

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 28, 2026

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 0-1088

KELLY SERVICES, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

38-1510762

(I.R.S. Employer Identification No.)

999 West Big Beaver Road, Troy, Michigan 48084

(Address of principal executive offices) (Zip Code)

(248) 362-4444

(Registrant's telephone number, including area code)

No Change

(Former name, former address and former fiscal year, if changed since last report.)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbols	Name of each exchange on which registered
Class A Common Stock, \$1.00 par value per share	KELYA	The Nasdaq Stock Market LLC
Class B Common Stock, \$1.00 par value per share	KELYB	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).
Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes ☐ No ☒

At July 27, 2026, 31,435,902 shares of Class A and 3,296,041 shares of Class B common stock of the Registrant were outstanding.

KELLY SERVICES, INC.
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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

KELLY SERVICES, INC.
CONSOLIDATED STATEMENTS OF EARNINGS
(UNAUDITED)
(in millions, except per share data)

	13 Weeks Ended		26 Weeks Ended	
	June 28, 2026	June 29, 2025	June 28, 2026	June 29, 2025
Revenue from services	\$ 1,038.2	\$ 1,101.8	\$ 2,078.9	\$ 2,266.7
Cost of services	826.2	876.3	1,670.5	1,804.7
Gross profit	212.0	225.5	408.4	462.0
Selling, general and administrative expenses	195.9	207.3	395.2	433.0
Asset impairment charge	—	—	2.2	—
Gain on sale of EMEA staffing operations	—	(4.0)	—	(4.0)
Earnings from operations	16.1	22.2	11.0	33.0
Other income (expense), net	(1.7)	(2.3)	(3.3)	(5.5)
Earnings before taxes	14.4	19.9	7.7	27.5
Income tax expense	3.0	0.9	2.2	2.7
Net earnings	\$ 11.4	\$ 19.0	\$ 5.5	\$ 24.8
Basic earnings per share	\$ 0.31	\$ 0.52	\$ 0.15	\$ 0.68
Diluted earnings per share	\$ 0.31	\$ 0.52	\$ 0.15	\$ 0.67
Average shares outstanding:				
Basic	34.7	35.2	34.6	35.1
Diluted	35.2	35.7	35.1	35.6

See accompanying unaudited Notes to Consolidated Financial Statements.

KELLY SERVICES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(UNAUDITED)
(in millions)

	13 Weeks Ended		26 Weeks Ended	
	June 28, 2026	June 29, 2025	June 28, 2026	June 29, 2025
Net earnings	\$ 11.4	\$ 19.0	\$ 5.5	\$ 24.8
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustments, net of tax expense of \$0.0, \$0.6, \$0.2 and \$0.6, respectively	—	5.0	(1.2)	6.3
Less: Reclassification adjustments included in net earnings	—	—	—	—
Foreign currency translation adjustments	—	5.0	(1.2)	6.3
Other comprehensive income (loss)	—	5.0	(1.2)	6.3
Comprehensive income	<u>\$ 11.4</u>	<u>\$ 24.0</u>	<u>\$ 4.3</u>	<u>\$ 31.1</u>

See accompanying unaudited Notes to Consolidated Financial Statements.

KELLY SERVICES, INC.
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
(in millions)

	June 28, 2026	December 28, 2025
Current Assets		
Cash and equivalents	\$ 24.2	\$ 33.0
Trade accounts receivable, less allowances of \$9.7 and \$10.0, respectively	1,224.6	1,188.7
Prepaid expenses and other current assets	47.7	46.6
Total current assets	1,296.5	1,268.3
Noncurrent Assets		
Property and equipment, net	18.0	20.5
Operating lease right-of-use assets	35.5	42.9
Deferred taxes	164.2	163.2
Retirement plan assets	309.9	289.7
Goodwill	202.1	202.1
Intangibles, net	211.5	226.2
Other assets	43.0	37.7
Total noncurrent assets	984.2	982.3
Total Assets	\$ 2,280.7	\$ 2,250.6
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 661.6	\$ 631.4
Operating lease liabilities	10.8	12.3
Accrued payroll and related taxes	155.5	140.9
Accrued workers' compensation and other claims	21.0	20.9
Income and other taxes	17.7	16.3
Total current liabilities	866.6	821.8
Noncurrent Liabilities		
Long-term debt	78.1	101.9
Operating lease liabilities	39.8	44.9
Accrued workers' compensation and other claims	34.3	34.2
Accrued retirement benefits	272.7	263.7
Other long-term liabilities	7.2	7.6
Total noncurrent liabilities	432.1	452.3
Commitments and contingencies (see Contingencies footnote)		
Stockholders' Equity		
Capital stock, \$1.00 par value		
Class A common stock, 100.0 million shares authorized; 35.2 million shares issued at 2026 and 2025	35.2	35.2
Class B common stock, 10.0 million shares authorized; 3.3 million shares issued at 2026 and 2025	3.3	3.3
Treasury stock, at cost		
Class A common stock, 3.8 million shares at 2026 and 4.3 million shares at 2025	(55.2)	(63.1)
Class B common stock	(0.6)	(0.6)
Paid-in capital	35.1	36.3
Earnings invested in the business	965.1	965.1
Accumulated other comprehensive income (loss)	(0.9)	0.3
Total stockholders' equity	982.0	976.5
Total Liabilities and Stockholders' Equity	\$ 2,280.7	\$ 2,250.6

See accompanying unaudited Notes to Consolidated Financial Statements.

KELLY SERVICES, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(UNAUDITED)
(in millions)

	Common Stock		Treasury Stock		Paid-in Capital	Earnings Invested in the Business	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
	Class A	Class B	Class A	Class B				
Balance at December 28, 2025	\$ 35.2	\$ 3.3	\$ (63.1)	\$ (0.6)	\$ 36.3	\$ 965.1	\$ 0.3	\$ 976.5
Net issuance of stock awards	—	—	7.0	—	(5.2)	—	—	1.8
Net income (loss)	—	—	—	—	—	(5.9)	—	(5.9)
Dividends	—	—	—	—	—	(2.7)	—	(2.7)
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	(1.2)	(1.2)
Balance at March 29, 2026	\$ 35.2	\$ 3.3	\$ (56.1)	\$ (0.6)	\$ 31.1	\$ 956.5	\$ (0.9)	\$ 968.5
Net issuance of stock awards	—	—	0.9	—	4.0	—	—	4.9
Net income (loss)	—	—	—	—	—	11.4	—	11.4
Dividends	—	—	—	—	—	(2.8)	—	(2.8)
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	—	—
Balance at June 28, 2026	\$ 35.2	\$ 3.3	\$ (55.2)	\$ (0.6)	\$ 35.1	\$ 965.1	\$ (0.9)	\$ 982.0

	Common Stock		Treasury Stock		Paid-in Capital	Earnings Invested in the Business	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
	Class A	Class B	Class A	Class B				
Balance at December 29, 2024	\$ 35.2	\$ 3.3	\$ (60.8)	\$ (0.6)	\$ 34.2	\$ 1,230.2	\$ (6.9)	\$ 1,234.6
Net issuance of stock awards	—	—	5.3	—	(3.7)	—	—	1.6
Net income (loss)	—	—	—	—	—	5.8	—	5.8
Dividends	—	—	—	—	—	(2.8)	—	(2.8)
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	1.3	1.3
Balance at March 30, 2025	\$ 35.2	\$ 3.3	\$ (55.5)	\$ (0.6)	\$ 30.5	\$ 1,233.2	\$ (5.6)	\$ 1,240.5
Net issuance of stock awards	—	—	0.8	—	3.5	—	—	4.3
Net income (loss)	—	—	—	—	—	19.0	—	19.0
Dividends	—	—	—	—	—	(2.7)	—	(2.7)
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	5.0	5.0
Balance at June 29, 2025	\$ 35.2	\$ 3.3	\$ (54.7)	\$ (0.6)	\$ 34.0	\$ 1,249.5	\$ (0.6)	\$ 1,266.1

See accompanying unaudited Notes to Consolidated Financial Statements.

KELLY SERVICES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(in millions)

	26 Weeks Ended	
	June 28, 2026	June 29, 2025
Cash flows from operating activities:		
Net earnings	\$ 5.5	\$ 24.8
Adjustments to reconcile net earnings to net cash from operating activities:		
Asset impairment charge	2.2	—
Deferred income taxes	(1.0)	(6.9)
Depreciation and amortization	19.7	21.5
Operating lease asset amortization	5.2	5.4
Provision for credit losses and sales allowances	0.8	3.2
Stock-based compensation	6.8	7.2
Gain on sale of EMEA staffing operations	—	(4.0)
Other, net	1.0	(0.1)
Changes in operating assets and liabilities		
Accounts receivable	(43.6)	91.9
Other assets	(2.8)	3.2
Accounts payable	36.7	(19.8)
Other liabilities	(6.7)	(7.1)
Net cash from operating activities	23.8	119.3
Cash flows from investing activities:		
Capital expenditures	(2.6)	(4.5)
Proceeds from sale of EMEA staffing operations, net of cash disposed	—	21.8
Proceeds from sale of PersolKelly investment	—	6.4
Proceeds from company-owned life insurance	2.7	1.6
Other investing activities	0.1	(0.6)
Net cash from investing activities	0.2	24.7
Cash flows from financing activities:		
Proceeds from long-term debt	718.8	774.4
Payments on long-term debt	(742.6)	(939.5)
Dividend payments	(5.5)	(5.5)
Payments of tax withholding for stock awards	(1.5)	(1.9)
Other financing activities	(0.4)	(0.2)
Net cash used in financing activities	(31.2)	(172.7)
Effect of exchange rates on cash, cash equivalents and restricted cash	(2.5)	7.6
Net change in cash, cash equivalents and restricted cash	(9.7)	(21.1)
Cash, cash equivalents and restricted cash at beginning of period	37.7	45.6
Cash, cash equivalents and restricted cash at end of period ⁽¹⁾	\$ 28.0	\$ 24.5

KELLY SERVICES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)
(UNAUDITED)
(in millions)

⁽¹⁾ The following table provides a reconciliation of cash, cash equivalents and restricted cash to the amounts reported in the Company's consolidated balance sheets:

	26 Weeks Ended	
	June 28, 2026	June 29, 2025
Reconciliation of cash, cash equivalents and restricted cash:		
Current assets:		
Cash and cash equivalents	\$ 24.2	\$ 18.0
Restricted cash included in prepaid expenses and other current assets	0.5	0.5
Noncurrent assets:		
Restricted cash included in other assets	3.3	6.0
Cash, cash equivalents and restricted cash at end of period	<u>\$ 28.0</u>	<u>\$ 24.5</u>

See accompanying unaudited Notes to Consolidated Financial Statements.

KELLY SERVICES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)
(In millions, except share and per share data)

1. Basis of Presentation

The accompanying unaudited consolidated financial statements of Kelly Services, Inc. (the “Company,” “Kelly,” “we” or “us”) have been prepared in accordance with Rule 10-01 of Regulation S-X and do not include all the information and notes required by generally accepted accounting principles (“GAAP”) for complete financial statements. In the opinion of management, all adjustments, including normal recurring adjustments, necessary for a fair statement of the results of the interim periods, have been made. The results of operations for such interim periods are not necessarily indicative of results of operations for a full year. The unaudited consolidated financial statements should be read in conjunction with the Company’s consolidated financial statements and notes thereto for the fiscal year ended December 28, 2025, included in the Company’s Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 12, 2026 (the 2025 consolidated financial statements). There were no changes in accounting policies from those disclosed in the Form 10-K. The Company’s second fiscal quarter ended on June 28, 2026 and June 29, 2025, each of which contained 13 weeks (“second quarter”). The corresponding June year-to-date periods for 2026 and 2025 each contained 26 weeks (“June year-to-date”).

Certain reclassifications have been made to the prior year’s consolidated financial statements to conform to the current year’s presentation, as discussed in the Revenue and Segment Disclosures footnotes. All amounts are reported in millions except for share and per share data.

2. Revenue

Revenue Disaggregated by Service Type

Kelly has three operating segments: Enterprise Talent Management (“ETM”), Science, Engineering & Technology (“SET”), and Education. In the first quarter of 2026, the Company aligned government customers from the ETM segment to the SET segment to better position the services within the Company’s segment structure (see Segment Disclosures footnote). The Company’s segments deliver talent through staffing services, permanent placement or outcome-based services. The Company’s ETM segment also delivers talent solutions including managed service provider (“MSP”), payroll process outsourcing (“PPO”), and recruitment process outsourcing (“RPO”). The 2025 ETM and SET segment information has been recast to conform to the new alignment.

The following tables present the Company’s segment revenues disaggregated by service type:

	Second Quarter 2026				
	Staffing Services	Outcome-based Services	Talent Solutions	Permanent Placement	Total
Enterprise Talent Management	\$ 239.3	\$ 109.6	\$ 134.9	\$ 1.7	\$ 485.5
Science, Engineering & Technology	172.9	118.7	—	10.0	301.6
Education	251.5	—	—	2.0	253.5
Total Segment Revenue	\$ 663.7	\$ 228.3	\$ 134.9	\$ 13.7	\$ 1,040.6
Intersegment					(2.4)
Total Revenue from Services				\$	1,038.2

KELLY SERVICES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(UNAUDITED)

Second Quarter 2025					
	Staffing Services	Outcome-based Services	Talent Solutions	Permanent Placement	Total
Enterprise Talent Management	\$ 265.8	\$ 120.8	\$ 126.9	\$ 2.9	\$ 516.4
Science, Engineering & Technology	204.5	107.3	—	9.3	321.1
Education	262.7	—	—	2.6	265.3
Total Segment Revenue	\$ 733.0	\$ 228.1	\$ 126.9	\$ 14.8	\$ 1,102.8
Intersegment					(1.0)
Total Revenue from Services					\$ 1,101.8

June Year-to-Date 2026					
	Staffing Services	Outcome-based Services	Talent Solutions	Permanent Placement	Total
Enterprise Talent Management	\$ 468.6	\$ 216.4	\$ 256.2	\$ 3.5	\$ 944.7
Science, Engineering & Technology	341.5	230.9	—	18.4	590.8
Education	544.9	—	—	2.7	547.6
Total Segment Revenue	\$ 1,355.0	\$ 447.3	\$ 256.2	\$ 24.6	\$ 2,083.1
Intersegment					(4.2)
Total Revenue from Services					\$ 2,078.9

June Year-to-Date 2025					
	Staffing Services	Outcome-based Services	Talent Solutions	Permanent Placement	Total
Enterprise Talent Management	\$ 541.6	\$ 254.0	\$ 244.7	\$ 5.2	\$ 1,045.5
Science, Engineering & Technology	414.3	216.7	—	17.4	648.4
Education	570.6	—	—	3.7	574.3
Total Segment Revenue	\$ 1,526.5	\$ 470.7	\$ 244.7	\$ 26.3	\$ 2,268.2
Intersegment					(1.5)
Total Revenue from Services					\$ 2,266.7

KELLY SERVICES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(UNAUDITED)

Revenue Disaggregated by Geography

The Company's operations are subject to different economic and regulatory environments depending on geographic location. The Company's Education segment operates in the Americas region, the SET segment operates in the Americas and Europe regions, and the ETM segment operates in the Americas, Europe and Asia-Pacific regions.

