text of the TRC Staffing Services, Inc. Franchise Disclosure Document:

Item 17.

The Franchise Agreement provides that we may terminate the Franchise Agreement if you voluntarily or involuntarily file for bankruptcy, as described in the “Summary of Cause Defined-defaults which cannot be cured” (provision (h)). This provision may not be enforceable under federal bankruptcy law.

Under Maryland Law, any general release required of the franchisee as a condition of renewal, sale, assignment and/or transfer will not apply to any release from liability under the Maryland Franchise Registration and Disclosure Law.

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. So, the Summary of the Choice of Forum (provision (v.)) is amended to provide that you may file a lawsuit making a claim under the Maryland Franchise Registration and Disclosure Law in any court of competent jurisdiction within the State of Maryland.

Maryland Franchise Registration and Disclosure Law provides that any lawsuit brought under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

Exhibit J. Compliance Certificate.

The Compliance Certificate is amended to include a statement that all representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Exhibit H

Maryland Addendum

2018 Franchise Disclosure Document

Page 2

TRC Staffing Services, Inc.

15360529v4

**TRC STAFFING SERVICES, INC.
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF MINNESOTA**

**THE TRC STAFFING SERVICES, INC.
FRANCHISE DISCLOSURE DOCUMENT (“FDD”)
CONTAINS INFORMATION REQUIRED BY BOTH
THE FEDERAL TRADE COMMISSION AND THE STATE OF MINNESOTA.
THIS ADDENDUM TO THE FDD CONTAINS INFORMATION
REQUIRED EXCLUSIVELY BY THE STATE OF MINNESOTA
AND IS BEING PROVIDED TO YOU AT THE SAME TIME AS THE FDD.**

* * *

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ADDENDUM TO TRC STAFFING SERVICES, INC.
UNIFORM FRANCHISE OFFERING
CIRCULAR REQUIRED FOR THE STATE OF MINNESOTA

For franchises and franchisees subject to the Minnesota Franchise Act, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the TRC STAFFING SERVICES, INC. Uniform Franchise Offering Circular.

Item 13

TRC STAFFING SERVICES, INC. will protect your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or will indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the marks to the extent required by Minnesota law.

Item 17

Minnesota law provides franchisees with certain termination and nonrenewal rights. As of the date of this Offering Circular, Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the Franchise Agreement.

Minn. Stat Sec. 80C.21 provides that any condition, stipulation or provision, including any choice of law provision, purporting to bind any person who, at the time of acquiring a franchise is a resident of Minnesota or, in the case of a partnership or corporation, organized or incorporated under the laws of Minnesota, or purporting to bind a person acquiring any franchise to be operated in Minnesota to waive compliance or which has the effect of waiving compliance with any provision of §§ 80C.01 to 80C.22 of the Minnesota Franchises Act, or any rule or order thereunder, is void.

Minn. Stat § 80C.21 and Minn. Rule 2860.4400J prohibit TRC STAFFING SERVICES, INC. from requiring litigation to be conducted outside Minnesota. In addition, nothing in the offering circular or Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

To the extent you are required to execute a general release in favor of TRC STAFFING SERVICES, INC., such release shall exclude liabilities arising under the Minnesota Franchises Act, Minn. Stat. §80C.01 *et seq.* as provided by Minn. Rule 2860.4400J.

Exhibit H

Minnesota Addendum

AMENDMENT TO TRC STAFFING SERVICES, INC.
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF MINNESOTA

This Amendment shall pertain to franchises sold in the State of Minnesota and shall be for the purpose of complying with Minnesota statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement shall be amended as follows:

1. Minnesota law provides franchisees with certain termination and nonrenewal rights. As of the date of this Agreement, Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of nonrenewal of the Franchise Agreement.
2. TRC STAFFING SERVICES, INC. will protect your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or will indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the marks to the extent required by Minnesota law.
3. Section 22(k) of the Agreement shall be supplemented by the following provision: Pursuant to Minn. Stat. Sec. 80C.21, this Paragraph shall not in any way abrogate or reduce any of your rights as provided in Minnesota Statutes, Chapter 80C, including but not limited to the right to submit matters to the jurisdiction of the courts of Minnesota.
4. Minn. Stat. § 80.C.21 and Minn. Rule 2860.44007 prohibit TRC STAFFING SERVICES, INC. from requiring litigation to be conducted outside Minnesota. In addition, nothing in the offering circular or Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.
5. To the extent you are required to execute a general release in favor of TRC STAFFING SERVICES, INC., such release shall exclude liabilities arising under the Minnesota Franchises Act, Minn. Stat. § 80C.01 et seq. as provided by Minn. Rule 2860.4400J.
6. Any claims brought pursuant to the Minnesota Franchises Act, § 80.C.01 *et seq.*, must be brought within 3 years after the cause of action accrues. To the extent that any provision of the Franchise Agreement imposes a different limitations period, the provision of the Act shall control.