The table below presents the Company's revenues disaggregated by geography:

	Second Quarter		June Year-to-Date	
	2026	2025	2026	2025
Americas				
United States	\$ 932.7	\$ 986.9	\$ 1,871.3	\$ 2,043.5
Other	75.6	86.2	149.9	169.5
Total Americas Region	1,008.3	1,073.1	2,021.2	2,213.0
Total Europe Region	13.4	11.9	25.6	21.5
Total Asia-Pacific Region	16.5	16.8	32.1	32.2
Total Kelly Services, Inc.	\$ 1,038.2	\$ 1,101.8	\$ 2,078.9	\$ 2,266.7

3. Credit Losses

The rollforward of the Company's allowance for credit losses related to trade accounts receivable, which is recorded in trade accounts receivable, less allowance in the consolidated balance sheets, is as follows:

	June Year-to-Date	
	2026	2025
Allowance for credit losses:		
Beginning balance	\$ 6.4	\$ 4.9
Current period provision	0.1	2.7
Currency exchange effects	—	0.1
Write-offs	(1.7)	(0.3)
Ending balance	\$ 4.8	\$ 7.4

Write-offs are presented net of recoveries, which were not material for second quarter-end 2026 or 2025. No other allowances related to other receivables were material as of second quarter-end 2026 or 2025.

KELLY SERVICES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(UNAUDITED)

4. Fair Value Measurements

Trade accounts receivable, short-term borrowings, accounts payable, accrued liabilities and accrued payroll and related taxes approximate their fair values due to the short-term maturities of these assets and liabilities. Long-term debt is related to revolving credit agreements, and their carrying values approximate fair value as the interest rates are variable and reflect current market rates.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following tables present assets and liabilities measured at fair value on a recurring basis as of second quarter-end 2026 and year-end 2025 in the consolidated balance sheets by fair value hierarchy level, as described below.

Level 1 measurements consist of unadjusted quoted prices in active markets for identical assets or liabilities. Level 2 measurements include quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 3 measurements include significant unobservable inputs. There were no transfers between Level 1, Level 2, and Level 3 assets or liabilities in the second quarter of 2026 or 2025.

Description	As of Second Quarter-End 2026			
	Total	Level 1	Level 2	Level 3
Money market funds	\$ 3.3	\$ 3.3	\$ —	\$ —
Total assets at fair value	\$ 3.3	\$ 3.3	\$ —	\$ —
EMEA staffing indemnification	\$ (1.4)	\$ —	\$ —	\$ (1.4)
Brazil indemnification	(0.9)	—	—	(0.9)
Total liabilities at fair value	\$ (2.3)	\$ —	\$ —	\$ (2.3)

Description	As of Year-End 2025			
	Total	Level 1	Level 2	Level 3
Money market funds	\$ 4.7	\$ 4.7	\$ —	\$ —
Total assets at fair value	\$ 4.7	\$ 4.7	\$ —	\$ —
EMEA staffing indemnification	\$ (1.4)	\$ —	\$ —	\$ (1.4)
Brazil indemnification	(0.9)	—	—	(0.9)
Total liabilities at fair value	\$ (2.3)	\$ —	\$ —	\$ (2.3)

Money Market Funds

Money market funds represent investments in money market funds that hold government securities, all of which are restricted as of second quarter-end 2026 and year-end 2025, and are included in other assets in the consolidated balance sheets. These restricted funds represent cash balances that are required to be maintained to fund disability claims in California. The valuations of money market funds are based on quoted market prices of those accounts as of the respective period end.

Indemnification Liabilities

As of second quarter-end 2026, the Company's indemnification liabilities totaled \$2.3 million, consisting of \$1.4 million related to the January 2024 sale of the EMEA staffing operations, with \$0.1 million in accounts payable and accrued liabilities and \$1.3 million in other long-term liabilities, and \$0.9 million related to the 2020 sale of the Brazil operations included in other long-term liabilities in the consolidated balance sheets. These balances are unchanged from year-end 2025. No payments were made under either indemnification agreement during June year-to-date 2026, and the impact of remeasurement adjustments and foreign currency exchange rate fluctuations was not significant. These liabilities are classified as Level 3 and remeasured on a recurring basis using discounted probability-weighted cash flows, with changes recognized in earnings.

KELLY SERVICES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(UNAUDITED)

Equity Investment Without Readily Determinable Fair Value

As of second quarter-end 2026, the Company holds an equity investment without a readily determinable fair value, measured under the measurement alternative, with a carrying value of \$3.5 million included in other assets in the consolidated balance sheets. No impairment indicators were identified and no observable price changes occurred during the second quarter of 2026.

5. Integration, Realignment and Restructuring

2026 Actions

As a continuation of the efforts announced in 2025, the Company incurred integration and realignment costs of \$2.9 million and \$7.6 million for the second quarter and June year-to-date 2026, respectively. For the second quarter of 2026, integration and realignment costs consisted of \$1.6 million of IT-related charges, \$0.2 million of severance and \$1.1 million of fees and other costs to execute the initiatives. For June year-to-date 2026, integration and realignment costs consisted of \$5.1 million of IT-related charges, \$0.5 million of severance and \$2.0 million of fees and other costs to execute the initiatives. The severance costs incurred as a part of these efforts are primarily accounted for in accordance with ASC 712 *Compensation - Nonretirement Postemployment Benefits*. The integration and realignment costs are recorded in SG&A expenses in the consolidated statements of earnings and are shown in the tables below.

Second Quarter 2026					
	IT-related Charges	Severance	Fees and Other	Total	
Science, Engineering & Technology	\$ —	\$ 0.1	\$ 0.1	0.2	
Corporate	1.6	0.1	1.0	2.7	
Total	\$ 1.6	\$ 0.2	\$ 1.1	\$ 2.9	

June Year-to-Date 2026					
	IT-related Charges	Severance	Fees and Other	Total	
Science, Engineering & Technology	\$ —	\$ 0.3	\$ 0.2	0.5	
Education	—	0.1	—	0.1	
Corporate	5.1	0.1	1.8	7.0	
Total	\$ 5.1	\$ 0.5	\$ 2.0	\$ 7.6	

Additionally, in the first quarter of 2026, the Company recognized an impairment charge of \$2.2 million for certain right-of-use assets related to the Company's ongoing realignment of its lease portfolio and was recorded in the asset impairment charge in the consolidated statements of earnings.

2025 Actions

In the first quarter of 2025, the Company launched various initiatives aimed at integrating MRP and other prior acquisitions, combining operating segments, and further aligning processes and technology across the Company. The costs incurred related to these integration and realignment initiatives totaled \$6.1 million and \$16.8 million during the second quarter and June year-to-date 2025, respectively. For the second quarter of 2025, integration and realignment costs consisted of \$1.7 million of IT-related charges, \$2.1 million of severance and \$2.3 million of fees and other costs to execute the initiatives. For June year-to-date 2025, integration and realignment costs consisted of \$7.0 million of IT-related charges, \$6.5 million of severance and \$3.3 million of fees and other costs to execute the initiatives. The severance costs incurred as a part of these efforts are primarily accounted for in accordance with ASC 712 *Compensation - Nonretirement Postemployment Benefits*. The integration and realignment costs are recorded in SG&A expenses in the consolidated statements of earnings and are shown in the tables below.

KELLY SERVICES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(UNAUDITED)

Second Quarter 2025					
	IT-related Charges	Severance	Fees and Other	Total	
Enterprise Talent Management	\$ —	\$ 1.0	\$ 0.1	\$	1.1
Science, Engineering & Technology	0.1	0.9	—		1.0
Education	—	0.1	—		0.1
Corporate	1.6	0.1	2.2		3.9
Total	\$ 1.7	\$ 2.1	\$ 2.3	\$	6.1

June Year-to-Date 2025					
	IT-related Charges	Severance	Fees and Other	Total	
Enterprise Talent Management	\$ —	\$ 3.7	\$ 0.1	\$	3.8
Science, Engineering & Technology	0.1	2.0	—		2.1
Education	—	0.1	—		0.1
Corporate	6.9	0.7	3.2		10.8
Total	\$ 7.0	\$ 6.5	\$ 3.3	\$	16.8

6. Intangibles

During the second quarter of 2026, as part of ongoing integration and realignment efforts, the Company reassessed and reduced the remaining useful life of certain finite-lived intangible assets, resulting in accelerated amortization expense accounted for prospectively over the revised estimated remaining useful life. Accelerated amortization was immaterial for the second quarter of 2026. Accelerated amortization expense of \$6.8 million is estimated to be recognized during the remainder of 2026, resulting in total amortization expense of \$36.2 million for 2026. The revised annual intangible amortization expense is expected to be \$33.9 million in 2027, \$32.3 million in 2028, \$28.8 million in 2029, and \$25.4 million in 2030.

7. Debt

Revolving Credit Facility

The Company has a \$150.0 million, five-year revolving credit facility (the “Facility”), with a termination date of May 29, 2029. The Facility is available to be used to fund working capital, acquisitions and general corporate needs. The Facility is secured by certain assets of the Company, excluding U.S. trade accounts receivable.

At the end of the second quarter of 2026 and at year-end 2025, there were no long-term borrowings under the Facility and a remaining borrowing capacity of \$150.0 million. To maintain availability of the funds, the Company pays a facility fee on the full amount of the Facility, regardless of usage. The facility fee varies based on the Company’s leverage ratio as defined in the agreement. The Facility, which contains a cross-default clause that could result in termination if defaults occur under the Company's other loan agreements, had a facility fee of 20.0 basis points at the end of the second quarter of 2026 and 15.0 basis points at year-end 2025. The Facility’s financial covenants and restrictions are described below, all of which were met at the end of the second quarter of 2026:

- The Company must maintain a certain minimum interest coverage ratio of earnings before interest, taxes, depreciation, amortization (“EBITDA”) and certain cash and non-cash charges that are non-recurring in nature to interest expense as of the end of any fiscal quarter.
- The Company must maintain a certain maximum ratio of total indebtedness to the sum of net worth and total indebtedness at all times.
- Dividends, stock buybacks and similar transactions are limited to certain maximum amounts.
- The Company must adhere to other operating restrictions relating to the conduct of business, such as certain limitations on asset sales and the type and scope of investments.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
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Securitization Facility

On June 22, 2026, the Company and Kelly Receivables Funding, LLC, a wholly owned bankruptcy remote special purpose subsidiary of the Company (the “Receivables Entity”), amended the Receivables Purchase Agreement related to its \$250.0 million, securitization facility (the “Securitization Facility”). The amendment (i) extended the maturity date to June 22, 2028, and (ii) changed certain of the terms and conditions.

Under the Securitization Facility, the Company will sell certain trade receivables and related rights (“Receivables”), on a revolving basis, to the Receivables Entity. The Receivables Entity may from time to time sell an undivided variable percentage ownership interest in the Receivables. The Securitization Facility, which contains a cross-default clause that could result in termination if defaults occur under the Company’s other loan agreements, also allows for the issuance of standby letters of credit (“SBLC”) and contains certain restrictions based on the performance of the Receivables.

At the end of the second quarter of 2026, the Securitization Facility had \$78.1 million of long-term borrowings, SBLCs of \$42.6 million related to workers’ compensation and a remaining borrowing capacity of \$129.3 million. The rate for these borrowings includes the adjusted daily SOFR and a 1.10% utilization rate on the amount of the Company’s borrowings. The rate for the SBLCs of 1.10% represents a utilization rate on the outstanding balance. In addition, the Company pays a commitment fee on the unused capacity of 35.0 basis points when usage is greater than 50% of the purchase limit or 40.0 basis points when usage is equal to or less than 50% of the purchase limit. At year-end 2025, the Securitization Facility had \$101.9 million of long-term borrowings, SBLCs of \$42.6 million related to workers’ compensation and a remaining borrowing capacity of \$105.5 million. The rate for these borrowings also included an additional 0.10% SOFR margin. The Company paid a commitment fee of 40.0 basis points on the unused capacity in 2025.

The Receivables Entity’s sole business consists of the purchase or acceptance through capital contributions of trade accounts receivable and related rights from the Company. As described above, the Receivables Entity may retransfer these receivables or grant a security interest in those receivables under the terms and conditions of the Receivables Purchase Agreement. The Receivables Entity is a separate legal entity with its own creditors who would be entitled, if it were ever liquidated, to be satisfied out of its assets prior to any assets or value in the Receivables Entity becoming available to its equity holders, the Company. The assets of the Receivables Entity are not available to pay creditors of the Company or any of its other subsidiaries, until the creditors of the Receivables Entity have been satisfied. The assets and liabilities of the Receivables Entity are included in the consolidated financial statements of the Company.

Local Credit Facilities

The Company had total unsecured, uncommitted short-term local credit facilities of \$3.1 million at the end of the second quarter of 2026. The Company had no borrowings under these lines at the end of the second quarter of 2026 and at year-end 2025.

8. Accumulated Other Comprehensive Income (Loss)

The changes in accumulated other comprehensive income (loss) by component, net of tax, for the second quarter and June year-to-date of 2026 and 2025 are included in the table below.

	Second Quarter		June Year-to-Date	
	2026	2025	2026	2025
Foreign currency translation adjustments:				
Beginning balance	\$ (0.9)	\$ (5.6)	\$ 0.3	\$ (6.9)
Other comprehensive income (loss) before reclassifications	—	5.0	(1.2)	6.3
Amounts reclassified from accumulated other comprehensive income (loss)	—	—	—	—
Net current-period other comprehensive income (loss)	—	5.0	(1.2)	6.3
Ending balance	(0.9)	(0.6)	(0.9)	(0.6)
Total accumulated other comprehensive income (loss)	\$ (0.9)	\$ (0.6)	\$ (0.9)	\$ (0.6)

KELLY SERVICES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
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9. Earnings Per Share

The reconciliation of basic and diluted earnings per share on common stock for the second quarter and June year-to-date 2026 and 2025 is as follows:

	Second Quarter		June Year-to-Date	
	2026	2025	2026	2025
Net earnings	\$ 11.4	\$ 19.0	\$ 5.5	\$ 24.8
Less: earnings allocated to participating securities	(0.6)	(0.6)	(0.3)	(0.8)
Net earnings available to common shareholders	\$ 10.8	\$ 18.4	\$ 5.2	\$ 24.0
Average common shares outstanding (millions):				
Basic	34.7	35.2	34.6	35.1
Dilutive share awards	0.5	0.5	0.5	0.5
Diluted	35.2	35.7	35.1	35.6
Basic earnings per share	\$ 0.31	\$ 0.52	\$ 0.15	\$ 0.68
Diluted earnings per share	\$ 0.31	\$ 0.52	\$ 0.15	\$ 0.67

Dilutive share awards are related to deferred common stock related to the non-employee directors deferred compensation plan and performance shares for the second quarter and June year-to-date 2026 and 2025 (see Stock-Based Compensation footnote for a description of performance shares). Dividends paid per share for Class A and Class B common stock were \$0.075 for the second quarter of 2026 and 2025 and \$0.15 for June year-to-date 2026 and 2025.

In November 2024, the Company's board of directors authorized a \$50.0 million Class A share repurchase program that expires on December 2, 2026. During the second quarter and June year-to-date 2026 and 2025, the Company did not repurchase any Class A shares under the repurchase program. A total of \$30.0 million remained available under the share repurchase program as of second quarter-end 2026.

10. Stock-Based Compensation

For the second quarter of 2026, the Company recognized stock compensation expense of \$3.4 million and a related tax benefit of \$0.4 million. For the second quarter of 2025, the Company recognized stock compensation expense of \$3.5 million and a related tax benefit of \$0.6 million. For June year-to-date 2026, the Company recognized stock compensation expense of \$6.8 million and a related tax benefit of \$0.5 million. For June year-to-date 2025, the Company recognized stock compensation expense of \$7.2 million and a related tax benefit of \$0.9 million.

Restricted Stock

A summary of the status of nonvested restricted stock as of second quarter-end 2026 and the year-to-date changes is presented as follows below (in thousands of shares except per share data).

	Restricted Stock	
	Shares	Weighted Average Grant Date Fair Value
Nonvested at year-end 2025	1,329	\$ 15.72
Granted	1,146	10.39
Vested	(375)	16.83
Forfeited	(221)	14.63
Nonvested at second quarter-end 2026	1,879	\$ 12.37

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Performance Shares

2026 Grant

During June year-to-date 2026, the Company granted performance share awards associated with the Company's Class A common stock to certain senior officers. The payment of performance share awards is contingent upon the achievement of a specific EBITDA margin performance goal with a relative revenue growth modifier over a stated period of time. The maximum number of performance shares that may be earned is 200% of the target shares originally granted. These awards have three one-year performance periods: 2026, 2027 and 2028, with the payout for each performance period based on separate financial measure goals that are set in February of each of the three performance periods. Earned shares during each performance period will cliff vest in February 2029 after approval of the financial results by the Compensation Committee, if not forfeited by the recipient. No dividends are paid on these performance shares.

A summary of the status of all nonvested performance shares at target as of second quarter-end 2026 and the year-to-date changes is presented as follows below (in thousands of shares except per share data). The vesting adjustment in the table below represents a portion of the 2023 performance shares that did not vest because actual achievement was below the threshold level or was not achieved, and resulted in no payout.

	Performance Shares	
	Shares	Weighted Average Grant Date Fair Value
Nonvested at year-end 2025	616	\$ 15.00
Granted	496	9.55
Vested	(168)	16.31
Forfeited	(124)	11.09
Vesting adjustment	(33)	15.18
Nonvested at second quarter-end 2026	787	\$ 11.00

11. Other Income (Expense), Net

Included in other income (expense), net are the following:

	Second Quarter		June Year-to-Date	
	2026	2025	2026	2025
Interest income	\$ 0.5	\$ 0.9	\$ 0.9	1.7
Interest expense	(2.1)	(3.5)	(4.1)	(7.5)
Other	(0.1)	0.3	(0.1)	0.3
Other income (expense), net	\$ (1.7)	\$ (2.3)	\$ (3.3)	(5.5)

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12. Income Taxes

Income tax expense was \$3.0 million for the second quarter of 2026 and income tax expense was \$0.9 million for the second quarter of 2025. Income tax expense was \$2.2 million for June year-to-date 2026 and income tax expense was \$2.7 million for June year-to-date 2025. The variance was driven by changes in pretax income and partially offset by the benefit of work opportunity tax credits in the first half of 2025.

As of year-end 2025, the Company has recorded valuation allowances against its U.S. general business credit carryforwards, foreign tax credit carryforwards, certain loss carryforwards, and certain future deductible items. The Company will continue to evaluate the need for valuation allowances against deferred tax assets on a quarterly basis and may adjust the allowance as circumstances change.

The work opportunity credit program is a temporary provision in the U.S. tax law and has expired for employees hired after 2025. While the work opportunity credit has routinely been extended, it is uncertain whether it will again be extended. In the event the program is not renewed, the Company will continue to receive credits for qualified employees hired prior to 2026.

13. Contingencies

The Company is continuously engaged in litigation, threatened litigation, claims, audits or investigations arising in the ordinary course of its business, such as matters alleging employment discrimination, wage and hour violations, claims for indemnification or liability, violations of privacy rights, anti-competition regulations, commercial and contractual disputes, and tax-related matters, which could result in a material adverse outcome.

The Company records accruals for loss contingencies when the Company believes it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. Such accruals are recorded in accounts payable and accrued liabilities and in accrued workers' compensation and other claims in the consolidated balance sheet. At second quarter-end 2026 and year-end 2025, the gross accrual for litigation costs amounted to \$1.6 million and \$2.8 million, respectively.

The Company maintains insurance coverage which may cover certain losses. When losses exceed the applicable policy deductible and realization of recovery of the loss from existing insurance policies is deemed probable, the Company records receivables from the insurance company for the excess amount, which are included in prepaid expenses and other current assets and other assets in the consolidated balance sheet. At second quarter-end 2026 and year-end 2025, there were no related insurance receivables.

The Company estimates the aggregate range of reasonably possible losses, in excess of amounts accrued, is zero to \$1.1 million as of second quarter-end 2026. This range includes matters where a liability has been accrued but it is reasonably possible that the ultimate loss may exceed the amount accrued and for matters where a loss is believed to be reasonably possible, but a liability has not been accrued. The aggregate range only represents matters in which the Company is currently able to estimate a range of loss and does not represent the maximum loss exposure. The estimated range is subject to significant judgment and a variety of assumptions and only based upon currently available information. For other matters, the Company is currently not able to estimate the reasonably possible loss or range of loss.

While the ultimate outcome of these matters cannot be predicted with certainty, the Company believes that the resolution of any such proceedings will not have a material adverse effect on the Company's financial condition, results of operations or cash flows.

14. Segment Disclosures

The Company's operating segments, which also represent its reportable segments, are based on the organizational structure for which financial results are regularly evaluated by the Company's chief operating decision-maker ("CODM", the Company's CEO) to determine resource allocation and assess performance. The Company's three reportable segments: (1) ETM, (2) SET and (3) Education, reflect the specialty services the Company provides to customers and represent how the business is

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organized internally. Intersegment revenue represents revenue earned between the reportable segments and is eliminated from total segment revenue from services.

In the first quarter of 2026, the Company aligned government customers from the ETM segment to the SET segment to better position the services within the Company's segment structure. The 2025 ETM and SET segment information has been recast to conform to the new alignment.

The following tables present information about the reported revenue from services of the Company by reportable segment, along with a reconciliation to earnings before taxes, for the second quarter and June year-to-date 2026 and 2025. Asset information by reportable segment is not presented since the Company does not produce such information internally nor does it use such information to manage its business.

	Second Quarter 2026					Total
	ETM	SET	Education	Inter-Segment		
Revenue from services	\$ 485.5	\$ 301.6	\$ 253.5	\$ (2.4)		1,038.2
Cost of services ⁽¹⁾	386.0	225.1	217.5	(2.4)		826.2
Gross profit	99.5	76.5	36.0	—		212.0
Direct salaries ⁽²⁾	59.9	41.0	14.9			
Other segment expenses ⁽³⁾	28.8	17.3	10.4			
SG&A expenses	88.7	58.3	25.3	—		172.3
Business unit profit	\$ 10.8	\$ 18.2	\$ 10.7	\$ —		39.7
Corporate SG&A						(11.8)
Depreciation and amortization ⁽⁴⁾						(11.8)
Consolidated earnings from operations						16.1
Other income (expense), net						(1.7)
Earnings before taxes					\$	14.4

	June Year-to-Date 2026					Total
	ETM	SET	Education	Inter-Segment		
Revenue from services	\$ 944.7	\$ 590.8	\$ 547.6	\$ (4.2)		2,078.9
Cost of services ⁽¹⁾	759.6	442.5	472.6	(4.2)		1,670.5
Gross profit	185.1	148.3	75.0	—		408.4
Direct salaries ⁽²⁾	119.5	81.5	31.5			
Other segment expenses ⁽³⁾	56.1	34.4	20.5			
SG&A expenses	175.6	115.9	52.0	—		343.5
Asset impairment charge	—	2.2	—			2.2
Business unit profit	\$ 9.5	\$ 30.2	\$ 23.0	\$ —		62.7
Corporate SG&A						(28.2)
Depreciation and amortization ⁽⁴⁾						(23.5)
Consolidated earnings from operations						11.0
Other income (expense), net						(3.3)
Earnings before taxes					\$	7.7

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	Second Quarter 2025				
	ETM	SET	Education	Inter-Segment	Total
Revenue from services	\$ 516.4	\$ 321.1	\$ 265.3	\$ (1.0)	1,101.8
Cost of services ⁽¹⁾	413.0	238.1	226.2	(1.0)	876.3
Gross profit	103.4	83.0	39.1	—	225.5
Direct salaries ⁽²⁾	61.1	46.7	15.1		
Other segment expenses ⁽³⁾	31.7	16.5	10.4		
SG&A expenses	92.8	63.2	25.5	—	181.5
Business unit profit	\$ 10.6	\$ 19.8	\$ 13.6	\$ —	44.0
Corporate SG&A					(13.3)
Gain on sale of EMEA staffing operations					4.0
Depreciation and amortization ⁽⁴⁾					(12.5)
Consolidated earnings from operations					22.2
Other income (expense), net					(2.3)
Earnings before taxes					<u>\$ 19.9</u>

	June Year-to-Date 2025				
	ETM	SET	Education	Inter-Segment	Total
Revenue from services	\$ 1,045.5	\$ 648.4	\$ 574.3	\$ (1.5)	2,266.7
Cost of services ⁽¹⁾	834.8	482.4	489.0	(1.5)	1,804.7
Gross profit	210.7	166.0	85.3	—	462.0
Direct salaries ⁽²⁾	129.4	97.5	31.5		
Other segment expenses ⁽³⁾	64.4	34.8	20.9		
SG&A expenses	193.8	132.3	52.4	—	378.5
Business unit profit	\$ 16.9	\$ 33.7	\$ 32.9	\$ —	83.5
Corporate SG&A					(29.2)
Gain on sale of EMEA staffing operations					4.0
Depreciation and amortization ⁽⁴⁾					(25.3)
Consolidated earnings from operations					33.0
Other income (expense), net					(5.5)
Earnings before taxes					<u>\$ 27.5</u>

⁽¹⁾ Cost of services represent those costs directly associated with the earning of revenue. The primary examples of these types of costs are temporary employee wages, along with other employee-related costs, including associated payroll taxes, temporary employee benefits, such as service bonus, holiday pay, health insurance and workers' compensation costs. These costs differ fundamentally from SG&A expenses in that they arise specifically from the action of providing the Company's services to customers whereas SG&A costs are incurred regardless of whether or not the Company places temporary employees with the Company's customers.

⁽²⁾ Direct salaries refers to the compensation expenses for employees directly related to the Company's operations and service delivery. These expenses include salaries, related payroll taxes, various benefits and performance-based incentives and bonuses for these employees.

⁽³⁾ Other segment expenses includes shared services costs for IT, human resources, legal and finance support, other professional services and overhead expenses, facilities and equipment-related costs and operational software licenses.

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⁽⁴⁾ Represents total company depreciation and amortization of intangibles, including the amortization of hosted software.

Depreciation and amortization expense is included in SG&A expenses in the consolidated statements of earnings. Depreciation and amortization expense amounts below include amortization of implementation costs for hosted software, which are excluded in the presentation of depreciation and amortization in the consolidated statements of cash flows. The depreciation and amortization amounts by segment are as follows:

	Second Quarter		June Year-to-Date	
	2026	2025	2026	2025
Depreciation and amortization:				
Enterprise Talent Management	\$ 2.4	\$ 2.7	\$ 4.6	\$ 5.9
Science, Engineering & Technology	7.2	7.7	14.6	15.2
Education	2.2	2.1	4.3	4.2

15. New Accounting Pronouncements

Recently Adopted

In July 2025, the FASB issued ASU 2025-05, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets. This ASU allows for a practical expedient to be used when estimating expected credit losses on current accounts receivable and/or current contract assets arising from transactions under Topic 606. The new guidance was effective for annual periods beginning after December 15, 2025, with early adoption permitted. This ASU applies to trade accounts receivable and could impact the calculation of the allowance for uncollectible accounts receivable. The Company adopted this guidance in the first quarter of 2026 and the adoption did not have a material impact to the Company's consolidated financial statements.

Recently Issued Accounting Pronouncements Not Yet Adopted

In December 2025, the FASB issued ASU 2025-11, Interim Reporting, which is intended to improve the navigability of the guidance in ASC 270, Interim Reporting, and clarify when it applies. The amendment specifies when an entity is subject to ASC 270, and addresses the form and content of financial statements and interim disclosure requirements. The ASU clarifies that an entity must disclose events since the end of the last annual reporting period that have a material impact. The ASU is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, and early adoption is permitted. The Company does not expect this update to have a material impact to the Company's consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, Intangibles—Goodwill and Other - Internal-Use Software (Subtopic 350-40). This ASU simplifies and modernizes guidance for internal-use software by clarifying capitalization thresholds, improving comparability and reducing judgment diversity across all software development methodologies. This ASU is effective for annual reporting periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of the new guidance on the Company's consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-03, Comprehensive Income (Topic 220): Disaggregation of Income Statement Expenses. This ASU requires additional information about certain expense categories in the notes to the financial statements. The new guidance will be effective for annual periods beginning after December 15, 2026, with early adoption permitted. The Company is currently evaluating the impact of the new guidance on the Company's consolidated financial statements and related disclosures.