Franchisee's Initials/Date

Franchisor's Initials/Date

**TRC STAFFING SERVICES, INC.
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF NEW YORK**

**TRC STAFFING SERVICES, INC.
FRANCHISE DISCLOSURE DOCUMENT ("FDD")
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THIS ADDENDUM TO THE FDD CONTAINS INFORMATION
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AND IS BEING PROVIDED TO YOU AT THE SAME TIME AS THE FDD.**

* * *

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TRC STAFFING SERVICES, INC.
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF NEW YORK

TABLE OF CONTENTS

1. STATEMENT REQUIRED BY THE STATE OF NEW YORK
2. AMENDMENT TO **TRC STAFFING SERVICES, INC.** FRANCHISE AGREEMENT REQUIRED BY THE STATE OF NEW YORK
3. ADDENDUM TO **TRC STAFFING SERVICES, INC.** FRANCHISE DISCLOSURE DOCUMENT REQUIRED BY THE STATE OF NEW YORK

STATEMENT REQUIRED BY THE STATE OF NEW YORK

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE PROSPECTUS. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS PROSPECTUS.

Exhibit H

New York Addendum

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document

Page 1

15360529v4

**AMENDMENT TO TRC STAFFING SERVICES, INC.
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF NEW YORK**

In recognition of the requirements of the New York General Business Law, Article 33, the parties to the attached TRC Staffing Services, Inc. Franchise Agreement (the "Agreement") agree as follows:

1. Sections 14(a)(4)(vii) and 2(b)(2) of the Agreement with respect to your execution of a general release shall be supplemented by the following provision:

Provided that all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the GBL of New York and the regulations issued hereunder shall remain in force; it being the intent of this proviso that the nonwaiver provisions of Sections 687.4 and 687.5 of New York's GBL be satisfied.

2. Section 11 of the Agreement shall be supplemented to include the following provision:

Notwithstanding the above, you shall indemnify **TRC Staffing Services, Inc.** and hold **TRC Staffing Services, Inc.** harmless from liabilities resulting from your breaches and civil wrongs only.

3. Section 13 of the Agreement shall be supplemented to include the following provision:

In the event of such an assignment, **TRC Staffing Services, Inc.** will ascertain that its assignee, in **TRC Staffing Services, Inc.**'s reasonable judgment, possesses the economic resources to fulfill **TRC Staffing Services, Inc.**'s obligations to its franchisees.

4. Section 22(a) of the Agreement shall be supplemented by the following provision:

However, the foregoing choice of law shall not be considered a waiver of any right conferred upon Franchisee by the provisions of Article 33 of the New York State General Business Law.

5. The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under New York law.

6. **TRC Staffing Services, Inc.**'s termination of the Franchise Agreement because of your insolvency or bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 *et seq.*)

Franchisee's Initials/Date

Franchisor's Initials/Date

ADDENDUM TO TRC STAFFING SERVICES, INC.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF NEW YORK

In recognition of the requirements of the New York General Business Law, Article 33, Section 680 through 695, and of the Codes, Rules, and Regulations of the State of New York, Title 13, Chapter VII, Section 200.1 through 201.16 the Franchise Disclosure Document for TRC Staffing Services, Inc. for use in the State of New York shall be amended as follows:

1. Item 3 shall be supplemented by the following:

Neither we, our predecessor, nor any person identified in Item 2 or an affiliate offering franchises under our principal trademark has an administrative, criminal or civil action pending against that person alleging: a felony; a violation of a franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion, misappropriation of property; unfair or deceptive practices or comparable civil or misdemeanor allegations.

Neither we, our predecessor, nor any person identified in Item 2 or an affiliate offering franchises under our principal trademark has been convicted of a felony or pleaded *nolo contendere* to a felony charge or, within the ten-year period immediately preceding the application for registration, has been convicted of or pleaded *nolo contendere* to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

Neither we, our predecessor, any person identified in Item 2 or an affiliate offering franchises under our principal trademark is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, state or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

2. Item 5 shall be supplemented by the following:

All franchisee fees are applied to the franchisor's general operating fund. All obligations of franchisor, whether to franchisees or otherwise, are paid out of this fund.