In October 2023, the FASB issued ASU 2023-06, Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative, which modifies several disclosure and presentation requirements in the FASB Accounting Standard Codification to align them with SEC regulations. The effective date for each amendment will be the date on which the SEC's removal of that related disclosure from Regulation S-X or Regulation S-K becomes effective, with

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early adoption permitted by June 30, 2027. For any amendments in which the SEC has not yet removed the applicable requirement from its regulations by June 30, 2027, the pending content of the related amendment in the FASB codification will not be effective. The Company does not expect this update to have a material impact to the Company's consolidated financial statements.

Management has evaluated other recently issued accounting pronouncements and does not believe that any of these pronouncements will have a significant impact to the Company's consolidated financial statements and related disclosures.

16. Related Party Transactions

Hunt Equity Opportunities, LLC ("Hunt Equity") controls approximately 92.2% of the outstanding shares of Kelly Class B common stock as of May 19, 2026. There were no material transactions between the Company and Hunt Equity during the second quarter of 2026.

17. Subsequent Event

On August 4, 2026, the Company's board of directors declared a dividend of \$0.075 per share. The dividend is payable on September 2, 2026 to stockholders of record as of the close of business on August 19, 2026.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

Executive Overview

In the second quarter, we delivered sequential improvement in each business across Kelly. The discrete impact of demand reductions among three large ETM customers and the U.S. federal government, which we initially disclosed in the second quarter of 2025, is lessening but remains visible in our results. Trends among these customers who continue to do business with Kelly remained stable on a sequential basis.

In ETM, staffing revenue excluding the discrete impacts returned to positive year-over-year growth driven by broad-based demand across customers and verticals, Business Process Outsourcing excluding contact center solutions also pivoted to growth in the quarter and Talent Solutions delivered another quarter of revenue growth as new customer wins came online and demand continued to increase. In SET, trends in each specialty vertical improved compared to the first quarter, with the Telecom specialty delivering another quarter of year-over-year growth. In Education, results improved modestly on a sequential basis while we continued to experience pressure from prior year delayed contract decisions and enrollment declines. In each business, we continued to align resources with demand and maintained a disciplined approach to expense management overall as part of our ongoing focus on efficiency.

Our ability to deliver sequential improvement across the enterprise while driving progress on our strategic initiatives in the second quarter reflects our enhanced focus on execution and operational discipline. Our progress will position us to capitalize on improving demand trends, and driving profitable growth and long-term value creation.

Financial Measures

Reported percentage changes are computed based on millions. Prior year percentage changes were computed based on actual amounts in thousands. Prior year percentage changes have been recast to conform to the new presentation, which is calculated based on millions. All dollar amounts are presented in millions, except for per share data.

Days sales outstanding (“DSO”) represents the number of days that sales remain unpaid for the period being reported. DSO is calculated by dividing average net sales per day (based on a rolling three-month period) into trade accounts receivable, net of allowances at period end. Where secondary supplier revenues are recorded on a net basis (net of secondary supplier expense), secondary supplier revenue is included in the daily sales calculation in order to properly reflect the gross revenue amounts billed to the customer.

NM (not meaningful) in the following tables is used in place of percentage changes where: the change is in excess of 500%, the change involves a comparison between earnings and loss amounts, or the comparison amount is zero.

Results of Operations
Total Company
(in millions)

	Second Quarter			June Year-to-Date		
	2026	2025	% Change	2026	2025	% Change
Revenue from services	\$ 1,038.2	\$ 1,101.8	(5.8)%	\$ 2,078.9	\$ 2,266.7	(8.3)%
Gross profit	212.0	225.5	(6.0)	408.4	462.0	(11.6)
SG&A expenses excluding integration, realignment, restructuring charges, and depreciation and amortization	181.2	188.8	(4.0)	364.1	391.0	(6.9)
Integration, realignment and restructuring charges	2.9	6.0	(51.7)	7.6	16.7	(54.5)
Total SG&A expenses excluding depreciation and amortization	184.1	194.8	(5.5)	371.7	407.7	(8.8)
Depreciation and amortization	11.8	12.5	(5.6)	23.5	25.3	(7.1)
Total SG&A expenses	195.9	207.3	(5.5)	395.2	433.0	(8.7)
Gain on sale of EMEA staffing operations	—	(4.0)	NM	—	(4.0)	NM
Asset impairment charge	—	—	NM	2.2	—	NM
Earnings from operations	16.1	22.2	(27.5)	11.0	33.0	(66.7)
Other income (expense), net	(1.7)	(2.3)	26.1	(3.3)	(5.5)	40.0
Earnings before taxes	14.4	19.9	(27.6)	7.7	27.5	(72.0)
Income tax expense	3.0	0.9	233.3	2.2	2.7	(18.5)
Net earnings	\$ 11.4	\$ 19.0	(40.0)%	\$ 5.5	\$ 24.8	(77.8)%
Gross profit rate	20.4 %	20.5 %	(0.1) pts.	19.6 %	20.4 %	(0.8) pts.

Second Quarter Results

Revenue from services in the second quarter decreased 5.8% year-over-year with decreases in the ETM, SET, and Education segments. Compared to the second quarter of 2025, the decrease is primarily due to declines in revenue from staffing services of 9.5%, partially offset by increases in revenue from talent solutions of 6.3% from the prior year.

Gross profit decreased 6.0% year-over-year, primarily driven by lower revenue volume. The gross profit rate decreased 10 basis points (“bps”) to 20.4%, primarily due to changes in business mix, partially offset by lower employee-related costs. The gross profit rate decreased in the SET and Education segments and increased in the ETM segment.

Total SG&A expenses decreased 5.5% year-over-year, primarily due to expense management actions to reduce volume-related costs, and reflects the benefits of the ongoing structural actions including integration and realignment efforts. SG&A expenses in the second quarter of 2026 include \$2.9 million of integration and realignment costs related to continuation of ongoing initiatives and \$0.3 million of executive transition charges. Included in SG&A expenses in the second quarter of 2025 were \$6.0 million of integration and realignment costs related to initiatives to integrate MRP and align our processes, \$0.2 million of executive transition charges, and \$0.1 million of transaction-related costs arising from the sale of our EMEA staffing operations. Excluding integration and realignment, transaction, executive transition charges, and depreciation and amortization, SG&A expenses decreased 4.0% from the prior year.

The gain on sale of EMEA staffing operations relates to the January 2024 sale. In the second quarter of 2025, we recognized a gain of \$4.0 million upon the settlement of working capital and other adjustments.

Income tax expense was \$3.0 million for the second quarter of 2026 compared to income tax expense of \$0.9 million for the second quarter of 2025, driven by changes in pretax income and the benefit of work opportunity tax credits in the second quarter of 2025.

June Year-to-Date Results

Revenue from services June year-to-date 2026 decreased 8.3% year-over-year with decreases in the ETM, SET, and Education segments. Compared to the June year-to-date 2025, the decrease is primarily due to declines in revenue from staffing services

and outcome-based services of 11.2% and 5.0%, respectively, partially offset by growth in revenue from talent solutions of 4.7%.

Gross profit decreased 11.6%, largely driven by lower revenue volume. The gross profit rate decreased 80 bps to 19.6%, primarily due to higher employee-related costs in the beginning part of the year.

Total SG&A expenses decreased 8.7%, primarily due to expense management actions to reduce volume-related costs and reflects the benefits of the ongoing structural actions including integration and realignment efforts. SG&A expenses in the first six months of 2026 include \$7.6 million of integration and realignment costs related to continuation of ongoing initiatives, \$1.8 million of executive transition charges and \$0.8 million of transaction costs primarily related to costs incurred in connection with our controlling shareholder change in the first quarter of 2026. Included in SG&A expenses in the first six months of 2025 were \$16.7 million of integration costs related to initiatives to integrate MRP and align our processes, \$0.5 million of executive transition charges and \$0.4 million of transaction costs related to the sale of our EMEA staffing operations.

The asset impairment charge of \$2.2 million in the first quarter of 2026 relates to certain right-of-use assets and reflects our ongoing realignment of our lease portfolio.

The gain on sale of EMEA staffing operations relates to the January 2024 sale. In the first six months of 2025, we recognized a gain of \$4.0 million upon the settlement of working capital and other adjustments.

Income tax expense was \$2.2 million for the first six months of 2026 compared to income tax expense of \$2.7 million for the first six months of 2025, with the change primarily driven by changes in pretax income and the benefit of work opportunity tax credits in the first six months of 2025.

Operating Results By Segment
(in millions)

	Second Quarter			June Year-to-Date		
	2026	2025	% Change	2026	2025	% Change
Revenue from Services:						
Enterprise Talent Management	\$ 485.5	\$ 516.4	(6.0)%	\$ 944.7	\$ 1,045.5	(9.6)%
Science, Engineering & Technology	301.6	321.1	(6.1)	590.8	648.4	(8.9)
Education	253.5	265.3	(4.4)	547.6	574.3	(4.6)
Less: Intersegment revenue	(2.4)	(1.0)	140.0	(4.2)	(1.5)	180.0
Consolidated Total	<u>\$ 1,038.2</u>	<u>\$ 1,101.8</u>	(5.8)%	<u>\$ 2,078.9</u>	<u>\$ 2,266.7</u>	(8.3)%

Second Quarter Results

The decrease in ETM revenue from services of 6.0% was primarily driven by a decrease of 10.0% in staffing services resulting from lower hours volume primarily at certain large customers and a decrease of 9.3% from outcome-based services primarily due to the relationship exit of a large contact-center customer that ended as of the third quarter of 2025. Permanent placement fees decreased 41.4%, reflecting lower market demand. These decreases were partially offset by an increase of 6.3% in talent solutions driven by new customer wins and volume increases.

The decrease in SET revenue from services of 6.1% was primarily driven by declines in hours volume in our staffing specialties, largely from changes in demand related to U.S. federal government contractors and IT services, partially offset by an increase in permanent placement fees.

The decrease in Education revenue from services of 4.4% was driven primarily by a reduction in demand in key markets due to declines in student enrollment.

June Year-to-Date Results

The decrease in ETM revenue from services of 9.6% was primarily driven by a decrease of 13.5% in staffing services resulting from lower hours volume primarily at certain large customers and a decrease of 14.8% from outcome-based services primarily due to the relationship exit of a large contact-center customer that ended as of the third quarter of 2025. Permanent placement fees decreased 32.7%, reflecting lower market demand. These decreases were partially offset by an increase of 4.7% in talent solutions driven by new customer wins and volume increases.

The decrease in SET revenue from services of 8.9% was primarily driven by declines in hours volume in our staffing specialties, largely from changes in demand related to U.S. federal government contractors and IT services, partially offset by an increase in permanent placement fees.

The decrease in Education revenue from services of 4.6% was driven primarily by the impact of prior year delayed contract decisions, weather-related school closures and a reduction in demand in key markets due to declines in student enrollment.

Operating Results By Segment (continued)
(in millions)

	Second Quarter			June Year-to-Date		
	2026	2025	Change	2026	2025	Change
Gross Profit:						
Enterprise Talent Management	\$ 99.5	\$ 103.4	(3.8)%	\$ 185.1	\$ 210.7	(12.1)%
Science, Engineering & Technology	76.5	83.0	(7.8)	148.3	166.0	(10.7)
Education	36.0	39.1	(7.9)	75.0	85.3	(12.1)
Consolidated Total	<u>\$ 212.0</u>	<u>\$ 225.5</u>	(6.0)%	<u>\$ 408.4</u>	<u>\$ 462.0</u>	(11.6)%
Gross Profit Rate:						
Enterprise Talent Management	20.5 %	20.0 %	0.5 pts.	19.6 %	20.1 %	(0.5) pts.
Science, Engineering & Technology	25.4	25.8	(0.4)	25.1	25.6	(0.5)
Education	14.2	14.7	(0.5)	13.7	14.9	(1.2)
Consolidated Total	<u>20.4 %</u>	<u>20.5 %</u>	(0.1) pts.	<u>19.6 %</u>	<u>20.4 %</u>	(0.8) pts.

Second Quarter Results

Gross profit for ETM decreased on lower revenue volume. The gross profit rate increased by 50 bps primarily due to lower employee-related costs, partially offset by lower permanent placement fees.

The SET gross profit decreased on lower revenue volume. The gross profit rate decreased by 40 bps primarily due to changes in business mix, partially offset by lower employee-related costs and higher permanent placement fees.

Gross profit for the Education segment decreased on lower revenue volume. The gross profit rate decreased by 50 bps, primarily due to higher employee-related costs and lower permanent placement fees.

June Year-to-Date Results

Gross profit for the ETM segment decreased on lower revenue volume. The gross profit rate decreased by 50 bps primarily due to higher employee-related costs.

The SET gross profit decreased on lower revenue volume. The gross profit rate decreased by 50 bps primarily due to changes in business mix and higher employee-related costs, partially offset by higher permanent placement fees.

Gross profit for the Education segment decreased on lower revenue volume. The gross profit rate decreased by 120 bps primarily due to higher employee-related costs and lower permanent placement fees.

Operating Results By Segment (continued)
(in millions)

	Second Quarter			June Year-to-Date		
	2026	2025	% Change	2026	2025	% Change
SG&A Expenses (excluding depreciation and amortization):						
Enterprise Talent Management	\$ 88.7	\$ 92.8	(4.4)%	\$ 175.6	\$ 193.8	(9.4)%
Science, Engineering & Technology	58.3	63.2	(7.8)	115.9	132.3	(12.4)
Education	25.3	25.5	(0.8)	52.0	52.4	(0.8)
Corporate expenses	11.8	13.3	(11.3)	28.2	29.2	(3.4)
Consolidated Total	<u>\$ 184.1</u>	<u>\$ 194.8</u>	(5.5)%	<u>\$ 371.7</u>	<u>\$ 407.7</u>	(8.8)%

Second Quarter Results

The 4.4% decrease in ETM SG&A expenses excluding depreciation and amortization was primarily due to lower salary-related costs as a result of operating efficiencies and expense management actions in response to lower revenue volume compared to the prior year.

The 7.8% decrease in SET SG&A expenses excluding depreciation and amortization was primarily due to lower salary-related costs as a result of operating efficiencies and expense management actions in response to lower revenue volume compared to the prior year.

The 0.8% decrease in Education SG&A expenses excluding depreciation and amortization primarily related to lower performance-based incentive compensation.

The 11.3% decrease in Corporate expenses was primarily driven by lower integration, realignment, and restructuring charges in the second quarter of 2026 as compared to the prior year.

June Year-to-Date Results

The 9.4% decrease in ETM SG&A expenses excluding depreciation and amortization was primarily due to lower salary-related costs and lower shared service costs as a result of operating efficiencies and expense management actions in response to lower revenue volume compared to the prior year.

The 12.4% decrease in SET SG&A expenses excluding depreciation and amortization was primarily due to lower salary-related costs and performance-based incentive compensation as a result of operating efficiencies and expense management actions in response to lower revenue volume compared to the prior year.

The 0.8% decrease in Education SG&A expenses excluding depreciation and amortization primarily related to lower performance-based incentive compensation.

The 3.4% decrease in Corporate expenses was primarily driven by lower integration, realignment, and restructuring charges, partially offset by investment in the Growth Office and other corporate initiatives in the first six months of 2026 as compared to the prior year.

Operating Results By Segment (continued)
(in millions)

	Second Quarter			June Year-to-Date		
	2026	2025	% Change	2026	2025	% Change
Business Unit Profit						
Enterprise Talent Management	\$ 10.8	\$ 10.6	1.9%	\$ 9.5	\$ 16.9	(43.8)%
Science, Engineering & Technology	18.2	19.8	(8.1)	30.2	33.7	(10.4)
Education	10.7	13.6	(21.3)	23.0	32.9	(30.1)
Business unit profit	39.7	44.0	(9.8)	62.7	83.5	(24.9)
Corporate	(11.8)	(13.3)	(11.3)	(28.2)	(29.2)	(3.4)
Gain on sale of EMEA staffing operations	—	4.0	NM	—	4.0	NM
Depreciation and amortization	(11.8)	(12.5)	(5.6)	(23.5)	(25.3)	(7.1)
Consolidated total earnings from operations	<u>\$ 16.1</u>	<u>\$ 22.2</u>	<u>(27.5)%</u>	<u>\$ 11.0</u>	<u>\$ 33.0</u>	<u>(66.7)%</u>

Second Quarter Results

ETM business unit profit increased compared to the prior year due to lower SG&A expenses. SET and Education business unit profit decreased compared to the prior year primarily due to lower revenue and gross profit, partially offset by lower SG&A expenses.

June Year-to-Date Results

ETM, SET, and Education business unit profit decreased compared to the prior year primarily due to lower revenue and gross profit, partially offset by lower SG&A expenses.

Financial Condition

Historically, we have financed our operations through cash generated by operating activities and access to credit markets. Our working capital requirements are primarily generated from temporary employee payroll, which is generally paid weekly, and customer accounts receivable, which is generally outstanding for longer periods. Since receipts from customers lag payroll to temporary employees, working capital requirements increase substantially in periods of growth. Conversely, when economic activity slows, working capital requirements may substantially decrease. This may result in an increase in our operating cash flows; however, any such increase would not be sustainable in the event that an economic downturn continued for an extended period. We also experience material seasonal fluctuations in working capital in our Education segment due to schools being mostly out of session during the summer.

As highlighted in the consolidated statements of cash flows, our liquidity and available capital resources are impacted by four key components: cash, cash equivalents and restricted cash, operating activities, investing activities and financing activities.

Cash, Cash Equivalents and Restricted Cash

Cash, cash equivalents and restricted cash totaled \$28.0 million at the end of the second quarter of 2026 and \$37.7 million at year-end 2025. As further described below, we generated \$23.8 million of cash from operating activities, generated \$0.2 million of cash from investing activities and used \$31.2 million of cash for financing activities.

Operating Activities

In the first six months of 2026, we generated \$23.8 million of net cash from operating activities, as compared to generating \$119.3 million in the first six months of 2025. The decrease was primarily due to higher working capital requirements as compared to the same period of the prior year.

Trade accounts receivable totaled \$1.2 billion at the end of the second quarter of 2026. Global DSO was 61 days at both second quarter-end 2026 and year-end 2025.

Our working capital position (total current assets less total current liabilities) was \$429.9 million at the end of the second quarter of 2026, a decrease of \$16.6 million from year-end 2025. The current ratio (total current assets divided by total current liabilities) was 1.5 at the end of the second quarter of 2026 and 1.5 at year-end 2025.

Investing Activities

In the first six months of 2026, we generated \$0.2 million of cash from investing activities, as compared to generating \$24.7 million in the first six months of 2025. Cash generated by investing activities in the first six months of 2026 is primarily driven by \$2.7 million of proceeds from company-owned life insurance, partially offset by \$2.6 million of capital expenditures. Included in the cash generated by investing activities in the first six months of 2025 is \$21.8 million of proceeds from the sale of our EMEA staffing operations, \$6.4 million of cash from the sale of the PersolKelly investment and \$1.6 million of proceeds from company-owned life insurance, partially offset by \$4.5 million of cash used for capital expenditures.

Financing Activities

We used \$31.2 million of cash for financing activities in the first six months of 2026, as compared to using \$172.7 million in the first six months of 2025. The change in cash used from financing activities was primarily driven by lower net repayments of \$23.8 million on our credit facilities in 2026 compared to net repayments of \$165.1 million on our credit facilities in 2025. Dividends paid per common share were \$0.075 in each of the first two quarters of 2026 and 2025.

Debt-to-total capital (total debt reported in the consolidated balance sheet divided by total debt plus stockholders' equity) is a common ratio to measure the relative capital structure and leverage of the Company. Our ratio of debt-to-total capital was 7.4% at the end of the second quarter of 2026 and 9.4% at year-end 2025.

Critical Accounting Estimates

For a discussion of our critical accounting estimates, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our 2025 Form 10-K.

Contractual Obligations and Commercial Commitments

There were no significant changes to our contractual obligations and commercial commitments from those disclosed in the section “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our 2025 Form 10-K. We have no material unrecorded commitments, losses, contingencies or guarantees associated with any related parties or unconsolidated entities.

Liquidity

We expect to meet our ongoing short-term and long-term cash requirements principally through cash generated from operations, available cash and equivalents and our credit facilities. Additional funding sources could include additional bank facilities or sale of non-core assets. To meet significant cash requirements related to our nonqualified retirement plan, we may utilize proceeds from Company-owned life insurance policies.

We have historically managed our cash and debt closely to optimize our capital structure. As our cash balances build, we tend to pay down debt as appropriate, unless it is needed for organic or inorganic investments that align with our overall growth strategy. Conversely, when working capital needs grow, we tend to use corporate cash and cash available in the global cash pooling arrangement (the “Cash Pool”) first, and then access our borrowing facilities. We expect our working capital requirements to increase if demand for our services increases.

We assess and monitor our liquidity and capital resources globally. We use the Cash Pool, intercompany loans, dividends, capital contributions, and local lines of credit to meet funding needs and allocate our capital resources among our various subsidiaries. We periodically review our foreign subsidiaries’ cash balances and projected cash needs. As part of those reviews, we may identify cash that we feel should be repatriated to optimize our overall capital structure. We expect our international cash will be needed to fund working capital growth in our local operations as working capital needs, primarily trade accounts receivable, increase during periods of growth.

As of second quarter-end 2026, we had \$150.0 million of available capacity on our \$150.0 million revolving credit facility and \$129.3 million of available capacity on our \$250.0 million securitization facility. The revolving credit facility carried no long-term borrowings on the floating or term benchmark lines of credit. The securitization facility carried \$78.1 million of long-term borrowings and \$42.6 million of standby letters of credit related to workers’ compensation. The credit facilities also include provisions that would allow for expansion of our combined borrowing capacity by \$250.0 million.

Together, the revolving credit and securitization facilities provide us with committed funding capacity that may be used for general corporate purposes subject to financial covenants and restrictions. We believe our cash flow from operations, the availability of liquidity under our credit facilities, including the expansion provisions which allows us to increase our borrowing capacity and our ability to access capital from financial markets will be sufficient to meet our anticipated cash requirements, while maintaining sufficient liquidity for normal operating purposes. As of second quarter-end 2026, we met the debt covenants related to our revolving credit facility and securitization facility.

As of second quarter-end of 2026, we had additional unsecured, uncommitted short-term local credit facilities totaling \$3.1 million, under which we had no borrowings. Details of our debt facilities are contained in the Debt footnote in the notes to our consolidated financial statements.

We monitor the credit ratings of our banking partners on a regular basis and have regular discussions with them. Based on our reviews and communications, we believe the risk of one or more of our banks not being able to honor commitments is insignificant. We also review the ratings and holdings of our money market funds and other investment vehicles regularly to ensure high credit quality and access to our invested cash.

Forward-Looking Statements

Certain statements contained in this report and in our investor conference call related to these results are “forward-looking” statements within the meaning of the applicable securities laws and regulations. Forward-looking statements include statements which are predictive in nature, which depend upon or refer to future events or conditions, or which include words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “estimates,” or variations or negatives thereof or by similar or comparable words or phrases. In addition, any statements concerning future financial performance (including future revenues, earnings or growth rates), ongoing business strategies or prospects, and possible future actions by us that may be provided by management, including oral statements or other written materials released to the public, are also forward-looking statements. Forward-looking statements are based on current expectations and projections about future events and are subject to risks, uncertainties and assumptions about our Company and economic and market factors in the countries in which we do business, among other things. These statements are not guarantees of future performance, and we undertake no obligation to update them, except as required by law.

Actual events and results may differ materially from those expressed or implied by forward-looking statements due to a number of factors. The principal risk factors that could cause our actual performance and future events and actions to differ materially from such forward-looking statements include, but are not limited to, (i) changing market and economic conditions, (ii) disruption in the labor market and weakened demand for human capital resulting from technological advances, competitive pressures and pricing, loss of large corporate customers and government contractor requirements, (iii) the impact of laws and regulations (including federal, state and international tax laws), (iv) unexpected changes in claim trends on workers’ compensation, unemployment, disability and medical benefit plans, (v) litigation and other legal liabilities (including tax liabilities) in excess of our estimates, (vi) our ability to achieve our business’s anticipated growth strategies, (vii) our future business development, results of operations and financial condition, (viii) damage to our brands, (ix) dependence on third parties for the execution of critical functions, (x) conducting business in foreign countries, including foreign currency fluctuations, (xi) availability of temporary workers with appropriate skills required by customers, (xii) cyberattacks or other breaches of network or information technology security, and (xiii) other risks, uncertainties and factors discussed in this report and in our other filings with the Securities and Exchange Commission, including those discussed under “Risk Factors” in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 28, 2025. Actual results may differ materially from any forward-looking statements contained herein, and we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

There have been no significant changes to our exposure to market risk, foreign currency risk, or interest rate risk, or to our related risk management procedures, during the second quarter of 2026 as compared to the respective risk exposures and procedures disclosed in Quantitative and Qualitative Disclosures About Market Risk, set forth in Part II Item 7A, of our Annual Report on Form 10-K for the year ended December 28, 2025, other than factors discussed below.

Foreign Currency

We are exposed to foreign currency risk primarily related to our foreign subsidiaries. Exchange rates impact the U.S. dollar value of our reported earnings, our investments in and held by subsidiaries, local currency denominated borrowings and intercompany transactions with and between subsidiaries. Our foreign subsidiaries primarily derive revenues and incur expenses within a single country and currency which, as a result, provide a natural hedge against currency risks in connection with normal business operations. Accordingly, changes in foreign currency rates vs. the U.S. dollar and euro generally do not impact local cash flows. Intercompany transactions which create foreign currency risk include services, royalties, loans, contributions and distributions.

Interest Rates

We are exposed to interest rate risk through our use of our credit facilities and other local borrowings, when applicable. A hypothetical fluctuation of 10% of market interest rates would not have had a material impact on our operating results or cash flows.

We are exposed to market risk as a result of our obligation to pay benefits under our nonqualified deferred compensation plan and our related investments in company-owned variable universal life insurance policies. The obligation to employees increases and decreases based on movements in the equity and debt markets. The investments in mutual funds, as part of the Company-owned variable universal life insurance policies, are designed to mitigate, but not eliminate, this risk with offsetting gains and losses.

Item 4. Controls and Procedures.

Based on their evaluation as of the end of the period covered by this Form 10-Q, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) are effective at a reasonable assurance level.

There was no change in our internal control over financial reporting that occurred during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION**Item 1. Legal Proceedings.**

We are continuously engaged in litigation, threatened litigation, claims, audits or investigations arising in the ordinary course of our business, such as matters alleging employment discrimination, wage and hour violations, claims for indemnification or liability, violations of privacy rights, anti-competition regulations, commercial and contractual disputes, and tax-related matters, which could result in a material adverse outcome. We record accruals for loss contingencies when we believe it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. Such accruals are recorded in accounts payable and accrued liabilities and in accrued workers' compensation and other claims in the consolidated balance sheet. We maintain insurance coverage which may cover certain claims. When claims exceed the applicable policy deductible and realization of recovery of the claim from existing insurance policies is deemed probable, we record receivables from the insurance company for the excess amount, which are included in prepaid expenses and other current assets and other assets in the consolidated balance sheet.

While the outcome of these matters currently pending cannot be predicted with certainty, we believe that the resolution of any such proceedings will not have a material adverse effect on our financial condition, results of operations or cash flows.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

(c) Issuer Repurchases of Equity Securities

During the second quarter of 2026, we reacquired shares of our common stock as follows:

Period	Total Number of Shares (or Units) Purchased	Average Price Paid per Share (or Unit)	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares (or Units) That May Yet Be Purchased Under the Plans or Programs (in millions)
March 30, 2026 through May 3, 2026	3,014	\$ 9.32	—	\$ 30.0
May 4, 2026 through May 31, 2026	4,393	9.60	—	\$ 30.0
June 1, 2026 through June 28, 2026	98	11.62	—	\$ 30.0
Total	7,505	\$ 9.51	—	

On November 26, 2024, our board of directors approved a share repurchase program for us to repurchase shares covering up to an aggregate of \$50.0 million of our Class A common stock. The share repurchase authorization expires on December 2, 2026. We may also reacquire shares sold by employees to cover employee tax withholdings due upon the vesting of restricted stock. During the second quarter of 2026, 7,505 shares were reacquired solely to cover employee tax withholdings and not pursuant to the repurchase program.

Item 5. Other Information.

Securities Trading Plans of Directors and Executive Officers

During the second quarter of 2026, none of our directors or executive officers adopted, modified or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any “non-Rule 10b5-1 trading arrangement.”

Item 6. Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
<u>3.1</u>	Amended and Restated Certificate of Incorporation, effective May 13, 2026 (Reference is made to Exhibit 3.1 to the Form 8-K filed with the Commission on May 13, 2026, which is incorporated herein by reference).
<u>3.2</u>	Amended and Restated Bylaws, effective May 7, 2026 (Reference is made to Exhibit 3.2 to the Form 8-K filed with the Commission on May 13, 2026, which is incorporated herein by reference).
<u>10.1</u>	First Amended and Restated Receivables Purchase Agreement Amendment No. 6, dated as of June 22, 2026, among Kelly Receivables Funding, LLC, as Seller, Kelly Services, Inc., as Servicer, and PNC Bank, National Association, as Administrator for each Purchaser Group, as Purchaser Agent for the PNC Purchaser Group, as a Related Committed Purchaser, as LC Bank, and as an LC Participant.
<u>31.1</u>	Certification Pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act, as amended.
<u>31.2</u>	Certification Pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act, as amended.
<u>32.1</u>	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
<u>32.2</u>	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data file because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

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

KELLY SERVICES, INC.