Exhibit H

New York Addendum

3. Item 4 shall be supplemented by the following:

During the 10-year period immediately before the application for registration, neither we nor our affiliate, any predecessor, current officers or general partner has: (a) filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after our officer or general partner held this position in the company or partnership.

4. Paragraph "j" under the section labeled "assignment of contract by us" in Item 17 shall be supplemented by the following provision:

However, no assignment shall be made except to an assignee who, in our good faith judgment, is willing and able to assume your obligations under the Franchise Agreement.

5. Paragraph "m" under the section in Item 17 titled "conditions for our approval of transfer" shall be supplemented as follows with respect to your execution of a general release:

Provided, however, that all rights you enjoy and any causes of action which arise in its favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder remain in force; it being the intent of this proviso that the nonwaiver provisions of the GBL Sections 687.4 and 687.5 be satisfied.

Exhibit H

New York Addendum

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document

Page 4

15360529v4

TRC STAFFING SERVICES, INC.
TRC Franchise Program
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING INFORMATION
REQUIRED BY THE STATE OF RHODE ISLAND

TABLE OF CONTENTS

1. ADDENDUM TO THE TRC STAFFING SERVICES, INC. FDD REQUIRED BY THE STATE OF RHODE ISLAND
2. AMENDMENT TO THE TRC STAFFING SERVICES, INC. FRANCHISE AGREEMENT REQUIRED BY THE STATE OF RHODE ISLAND

**ADDENDUM TO TRC STAFFING SERVICES, INC.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED FOR THE STATE OF RHODE ISLAND**

For franchises and Franchisees subject to the Rhode Island Franchise Investment Act, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the TRC Staffing Services, Inc. Franchise Disclosure Document.

Item 17. (Relating to the provisions of the Franchise Agreement described in "v" and "w" in the chart):

§19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

**AMENDMENT TO TRC STAFFING SERVICES, INC.
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF RHODE ISLAND**

This Amendment shall pertain to franchises sold in the State of Rhode Island and shall be for the purpose of complying with the Rhode Island Franchise Investment Act (the "Act"). §19-28.1-14 of the Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

Accordingly, as stated in Section 22(b) of the Franchise Agreement, Section 22 (k) of the Franchise Agreement is amended to permit jurisdiction and venue in Rhode Island state and federal courts in addition to those of Georgia for claims enforceable under the Act, and Section 22(a) of the Franchise Agreement is amended to provide that the Act will apply to claims enforceable under the Act.

Franchisee's Initials/Date

Franchisor's Initials/Date

**TRC STAFFING SERVICES, INC.
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF WASHINGTON**

**THE TRC STAFFING SERVICES, INC.
FRANCHISE DISCLOSURE DOCUMENT (“FDD”)
CONTAINS INFORMATION REQUIRED BY BOTH
THE FEDERAL TRADE COMMISSION AND THE STATE OF WASHINGTON.
THIS ADDENDUM TO THE FDD CONTAINS INFORMATION
REQUIRED EXCLUSIVELY BY THE STATE OF WASHINGTON
AND IS BEING PROVIDED TO YOU AT THE SAME TIME AS THE FDD.**

* * *

**THE INFORMATION CONTAINED HEREIN MUST BE
REVIEWED IN CONJUNCTION WITH THE FDD**

TRC STAFFING SERVICES, INC.
TRC Franchise Program
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING INFORMATION
REQUIRED BY THE STATE OF WASHINGTON

TABLE OF CONTENTS

1. ADDENDUM TO THE TRC STAFFING SERVICES, INC. FDD REQUIRED BY THE STATE OF WASHINGTON
2. AMENDMENT TO THE TRC STAFFING SERVICES, INC. FRANCHISE AGREEMENT REQUIRED BY THE STATE OF WASHINGTON

**ADDENDUM TO TRC STAFFING SERVICES, INC.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED FOR THE STATE OF WASHINGTON**

For franchises and Franchisees subject to the Washington Franchise Investment Protection Act, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the TRC Staffing Services, Inc. Franchise Disclosure Document.

If any of the provisions in this Franchise Agreement are inconsistent with the relationship provisions of RCW 19.100.180 or other requirements of the Washington Franchise Investment Protection Act, the provisions of the Act will prevail over the inconsistent provisions of the Franchise Agreement with regard to any franchise sold in Washington.