Date: August 6, 2026

/s/ Troy R. Anderson

Troy R. Anderson

Executive Vice President and
Chief Financial Officer
(Principal Financial Officer)

Date: August 6, 2026

/s/ Nicholas A. Zuhlke

Nicholas A. Zuhlke

Vice President, Corporate Controller
and Chief Accounting Officer
(Principal Accounting Officer)

**FIRST AMENDED AND RESTATED
RECEIVABLES PURCHASE AGREEMENT AMENDMENT NO. 6**

This FIRST AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT AMENDMENT NO. 6 (this "Amendment"), is dated as of June 22, 2026, among Kelly Receivables Funding, LLC, as seller (the "Seller"), Kelly Services, Inc., as servicer (the "Servicer"), PNC Bank, National Association ("PNC"), as a Related Committed Purchaser, as Purchaser Agent for the PNC Purchaser Group, as LC Bank (in such capacity, the "LC Bank") and as an LC Participant (in such capacity, the "LC Participant"), and PNC Bank, National Association, as administrator for each Purchaser Group (in such capacity, the "Administrator"), to FIRST AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT, dated as of December 5, 2016, among Seller, Servicer, the various Purchasers and Purchaser Agents from time to time party thereto, LC Bank, LC Participant, and Administrator (as amended, restated, supplemented or otherwise modified from time to time, the "Receivables Purchase Agreement").

W I T N E S S E T H:

WHEREAS, the Seller desires to amend the Receivables Purchase Agreement to modify the terms thereof;

WHEREAS, the Purchaser Agents, Related Committed Purchasers, Conduit Purchaser, LC Bank, LC Participant, and Administrator agree to amend the Receivables Purchase Agreement pursuant to the terms and conditions set forth herein; and

NOW, THEREFORE, in consideration of the mutual agreements herein contained and other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged by the parties, the Seller, Servicer, Purchaser Agent, LC Bank, LC Participant, and Administrator hereto agree as follows:

Section 1. Definitions. Capitalized terms not otherwise defined herein shall have the meanings given to them in the Receivables Purchase Agreement.

Section 2. Amendments to the Receivables Purchase Agreement. Effective as of the date hereof, and subject to the satisfaction of the conditions precedent set forth in Section 4 hereof, the Receivables Purchase Agreement shall hereby be amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken-text~~) and to add the underlined text (indicated textually in the same manner as the following example: double underlined text) as set forth in the pages of the amended Receivables Purchase Agreement attached as **Exhibit A** hereto

Section 3. Representations of the Seller and Servicer. Each of Seller and Servicer hereby represent and warrant to the parties hereto that as of the date hereof each of the representations and warranties contained in Exhibit III of the Receivables Purchase Agreement and any other Transaction Documents to which it is a party are true and correct as of the date hereof and after giving effect to this Amendment (except to the extent that such representations

Section 4. Conditions Precedent. This Amendment shall become effective and be deemed effective as of the date first written above upon the satisfaction of the following conditions precedent:

(a) Administrator shall have received a fully-executed counterpart of this Amendment;

(b) Administrator shall have received a fully executed counterpart of the Seventh Amended and Restated Purchaser Group Fee Letter from each of the other parties thereto, and all fees due and owing thereunder;

(c) each representation and warranty of Seller and Servicer contained herein or in any other Transaction Document (after giving effect to this Amendment) shall be true and correct (except to the extent that such representations and warranties expressly refer to an earlier date, in which case they are true and correct as of such earlier date);

(d) no Termination Event, as set forth in Exhibit V of the Receivables Purchase Agreement, shall have occurred and be continuing.

Section 5. Amendment. The Seller, Servicer, the Purchaser Agents, the Related Committed Purchasers, the Conduit Purchasers (if any), the LC Bank, the LC Participants, and the Administrator hereby agree that the provisions and effectiveness of this Amendment shall apply to the Receivables Purchase Agreement as of the date hereof. Except as amended by this Amendment, the Receivables Purchase Agreement remains unchanged and in full force and effect. This Amendment is a Transaction Document.

Section 6. Counterparts. This Amendment may be executed by the parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument. Delivery of a signature page to, or an executed counterpart of, this Amendment by facsimile, email transmission of a scanned image, or other electronic means, shall be effective as delivery of an originally executed counterpart. The parties hereto agree that "execution," "signed," "signature," and words of like import in this document shall be deemed to include electronic signatures, authentication, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based record keeping system, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, Electronic Signatures in Global and National Commerce Act, the Uniform Electronic Transactions Act, New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301-309), or the Uniform Commercial Code, and the parties hereto hereby waive any objection to the contrary.

Section 7. Captions. The headings of the Sections of this Amendment are for convenience of reference only and shall not modify, define, expand or limit any of the terms or provisions of this Amendment.

Section 8. Successors and Assigns. The terms of this Amendment shall be binding upon, and shall inure to the benefit of, Seller, Servicer, Purchaser Agents, Related Committed Purchasers, Conduit Purchaser, LC Bank, LC Participant, and Administrator and their respective successors and permitted assigns.

Section 9. Severability. Any provision of this Amendment which is prohibited or

unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 10. Governing Law and Jurisdiction. The provisions of the Receivables Purchase Agreement with respect to governing law, jurisdiction, and agent for service of process are incorporated in this Amendment by reference as if such provisions were set forth herein.

[Signatures appear on following page.]

IN WITNESS WHEREOF, the parties hereto have each caused this Amendment to be duly executed by their respective duly authorized officers as of the day and year first above written.

KELLY RECEIVABLES FUNDING, LLC,
as Seller

By: Michael F. Orsini
Name: Michael F. Orsini
Title: Vice President, Tax & Treasurer

KELLY SERVICES, INC.,
as Servicer

By: Michael F. Orsini
Name: Michael F. Orsini
Title: Vice President, Tax & Treasurer

[Signature Page to
Amended and Restated Receivables Purchase Agreement Amendment No. 6]

PNC BANK, NATIONAL ASSOCIATION,
as Administrator

By: Michael Ferragonio
Name: Michael Ferragonio
Title: Senior Vice President

PNC BANK, NATIONAL ASSOCIATION,
as Purchaser Agent for the PNC Bank
Purchaser Group, as a Related Committed
Purchaser, as the LC Bank and as an LC
Participant

By: Michael Ferragonio
Name: Michael Ferragonio
Title: Senior Vice President

[Signature Page to
Amended and Restated Receivables Purchase Agreement Amendment No. 6]

EXHIBIT A
CONFORMED FIRST AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT

INCORPORATING AMENDMENT NO. 1 DATED AS OF DECEMBER 5, 2010

FIRST AMENDED AND RESTATED
RECEIVABLES PURCHASE AGREEMENT

dated as of December 5, 2016

among

KELLY RECEIVABLES FUNDING, LLC,
as Seller

KELLY SERVICES, INC.,
as Servicer

THE VARIOUS CONDUIT PURCHASERS FROM TIME TO TIME PARTY HERETO,

THE VARIOUS RELATED COMMITTED PURCHASERS FROM TIME TO TIME PARTY
HERETO,

THE VARIOUS PURCHASER AGENTS FROM TIME TO TIME PARTY HERETO,

THE VARIOUS LC PARTICIPANTS FROM TIME TO TIME PARTY HERETO,
and

PNC BANK, NATIONAL ASSOCIATION,
as Administrator and LC Bank

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AGREEMENT (as amended, restated, supplemented or otherwise modified from time to time, this “Agreement”) is entered into as of December 5, 2016, among KELLY RECEIVABLES FUNDING, LLC, a Delaware limited liability company, as seller (the “Seller”), KELLY SERVICES, INC., a Delaware corporation (together with its successors and permitted assigns, “Kelly”), as servicer (in such capacity, together with its successors and permitted assigns in such capacity, the “Servicer”), the various Conduit Purchasers from time to time party hereto, the various Related Committed Purchasers from time to time party hereto, the various Purchaser Agents from time to time party hereto, the various LC Participants from time to time party hereto and PNC BANK, NATIONAL ASSOCIATION, as administrator (in such capacity, together with its successors and assigns in such capacity, the “Administrator”) and as issuer of Letters of Credit (in such capacity, together with its successors and assigns in such capacity, the “LC Bank”).

BACKGROUND

On the terms set forth herein, the parties hereto wish to amend and restate that certain Receivables Purchase Agreement dated as of the Initial Closing Date (as amended, supplemented or otherwise modified from time to time, the “*Existing Receivables Purchase Agreement*”), by and among the Seller, the Servicer, the various Conduit Purchasers from time to time party thereto, the various Related Committed Purchasers from time to time party thereto, the various Purchaser Agents from time to time party thereto, the various LC Participants from time to time party thereto and PNC, as Administrator and as the LC Bank. This Agreement supersedes the Existing Receivables Purchase Agreement insofar as it constitutes the entire agreement among the parties hereto concerning the subject matter of this Agreement, but does not constitute a novation of the Existing Receivables Purchase Agreement or any of the Seller’s obligations thereunder.

The Seller (i) desires to sell, transfer and assign an undivided variable percentage ownership interest in a pool of Receivables, and the Purchasers desire to acquire such undivided variable percentage ownership interest, as such percentage interest shall be adjusted from time to time based upon, in part, reinvestment payments that are made by such Purchasers and (ii) may, subject to the terms and conditions hereof, request that the LC Bank issue or cause the issuance of one or more Letters of Credit.

NOW, THEREFORE, in consideration of the mutual agreements, provisions and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

DEFINITIONS

Certain terms that are capitalized and used throughout this Agreement are defined in Exhibit I. References in the Exhibits, Schedules and Annexes hereto to the “Agreement” refer to this Agreement, as amended, restated, supplemented or otherwise modified from time to time.

ARTICLE I

AMOUNTS AND TERMS OF THE PURCHASES

Section 1.1 Purchases.

(a) (i) On the terms and subject to the conditions hereof, the Seller may, from time to time before the Facility Termination Date, (A) ratably (based on each Purchaser Group’s Ratable Share) request that each Purchaser Group’s Conduit Purchaser or, only if there is no Conduit Purchaser in such Purchaser Group or a Conduit Purchaser denies such request or is unable to fund

Purchaser in such Purchaser Group or a Conduit Purchaser denies such request or is unable to fund (and provides notice of such denial or inability to the Seller, the Administrator and its Purchaser Agent), ratably (based on each Purchaser Group's Ratable Share) request that its Related Committed Purchasers, make purchases of and reinvestments in undivided percentage ownership interests with regard to the Purchased Interest from the Seller from time to time from the date hereof to the Facility Termination Date and (B) request that the LC Bank issue or cause the issuance of Letters of Credit, in each case subject to the terms hereof (each such purchase, reinvestment or issuance is referred to herein as a "Purchase"). Subject to Section 1.4(b) concerning reinvestments, at no time will a Conduit Purchaser have any obligation to make a Purchase. Each Related Committed Purchaser severally hereby agrees, on the terms and subject to the conditions hereof, to make Purchases of undivided percentage ownership interests with regard to the Purchased Interest from the Seller from time to time from the date hereof to the Facility Termination Date, based on the applicable Purchaser Group's Ratable Share of each Purchase requested pursuant to Section 1.2(a) (and, in the case of each Related Committed Purchaser, its Commitment Percentage of its Purchaser Group's Ratable Share of such Purchase) and, on the terms of and subject to the conditions of this Agreement, the LC Bank agrees to issue Letters of Credit in return for (and each LC Participant hereby severally agrees to make participation advances in connection with any draws under such Letters of Credit equal to such LC Participant's Pro Rata Share of such draws) undivided percentage ownership interests with regard to the Purchased Interest from the Seller from time to time from the date hereof to the Facility Termination Date; provided, that under no circumstances shall any Purchaser make any Purchase (including, without limitation, any mandatory deemed Purchases pursuant to Section 1.1(b)) or issue any Letters of Credit hereunder, as applicable, if, after giving effect to such Purchase, the (A) aggregate outstanding amount of the Capital funded by such Purchaser, when added to all other Capital funded by all other Purchasers in such Purchaser's Purchaser Group would exceed (I) its Purchaser Group's Group Commitment (as the same may be reduced from time to time pursuant to Section 1.1(c) or increased from time to time pursuant to Section 1.2(f)) minus (II) the related LC Participant's Pro Rata Share of the face amount of any outstanding Letters of Credit, (B) the Aggregate Capital plus the LC Participation Amount would exceed the Purchase Limit or (C) the LC Participation Amount would exceed the aggregate of the Commitments of the LC Bank and the LC Participants.

(ii) The Seller may, subject to the requirements and conditions herein, use the proceeds of any Purchase by the Purchasers hereunder to satisfy its Reimbursement Obligation to the LC Bank and the LC Participants (ratably, based on the outstanding amounts funded by the LC Bank and each such LC Participant) pursuant to Section 1.15.

(b) In addition, in the event the Seller fails to reimburse the LC Bank for the full amount of any drawing under any Letter of Credit on the applicable Drawing Date (out of its own funds available therefor) pursuant to Section 1.15, then the Seller shall, automatically (and without the requirement of any further action on the part of any Person hereunder), be deemed to have requested a new Purchase from the Conduit Purchasers or Related Committed Purchasers, as applicable, on such date, on the terms and subject to the conditions hereof, in an amount equal to the amount of such Reimbursement Obligation at such time. Subject to the limitations on funding set forth in paragraph (a) above (and the other requirements and conditions herein), the Conduit Purchasers or Related Committed Purchasers, as applicable, shall fund such deemed Purchase request and deliver the proceeds thereof directly to the Administrator to be immediately distributed to the LC Bank and the applicable LC Participants (ratably, based on the outstanding amounts funded by the LC Bank and each such LC Participant) in satisfaction of the Reimbursement Obligation pursuant to Section 1.15.

(c) The Seller may, upon 30 days' written notice to the Administrator, terminate the purchase facility in whole or reduce the unfunded portion of the Purchase Limit in whole or in part

(but not below the amount which would cause the Group Capital of any Purchaser Group to exceed its Group Commitment (after giving effect to such reduction)); provided that each partial reduction shall be in the amount of at least \$5,000,000, and in integral multiples of \$1,000,000 in excess thereof and that, unless terminated in whole, the Purchase Limit shall in no event be reduced below \$50,000,000. Each reduction in the Commitments hereunder shall be made ratably among the Purchasers in accordance with their respective Commitments. The Administrator shall advise the Purchaser Agents of any notice received by it pursuant to this Section 1.1(c); it being understood that (in addition to and without limiting any other requirements for termination, prepayment and/or the funding of the LC Collateral Account hereunder) no such termination or reduction shall be effective unless and until (i) in the case of a termination, the amount on deposit in the LC Collateral Account is at least equal to the then outstanding LC Participation Amount and (ii) in the case of a partial reduction, the amount on deposit in the LC Collateral Account is at least equal to the positive difference between the then outstanding LC Participation Amount and the Purchase Limit as so reduced by such partial reduction.

(d) The sum of the Adjusted LC Participation Amount and the Aggregate Capital shall not be less than the Minimum Usage Amount.

Section 1.2 Making Purchases. (a) Each Funded Purchase (but not reinvestment) of an undivided percentage ownership interests with regard to the Purchased Interest hereunder may be made on any Business Day upon the Seller's written notice substantially in the form of Annex B with any changes as have been approved by the parties thereto (each, a "Purchase Notice") delivered to the Administrator and each Purchaser Agent in accordance with Section 6.2 which notice must be received by the Administrator and each Purchaser Agent before 12:00 p.m., New York City time on the requested Purchase Date, which notice shall specify: (A) in the case of a Funded Purchase (other than one made pursuant to Section 1.15(b)), the amount requested to be paid to the Seller (such amount, which shall not be less than \$300,000 (or such lesser amount as agreed to by the Administrator and the Majority Purchaser Agents)) and shall be in integral

multiples of \$100,000 in excess thereof, with respect to each Purchaser Group, (B) the Purchase Date of such Funded Purchase (which shall be a Business Day) and (C) the pro forma calculation of the Purchased Interest after giving effect to the increase in the Aggregate Capital. Each Purchase Notice given by the Seller pursuant to this Section 1.2 shall be irrevocable and binding on the Seller.

(b) On the date of each Funded Purchase (but not reinvestment, issuance of a Letter of Credit or a Funded Purchase pursuant to Section 1.2(e)) of undivided percentage ownership interests with regard to the Purchased Interest hereunder, each applicable Conduit Purchaser or Related Committed Purchaser, as the case may be, shall, upon satisfaction of the applicable conditions set forth in Exhibit II, make available to the Seller in same day funds, at JPMorgan Chase Bank, N.A., account number 267158050 (or such other account as may be so designated in writing by the Seller to the Administrator and each Purchaser Agent) an amount equal to the portion of Capital relating to the undivided percentage ownership interest with regard to the Purchased Interest then being funded by such Purchaser.

(c) Effective on the date of each Funded Purchase or other Purchase pursuant to this Section 1.2 and each reinvestment pursuant to Section 1.4, the Seller hereby sells and assigns to the Administrator for the benefit of the Purchasers (ratably, based on the sum of the Capital plus the LC Participation Amount outstanding at such time for each such Purchaser) the Purchased Interest.

(d) To secure all of the Seller's obligations (monetary or otherwise) under this Agreement and the other Transaction Documents to which it is a party, whether now or hereafter existing or arising, due or to become due, direct or indirect, absolute or contingent, the Seller hereby grants to the Administrator, for the benefit of the Purchasers, a security interest in all of the Seller's right, title and interest (including any undivided interest of the Seller) in, to and under all of the following, whether now or hereafter owned, existing or arising: (i) all Pool Receivables, (ii) all Related Security with respect to such Pool Receivables, (iii) all Collections with respect to such Pool Receivables, (iv) the Lock-Box Accounts and all amounts on deposit therein, and all certificates and instruments, if any, from time to time evidencing such Lock-Box Accounts and amounts on deposit therein, (v) all rights (but none of the obligations) of the Seller under the Sale Agreement, (vi) all proceeds of, and all amounts received or receivable under any or all of, the foregoing and (vii) all of its other property (collectively, the "Pool Assets"). The Seller hereby authorizes the Administrator to file financing statements describing as the collateral covered thereby as "all of the debtor's personal property or assets" or words to that effect, notwithstanding that such wording may be broader in scope than the collateral described in this Agreement. The Administrator, for the benefit of the Purchasers, shall have, with respect to the Pool Assets, and in addition to all the other rights and remedies available to the Administrator and the Purchasers, all the rights and remedies of a secured party under any applicable UCC. For greater certainty, the Seller hereby confirms and agrees in favor of the Administrator, for the benefit of the Purchasers, that each grant of a security interest, representation, warranty, covenant, liability, indemnity or other obligation that is expressed in the Existing Receivables Purchase Agreement to be made or given by, or otherwise binding upon the Seller (including without limitation the grant of a security interest by the Seller pursuant to this Section 1.2(d)) is, and shall be deemed to be, a representation,

upon, the Seller. Without in any way limiting the terms hereof, the Seller confirms that the security interest in the Pool Assets provided for hereunder continues the security interest in the Pool Assets granted pursuant to the Existing Receivables Purchase Agreement.

(e) Whenever the LC Bank issues a Letter of Credit pursuant to Section 1.12 hereof, in the event that such Letter of Credit is subsequently drawn and such drawn amount shall not have been reimbursed pursuant to Section 1.15 upon such draw or through the distribution of such LC Participant's Adjusted Pro Rata Share of the amount on deposit in the LC Collateral Account, each LC Participant shall, automatically and without further action of any kind have irrevocably been deemed to have made a Funded Purchase hereunder in an amount equal to such LC Participant's Adjusted Pro Rata Share of such unreimbursed draw. If the LC Bank pays a drawing under a Letter of Credit that is not reimbursed by the Seller on the applicable Drawing Date or through the distribution of the LC Bank's Adjusted Pro Rata Share of the amount on deposit in the LC Collateral Account, the LC Bank shall be deemed to have made a Funded Purchase in an amount equal to its Adjusted Pro Rata Share of such unreimbursed draw. All such Funded Purchases shall accrue Discount from the date of such draw. In the event that any Letter of Credit expires or is surrendered without being drawn (in whole or in part) then, in such event, the foregoing commitment to make Funded Purchases shall expire with respect to such Letter of Credit and the LC Participation Amount shall automatically reduce by the face amount of the Letter of Credit which is no longer outstanding.

(f) The Seller may, with the written consent of the Administrator and each Purchaser Agent (and, in the case of a new related LC Participant, the LC Bank), add additional Persons as Purchasers (either to an existing Purchaser Group or by creating new Purchaser Groups) or with the written consent of the Administrator and the applicable Purchaser Agent cause an existing Related Committed Purchaser or related LC Participant to increase its Commitment in connection with a corresponding increase in the Purchase Limit; provided, that the Commitment of any Related Committed Purchaser or related LC Participant may only be increased with the prior written consent of such Purchaser. Each new Conduit Purchaser, Related Committed Purchaser or related LC Participant (or Purchaser Group) shall become a party hereto, and any existing Related Committed Purchaser or related LC Participant may increase its Commitment by executing and delivering to the Administrator and the Seller, an Assumption Agreement in the form of Annex C hereto (which Assumption Agreement shall, in the case of any new Purchaser Group, be executed by each Person in such new Purchaser Group and, in the case of any increase, be executed by the applicable Purchaser Agent).

(g) Each Related Committed Purchaser's and related LC Participant's obligations hereunder shall be several, such that the failure of any Related Committed Purchaser or related LC Participant to make any Purchase hereunder or a payment in connection with drawing under a Letter of Credit hereunder, as the case may be, shall not relieve any other Related Committed Purchaser or related LC Participant of its obligation hereunder to make payment for any Funded Purchase or such drawing. Further, in the event any Related Committed Purchaser or related LC Participant fails to satisfy its obligation to make a Purchase or payment with respect to such drawing as required hereunder, upon receipt of notice of such failure from the Administrator (or any relevant Purchaser Agent), subject to the limitations set forth herein, (i) the non-defaulting

Related Committed Purchasers or related LC Participants in such defaulting Related Committed Purchaser's or related LC Participant's Purchaser Group shall fund the defaulting Related Committed Purchaser's or related LC Participant's Commitment Percentage of the related Purchase or drawing ratably (based on their relative Commitment Percentages (determined without regard to the Commitment Percentage of the defaulting Related Committed Purchaser or related LC Participant)); and (ii) if there are no other Related Committed Purchasers or related LC Participants in such Purchaser Group or if such other Related Committed Purchasers or related LC Participants are also defaulting Related Committed Purchasers or related LC Participants, then such defaulting Related Committed Purchaser's or related LC Participant's Commitment

Percentage of such Purchase or drawing shall be funded by each other Purchaser Group ratably (based on their relative Commitment Percentages) and applied in accordance with this paragraph (g). Notwithstanding anything in this paragraph (g) to the contrary, no Related Committed Purchaser or related LC Participant shall be required to make a Purchase or payment with respect to such drawing pursuant to this paragraph (g) for an amount which would cause the aggregate Capital of such Related Committed Purchaser or Adjusted Pro Rata Share of the face amount of any outstanding Letter of Credit of such related LC Participant (after giving effect to such Purchase or payment with respect to such drawing) to exceed its Commitment. For the avoidance of doubt, this Section 1.2(g) shall apply at all times prior to the Facility Termination Date.

Section 1.3 Purchased Interest Computation. The Purchased Interest shall be initially computed on the date of the initial Purchase hereunder. Thereafter, until the Facility Termination Date, such Purchased Interest shall be automatically recomputed (or deemed to be recomputed) on each Business Day other than a Termination Day. From and after the occurrence of any Termination Day, the Purchased Interest shall (until the event(s) giving rise to such Termination Day are satisfied or are waived by the Administrator in accordance with Section 2.2) be deemed to be 100%. The Purchased Interest shall become zero when (a) the Aggregate Capital thereof and Aggregate Discount thereon shall have been paid in full, (b) an amount equal to 100% of the LC Participation Amount and the LC Fee Expectation shall have been deposited in the LC Collateral Account, or all Letters of Credit shall have expired or otherwise been terminated and (c) all the amounts owed by the Seller and the Servicer hereunder to each Purchaser, the Administrator and any other Indemnified Party or Affected Person are paid in full, and the Servicer shall have received the accrued Servicing Fee thereon.

Section 1.4 Settlement Procedures.

(a) The collection of the Pool Receivables shall be administered by the Servicer in accordance with this Agreement. The Seller shall provide to the Servicer on a timely basis all information needed for such administration, including notice of the occurrence of any Termination Day and current computations of the Purchased Interest.

(b) The Servicer shall, on each day on which Collections of Pool Receivables are received (or deemed received) by the Seller or the Servicer:

(i) set aside and hold in trust (and shall, at the request of the Administrator, segregate in a separate account approved by the Administrator) for the benefit of each Purchaser Group, out of such Collections, first, an amount equal to the Aggregate Discount

accrued through such day and not previously set aside, second, an amount equal to the Fees accrued and unpaid through such day, and third, to the extent funds are available therefor, an amount equal to the aggregate of each Purchasers' Share of the Servicing Fee accrued through such day and not previously set aside,

(ii) subject to Section 1.4(f), if such day is not a Termination Day, remit to the Seller, ratably, on behalf of each Purchaser Group, the remainder of such Collections. Such remainder may, to the extent representing a return on the Aggregate Capital, ratably, according to each Purchaser's Capital, be automatically reinvested in Pool Receivables and the Related Rights; provided, that if the Purchased Interest would exceed 100%, then the Servicer shall not remit such remainder to the Seller or reinvest it, but shall set aside and hold in trust for the benefit of the Purchasers (and shall, at the request of the Administrator, segregate in a separate account approved by the Administrator) a portion of such Collections that, together with the other Collections set aside pursuant to this clause (ii), shall equal the amount necessary to reduce the Purchased Interest to 100% (determined as if such Collections set aside had been applied to reduce the Aggregate Capital at such time), which amount shall be deposited ratably to each Purchaser Agent's account (for the benefit of its related Purchasers) on the next Settlement Date in accordance with Section

1.4(c),

(iii) if such day is a Termination Day, set aside and hold in trust (and shall, at the request of the Administrator, segregate in a separate account approved by the Administrator) for the benefit of each Purchaser Group the entire remainder of such Collections; provided, further, that if amounts are set aside and held in trust on any Termination Day of the type described in clause (a) of the definition of "Termination Day" and, thereafter, the conditions set forth in Section 3 of Exhibit II are satisfied or waived by the Administrator and the Majority Purchaser Agents, such previously set-aside amounts shall be remitted to the Seller on the day of such subsequent satisfaction or waiver of conditions, as the case may be, and

(iv) subject to Section 1.4(f), release to the Seller for its own account any Collections in excess of: (x) the amounts that are required to be set aside pursuant to clauses (i), (ii) and (iii) above plus (y) the Seller's Share of the Servicing Fee accrued and unpaid through such day and all reasonable and appropriate out-of-pocket costs and expenses of the Servicer for servicing, collecting and administering the Pool Receivables plus (z) all other amounts then due and payable by the Seller under this Agreement to the Purchasers, the LC Bank, the Administrator and any other Indemnified Party or Affected Person.

(c) The Servicer shall, in accordance with the priorities set forth in Section 1.4(d) below, deposit into each applicable Purchaser Agent's account (or such other account designated by such applicable Purchaser or its Purchaser Agent), on each Settlement Date (for any Portion of Capital), Collections held for each Purchaser pursuant to Sections 1.4(b)(i), (ii) and (iii) and Section 1.4(f); provided, that if Kelly or an Affiliate thereof is the Servicer, such day is not a Termination Day and the Administrator has not notified Kelly (or such Affiliate) that such right is revoked, Kelly (or such Affiliate) may retain the portion of the Collections set aside pursuant to

Section 1.4(b)(i) that represents the aggregate of each Purchasers' Share of the Servicing Fee. On or prior to the last day of each Yield Period, the Administrator will notify the Servicer by email communication of the amount of Discount accrued with respect to each Portion of Capital during such Yield Period or portion thereof.