Item 6.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Item 17.

Notwithstanding Paragraph 22(a) of the Franchise Agreement, in the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

**AMENDMENT TO TRC STAFFING SERVICES, INC.
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF WASHINGTON**

The state of Washington has a statute, RCW 19.100.180 which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

The undersigned does hereby acknowledge receipt of this addendum.

Franchisee's Initials/Date

Franchisor's Initials/Date

**TRC STAFFING SERVICES, INC.
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT
CONTAINING ADDITIONAL INFORMATION
REQUIRED BY THE STATE OF WISCONSIN**

**TRC STAFFING SERVICES, INC.
FRANCHISE DISCLOSURE DOCUMENT (“FDD”)
CONTAINS INFORMATION REQUIRED BY BOTH
THE FEDERAL TRADE COMMISSION AND THE STATE OF WISCONSIN.
THIS ADDENDUM TO THE FDD CONTAINS INFORMATION
REQUIRED EXCLUSIVELY BY THE STATE OF WISCONSIN
AND IS BEING PROVIDED TO YOU AT THE SAME TIME AS THE FDD.**

* * *

**THE INFORMATION CONTAINED HEREIN MUST BE
REVIEWED IN CONJUNCTION WITH THE FDD**

Exhibit H

Wisconsin Addendum

TRC Staffing Services, Inc.
15360529v4

2018 Franchise Disclosure Document

AMENDMENT TO TRC STAFFING SERVICES, INC.
FRANCHISE AGREEMENT
REQUIRED BY THE STATE OF WISCONSIN

This Amendment shall pertain to franchises sold in the State of Wisconsin and shall be for the purpose of complying with the Wisconsin Fair Dealership Law. Notwithstanding anything which may be contained in the body of the Franchise Agreement to be contrary, the Agreement shall be amended as follows:

Ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provisions of this Agreement or a related document between Franchisor and Franchisee inconsistent with the Law.

Franchisee's Initials/Date

Franchisor's initials/Date

Exhibit H

Wisconsin Addendum

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document

Page 1

15360529v4

ADDENDUM TO TRC STAFFING SERVICES, INC.
FRANCHISE DISCLOSURE DOCUMENT
REQUIRED BY THE STATE OF WISCONSIN

For franchises and Franchisees subject to the Wisconsin Fair Dealership Law, the following information supersedes or supplements, as the case may be, the corresponding disclosures in the main body of the text of the TRC Staffing Services, Inc. Wisconsin Franchise Disclosure Document.

Item 17.

For Wisconsin Franchisees, ch. 135, Stats, the Wisconsin Fair Dealership Law, supersedes any provisions of the Franchise Agreement or a related contract between Franchisor and Franchisee inconsistent with the Law.

Exhibit H

Wisconsin Addendum

TRC Staffing Services, Inc.

2018 Franchise Disclosure Document

Page 2

15360529v4

EXHIBIT I

GENERAL RELEASE

Exhibit I
General Release

TRC Staffing Services, Inc.
15360529v4

2018 Franchise Disclosure Document

GENERAL RELEASE

[On Transfer or Renewal]

THIS GENERAL RELEASE ("Release") is executed on _____ by _____ ("Franchisee") and _____ ("Guarantors") as a condition of the transfer or renewal of the TRC Staffing Services, Inc. ("Franchisor") Franchise Agreement dated _____ ("Franchise Agreement") between Franchisee and Franchisor.

1. Release by Franchisee and Guarantors. Franchisee (if Franchisee is an entity, on behalf of itself and its parent, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, agents and employees, in their corporate and individual capacities and, if Franchisee is an individual, on behalf of himself/herself and his/her heirs, representatives, successors and assigns) and Guarantors (on behalf of themselves and their respective heirs, representatives, successors and assigns) (individually, a "Releasor"; collectively, "Releasors") freely and without any influence forever release and covenant not to sue Franchisor and its parent, subsidiaries and affiliates and their respective past and present officers, directors, shareholders, agents and employees, in their corporate and individual capacities, with respect to any and all claims, demands, liabilities and causes of action of whatever kind or nature, whether known or unknown, vested or contingent, suspected or unsuspected (collectively, "Claims"), which any Releasor ever owned or held, now owns or holds or may in the future own or hold, including, without limitation, claims arising under federal, state and local laws, rules and ordinances and claims arising out of, or relating to the Franchise Agreement and all other agreements between any Releasor and Franchisor or its parent, subsidiaries or affiliates, arising out of, or relating to any act, omission or event occurring on or before the date of this Release, unless prohibited by applicable law.

2. Risk of Changed Facts. Franchisee and Guarantors understand that the facts in respect of which the Release in Section 1 above is given may turn out to be different from the facts now known or believed by them to be true. Franchisee and Guarantors hereby accept and assume the risk of the facts turning out to be different and agree that the Release shall nevertheless be effective in all respects and not subject to termination or rescission by virtue of any such difference in facts.

3. No Prior Assignment. Franchisee and Guarantors represent and warrant that the Releasors are the sole owners of all Claims and rights released hereunder and that Releasors have not assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim released under Section 1 above.

4. Covenant Not to Sue. Franchisee and Guarantors (on behalf of Releasors) covenant not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of cross-claim, defense, or counterclaim, against any person or entity released under Section 1 above with respect to any Claim released under Section 1 above.

5. Complete Defense. Franchisee and Guarantors: (A) acknowledge that this Release shall be a complete defense to any Claim released under Section 1 above, and (B) consent to the entry of a temporary or permanent injunction to prevent or end the assertion of any such Claim.

Exhibit I
General Release

6. Successors and Assigns. This Release will inure to the benefit of and bind the successors, assigns, heirs and personal representatives of Franchisor and each Releasor.

7. Miscellaneous.

A. Franchisee and Guarantors acknowledge and agree that they have been represented by independent counsel of their own choice throughout all negotiations which preceded the execution of this Release, and that they have executed this Release with the consent and upon the advice of said independent counsel.

B. The masculine gender shall be deemed to refer to and include the feminine and neuter, and the singular to refer to and include the plural, and vice versa.

C. This Release and all claims relating to this Release shall be governed by and construed under the law of the State of Georgia. Franchisee and Guarantor shall file any controversy or claim whatsoever arising out of or relating to this Release or the enforcement of the promises in this Release or with regard to the interpretation, formation, or breach of this Release in the court where Franchisor's principal offices are located. Franchisor may file any controversy or claim whatsoever arising out of or relating to this Release or the enforcement of the promises in this Release or with regard to the interpretation, formation, or breach of this Release in the court where its principal offices are located, where Franchisee resides or does business, or where the claim arose.

D. In light of the intention of Franchisee and Guarantors that this Release extend to all claims (other than for the final accounting) whatsoever in kind or character, known or unknown, suspected to exist or not suspected to exist, anticipated or not anticipated, arising from or connected with the Claims they expressly waive any and all rights granted by California Civil Code Section 1542 or any other analogous federal or state law or regulation, to the extent that such section may apply to this Agreement. Said Section 1542 of the California Civil Code reads as follows:

"SECTION 1542. CERTAIN CLAIMS NOT AFFECTED BY GENERAL RELEASE. A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING A RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."
CAL. CIV. CODE SECTION 1542.

Thus, notwithstanding the provisions of Section 1542, and for the purpose of implementing the full and complete release and discharge of the Franchisor, Franchisee and Guarantors expressly acknowledge that this Release is intended to include in its effect, without limitation, all Claims which Franchisee or Guarantor does not know or suspect to exist in Franchisee's or Guarantor's favor at the time of execution hereof, and that this Release contemplates the extinguishment of any such Claim or Claims.

Exhibit I
General Release

IN WITNESS WHEREOF, Franchisee and Guarantors have executed this Release as of this date shown above.

ATTEST:

By: _____

Print Name: _____

Title: _____

FRANCHISEE:

By: _____

Print Name: _____

Title: _____

Date: _____

WITNESS:

[Signature]

[Print Name]

[Signature]

[Print Name]

GUARANTORS:

[Signature]

Date: _____

[Signature]

Date: _____

Exhibit I
General Release

EXHIBIT J

COMPLIANCE CERTIFICATE

Exhibit J
Compliance Certificate
2018 Franchise Disclosure Document

TRC Staffing Services, Inc.
15360529v4

Compliance Certification

The date of my first face-to-face meeting with a TRC Staffing Services, Inc. Franchise Marketing Representative, Franchise Broker or any other person to discuss the possible purchase of a Franchise was _____, 20_____. Franchisee's Initials _____

The date on which I received a Franchise Disclosure Document was _____, 20_____.
Franchisee's Initials _____

The date when I received a fully completed copy (other than signatures) of the Franchise Agreement I later signed was _____, 20_____. Franchisee's Initials _____

The earliest date on which I signed the Franchise Agreement or any other binding document (not including the Receipt page) was _____, 20_____. Franchisee's Initials _____

The earliest date on which I delivered cash, check or other consideration to the Franchise Marketing Representative, broker, TRC Staffing Services, Inc. ("Franchisor") or any other person or company was _____, 20_____. Franchisee's Initials _____

Representations:

No promises, agreements, contracts, commitments, understandings, "side-deals", options, rights-of-first-refusal or otherwise have been made to or with me with respect to any matter (including but not limited to any representations or promises regarding potential sales or income, advertising (television or otherwise), marketing, site location, operational assistance or otherwise) nor have I relied in any way on any such except as expressly set forth in the Franchise Agreement or written addendum signed by me and the President of Franchisor except as follows:

(If none, the prospective franchisee shall write NONE in his/her own handwriting and initial same.) Franchisee's Initials _____

No oral, written or visual claim or representation, promise, agreement, contract, commitment, understanding or otherwise which contradicted, expanded upon or was inconsistent with the disclosure document or the Franchise Agreement was made to me by any person or entity, except as follows:

_____. (If none, the prospective franchisee shall write NONE in his/her own handwriting and initial same.)
Franchisee's Initials _____

No contingency, condition, prerequisite, prior requirement, proviso, reservation, impediment, stipulation, provision or otherwise exists with respect to any matter (including but not limited to obtaining financing, selection, purchase, lease or otherwise of a site, operational matters or otherwise) and/or with respect to my fully performing all of my obligations under the Franchise Agreement and/or any other documents to be executed by me nor have I relied in any way on any such, except as expressly set forth in a writing signed by me and the President of Franchisor, except as follows:

. (If none, the prospective franchisee shall write NONE in his/her own handwriting and initial same.)

Franchisee's Initials _____

I hereby understand that there will be no refunds. Franchisee's Initials _____

In addition, Franchisor does not permit any promises, agreements, contracts, commitments, understandings, "side-deals", options, rights-of-first-refusal or otherwise or variations of, changes in or supplements to the Franchise Agreement or the existence of any contingencies or conditions to Franchisee's obligations except by means of a written Addendum signed by Franchisee and Franchisor.

If any such representations, "side-deals", contingencies or otherwise have been made to you by any person or otherwise exist, immediately notify the President of Franchisor in writing.

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

The prospective franchisee understands and agrees to all of the foregoing and certifies that all of the above statements are true, correct and complete.

FRANCHISEE:

Dated: _____

EXHIBIT K

RECEIPT

Exhibit K

TRC Staffing Services, Inc.
15360529v4

2018 Franchise Disclosure Document

RECEIPT

This disclosure document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If we offer you a franchise, we must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

Washington requires that we give you this disclosure document at least 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

If we do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of Federal law and State law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agencies listed in Exhibit F.

The franchisor is TRC Staffing Services, Inc., located at South Terraces, 115 Perimeter Center Place, NE, Suite 850, Atlanta, Georgia 30346-1249, and its telephone number is (770) 392-1411.

The franchise seller for this offering is Conrad Helms or Nancy Wright Whatley, TRC Staffing Services, Inc., South Terraces, 115 Perimeter Center Place, NE, Suite 850, Atlanta, Georgia 30346-1249 (770) 392-1411.

This disclosure document has been issued on April 30, 2018.

We authorize the agents listed in Exhibit G to receive service of process for us.

I received a disclosure document dated April 30, 2018 that included the following Exhibits:

- A – Financial Statements
- B – List of Franchisees
- C – Franchise Agreement
- D - Franchise Computer Plan and Computer Hardware Lease and Renewal
- E – Operations Manual Table of Contents
- F – List of State Administrators
- G – List of Registered Agents to Receive Service of Process
- H – State Specific Addenda
- I – General Release
- J – Compliance Certification
- K - Receipt

Date: _____
(Do not leave blank)

Signature of prospective franchisee

Title if signing on behalf of a legal entity Print Name and Telephone Number

Name of legal entity Address of legal entity

RECEIPT

This disclosure document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

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If we do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of Federal law and State law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agencies listed in Exhibit F.

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- J – Compliance Certification
- K - Receipt

Date: _____
(Do not leave blank)

Signature of prospective franchisee

Title if signing on behalf of a legal entity

Print Name and Telephone Number

Name of legal entity

Address of legal entity