(d) The Servicer shall distribute the amounts described (and at the times set forth) in Section 1.4(c), as follows:

(i) if such distribution occurs on a day that is not a Termination Day, and on which the Purchased Interest does not exceed 100%, first to each Purchaser Agent ratably (based on the Discount and Fees accrued during such Yield Period) (for the benefit of the relevant Purchasers within such Purchaser Agent's Purchaser Group) in payment in full of all accrued Discount and Fees with respect to each Portion of Capital maintained by the Purchasers within such Purchaser Agent's Purchaser Group; it being understood that each Purchaser Agent shall distribute such amounts to the Purchasers within its Purchaser Group ratably according to Discount and Fees, and second, if the Servicer has set aside amounts in respect of the Servicing Fee pursuant to Section 1.4(b)(i) and has not retained such amounts pursuant to Section 1.4(c), to the Servicer's own account (payable in arrears on each Settlement Date) in payment in full of the aggregate of the Purchasers' Share of accrued Servicing Fees so set aside, and

(ii) if such distribution occurs on a Termination Day, or on a day when the Purchased Interest exceeds 100%, first if Kelly or an Affiliate thereof is not the Servicer, to the Servicer's own account in payment in full of the Purchasers' Share of all accrued Servicing Fees, second to each Purchaser Agent ratably (based on the Discount and Fees accrued during such Yield Period) (for the benefit of the relevant Purchasers within such Purchaser Agent's Purchaser Group) in payment in full of all accrued Discount and Fees with respect to each Portion of Capital funded or maintained by the Purchasers within such Purchaser Agent's Purchaser Group, third to each Purchaser Agent ratably (based on the aggregate of the Capital of each Purchaser in each such Purchaser Agent's Purchaser Group) (for the benefit of the relevant Purchasers within such Purchaser Agent's Purchaser Group) in payment in full of (x) if such day is a Termination Day, each Purchaser's Capital, or (y) if such day is not a Termination Day, the amount necessary to reduce the Purchased Interest to 100%; it being understood that each Purchaser Agent shall distribute the amounts described in the second and third clauses of this clause (ii) to the Purchasers within its Purchaser Group ratably (based on Discount and Fees and Capital, respectively), fourth, to the LC Collateral Account for the benefit of the LC Bank and the LC Participants, (x) the amount necessary to cash collateralize the LC Participation Amount until the amount of cash collateral held in such LC Collateral Account equals 100% of the LC Participation Amount and (y) if such day is a Termination Day of the type described in clause (b) of the definition thereof or if a Termination Event is continuing, an amount equal to the LC Fee Expectation at such time (or such portion thereof not currently on deposit in the LC Collateral Account), fifth, if the Aggregate Capital and accrued Aggregate Discount with respect to each Portion of Capital for all Purchaser Groups have been reduced to zero, the Fees have been paid in full and the Purchasers' Share of all accrued Servicing Fees payable to the Servicer (if other than Kelly or an Affiliate thereof) have

(for the benefit of the Purchasers within such Purchaser Group), the Administrator and any other Indemnified Party or Affected Person in payment in full of any other amounts owed thereto by the Seller or the Servicer hereunder and sixth, to the Servicer's own account (if the Servicer is Kelly or an Affiliate thereof) in payment in full of the aggregate of the Purchaser's Share of all accrued Servicing Fees.

After the Capital (on and after a day when the Purchased Interest exceeds 100% or any day on which the Commitment of an Exiting Purchaser terminates), Aggregate Discount, Fees and Servicing Fees with respect to the Purchased Interest, and any other amounts payable by the Seller and the Servicer to each Purchaser Group, the Administrator or any other Indemnified Party or Affected Person hereunder have been paid in full, and (on and after a Termination Day) after Aggregate Capital and an amount equal to 100% of the LC Participation Amount and the LC Fee Expectation has been deposited in the LC Collateral Account, all additional Collections with respect to the Purchased Interest shall be paid to the Seller for its own account.

(e) For the purposes of this Section 1.4:

(i) if on any day the Outstanding Balance of any Pool Receivable is reduced or adjusted as a result of any defective, rejected, returned, repossessed or foreclosed goods or services, or any revision, cancellation, allowance, rebate, discount or other adjustment made by the Seller or any Affiliate of the Seller, or the Servicer or any Affiliate of the Servicer, or any setoff or dispute between the Seller or any Affiliate of the Seller, or the Servicer or any Affiliate of the Servicer and an Obligor, the Seller shall be deemed to have received on such day a Collection of such Pool Receivable in the amount of such reduction or adjustment and shall, subject to Section 1.4(e)(v), immediately pay any and all such amounts in respect thereof to a Lock-Box Account for the benefit of the Purchasers and their assigns and for application pursuant to Section 1.4(b);

(ii) if on any day any of the representations or warranties in Sections 1(j) or 3(a) of Exhibit III is not true with respect to any Pool Receivable, the Seller shall be deemed to have received on such day a Collection of the full Outstanding Balance of such Pool Receivable and shall, subject to Section 1.4(e)(v), immediately pay any and all such amounts in respect thereof to a Lock-Box Account (or as otherwise directed by the Administrator at such time) for the benefit of the Purchasers and their assigns and for application pursuant to Section 1.4(b) (Collections deemed to have been received pursuant to Sections 1.4(e)(i) or (ii) are hereinafter sometimes referred to as "Deemed Collections");

(iii) except as provided in Sections 1.4(e)(i) or (ii) or as otherwise required by applicable law or the relevant Contract, all Collections received from an Obligor of any Receivable shall be applied to the Receivables of such Obligor in the order of the age of such Receivables, starting with the oldest such Receivable, unless such Obligor designates in writing its payment for application to specific Receivables;

(iv) if and to the extent the Administrator, any Purchaser Agent or any Purchaser shall be required for any reason to pay over to an Obligor (or any trustee,

receiver, custodian or similar official in any Insolvency Proceeding) any amount received by it hereunder, such amount shall be deemed not to have been so received by such Person but rather to have been retained by the Seller and, accordingly, such Person shall have a claim against the Seller for such amount, payable when and to the extent that any distribution from or on behalf of such Obligor is made in respect thereof; and

(v) if at any time before the Facility Termination Date the Seller is deemed to have received any Deemed Collection under Sections 1.4(e)(i) and (ii), so long as no Termination Day then exists, the Seller may satisfy its obligation to deliver the amount of such Deemed Collections to a Lock-Box Account by instead repackaging (or being

such Deemed Collections to a Lock-Box Account by instead recalculating (or being deemed to have recalculated) the Purchased Interest by decreasing the Net Receivables Pool Balance by the amount of such Deemed Collections, so long as such adjustment does not cause the Purchased Interest to exceed 100%.

(f) If at any time the Seller wishes to cause the reduction of Aggregate Capital (but not to commence the liquidation, or reduction to zero, of the entire Aggregate Capital) the Seller may do so as follows:

(i) the Seller shall give the Administrator, each Purchaser Agent and the Servicer written notice substantially in the form of Annex E with any changes as have been approved by the parties thereto (each, a “Paydown Notice”) (A) by no later than 12:00 p.m. on the date of such reduction for any reduction of the Aggregate Capital less than or equal to \$25,000,000 (or such greater amount as agreed to by the Administrator and the Majority Purchaser Agents) and (B) at least five (5) Business Days prior to the date of such reduction for any reduction of the Aggregate Capital greater than \$25,000,000, and each such Paydown Notice shall include, among other things, the amount of such proposed reduction and the proposed date on which such reduction will commence;

(ii) on the proposed date of the commencement of such reduction and on each day thereafter, the Servicer shall cause Collections not to be reinvested until the amount thereof not so reinvested shall equal the desired amount of reduction; and

(iii) the Servicer shall hold such Collections in trust for the benefit of each Purchaser, for payment to each such Purchaser (or its related Purchaser Agent for the benefit of such Purchaser) on the next Settlement Date (or such other date as agreed to by the Administrator) with respect to any Portions of Capital maintained by such Purchaser immediately following the related current Yield Period, and the Aggregate Capital (together with the Capital of any related Purchaser) shall be deemed reduced in the amount to be paid to such Purchaser (or its related Purchaser Agent for the benefit of such Purchaser) only when in fact finally so paid;

provided, that:

(A) the amount of any such reduction shall not be less than \$100,000 for each Purchaser Group and shall be an integral multiple of \$100,000, and the sum of the Aggregate Capital and the Adjusted LC Participation Amount after giving effect to such

reduction shall not be less than the Minimum Usage Amount; and

(B) with respect to any Portion of Capital, the Seller shall choose a reduction amount, and the date of commencement thereof, so that to the extent practicable such reduction shall commence and conclude in the same Yield Period.

(g) Conforming Changes Relating to Daily 1M SOFR. In connection with the use or administration of Daily 1M SOFR, the Administrator will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Transaction Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Transaction Document; provided that, the Administrator shall provide prompt notice to the Seller and the Purchasers of the effectiveness of each such amendment implementing such Conforming Changes in connection with the use or administration of Daily 1M..

Section 1.5 Fees. The Seller shall pay, or cause to be paid, to each Purchaser Agent for the benefit of the Purchasers and Liquidity Providers in the related Purchaser Group in accordance with the provisions set forth in Section 1.4(d) certain fees in the amounts and on the dates set forth

in one or more fee letter agreements, dated either the Closing Date or the Fourth Amendment Effective Date (or dated the date any such Purchaser and member of its related Purchaser Group become a party hereto pursuant to an Assumption Agreement, a Transfer Supplement or otherwise), among the Seller, and the applicable Purchaser Agent, respectively (as any such fee letter agreement may be amended, restated, supplemented or otherwise modified from time to time, each, a "Purchaser Group Fee Letter" and each of the Purchaser Group Fee Letters may be referred to collectively as, the "Fee Letters").

Section 1.6 Payments and Computations, Etc.

(a) All amounts to be paid or deposited by the Seller or the Servicer hereunder or under any other Transaction Document shall be made without reduction for offset or counterclaim and shall be paid or deposited no later than 2:00 p.m. (New York City time) on the day when due in same day funds to the account for each Purchaser maintained by the applicable Purchaser Agent (or such other account as may be designated from time to time by such Purchaser Agent to the Seller and the Servicer); provided, however, that if the Seller or the Servicer has set aside and is holding in trust (and at the request of the Administrator, segregates in a separate account approved by the Administrator) such amounts and fails to pay or deposit any such amounts when due as a result of a Force Majeure Event then the Seller or the Servicer shall have one (1) Business Day (in addition to the two (2) Business Days provided in paragraph (a)(ii) of Exhibit V) to pay or deposit such amounts before the occurrence of Termination Event as a result of the Seller's or the Servicer's failure to pay or deposit such amounts. All amounts received after 2:00 p.m. (New York City time) will be deemed to have been received on the next Business Day.

(b) The Seller or the Servicer, as the case may be, shall, to the extent permitted by law, pay interest on any amount not paid or deposited by the Seller or the Servicer, as the case may be, when due hereunder, at an interest rate equal to 2.0% per annum above the Base Rate, payable on demand.

(c) All computations of interest under Section 1.6(b) and all computations of Discount, Fees and other amounts hereunder shall be made on the basis of a year of 360 (or 365 or 366, as applicable, with respect to Discount or other amounts calculated by reference to the Base Rate) days for the actual number of days elapsed. Whenever any payment or deposit to be made hereunder shall be due on a day other than a Business Day, such payment or deposit shall be made on the next Business Day and such extension of time shall be included in the computation of such payment or deposit.

Section 1.7 Increased Costs. (a) If, after the Fourth Amendment Effective Date, the Administrator, any Purchaser, any Purchaser Agent, any Liquidity Provider or any Program Support Provider or any of their respective Affiliates (each an “Affected Person”) reasonably determines that the existence of or compliance with: (i) FIN 46 and Subsequent Statements and Interpretations, (ii) the introduction of or any change in the interpretation of any law, rule, regulation, generally accepted accounting principle, or (iii) any request, guideline or directive from any central bank or other Governmental Authority (whether or not having the force of law) issued or adopted or occurring after the Fourth Amendment Effective Date affects or would have the effect of (x) increasing the amount of capital required or expected to be maintained by such Affected Person or such Affected Person’s holding company, if any, (y) reducing the rate of return on such Affected Person’s capital or on the capital of such Affected Person’s holding company, if any, to a level below that which such Affected Person or such Affected Person’s holding company could have achieved but for such change in law or (z) causing an internal capital or liquidity charge or other imputed cost to be assessed upon such Affected Person or Affected Person’s holding company, if any, and such Affected Person determines that the amount of such increase in capital, reduction in rate of return on capital or capital or liquidity charges suffered is based upon the existence of any Commitment to make Purchases of (or otherwise to maintain the investment in) Pool Receivables or issue any Letter of Credit or any related liquidity facility, credit enhancement facility and other commitments of the same type, then, upon demand by such Affected Person (with a copy to the Administrator), the Seller shall promptly pay such Affected Person, from time to time as specified by such Affected Person, additional amounts sufficient to compensate such Affected Person for both increased costs and maintenance of bargained for yield in the light of such circumstances, to the extent that such Affected Person reasonably determines such increase in capital, reduction in rate of return on capital or capital or liquidity charges to be allocable to the existence of any of such commitments. A certificate as to such amounts submitted to the Seller and the Administrator by such Affected Person shall be conclusive and binding for all purposes, absent manifest error.

(b) If, after the Fourth Amendment Effective Date, any Affected Person reasonably determines that due to any of: (i) FIN 46 and Subsequent Statements and Interpretations, (ii) the introduction of or any change in or in the interpretation of any law, rule, regulation or generally accepted accounting principle or (iii) compliance with any guideline or request from any central bank or other Governmental Authority (whether or not having the force of law) issued or adopted or occurring after the Fourth Amendment Effective Date, there shall be any increase in the cost to such Affected Person of agreeing to purchase or purchasing, or maintaining the ownership of, the Purchased Interest (or its portion thereof) in respect of which Discount is computed by reference to SOFR, then, upon demand by such Affected Person, the Seller shall promptly pay to such Affected Person, from time to time as specified by such Affected Person, additional amounts sufficient to

to the extent that such Affected Person reasonably determines such increase in cost to be allocable to such agreements or maintenance of ownership. A certificate as to such amounts submitted to the Seller and the Administrator by such Affected Person shall be conclusive and binding for all purposes, absent manifest error.

(c) Within a reasonable time period after any Affected Person has actual knowledge that is subject to increased capital or liquidity requirements or incurs other increased costs pursuant to this Section 1.7, such Affected Person shall use reasonable efforts to notify the Servicer of such fact; provided, that any failure to give such notice shall not preclude such Affected Person from asserting any claim for compensation at any time or relieve the Seller from its obligations under this Section 1.7; provided, further, that if such increased costs affect the related Affected Person's portfolio of financing transactions, such Affected Person shall use reasonable averaging and attribution methods to allocate such increased capital or liquidity requirements or increased costs to the transactions contemplated by this Agreement.

(d) Notwithstanding anything in this Section 1.7 to the contrary, (i) if any Affected Person fails to give demand for amounts or losses incurred in connection with this Section 1.7 within 180 days after it obtains knowledge that it is subject to increased capital or liquidity requirements or has incurred other increased costs, such Affected Person shall, with respect to amounts payable pursuant to this Section 1.7, only be entitled to payment under this Section 1.7 for amounts or losses incurred from and after the date 180 days prior to the date that such Affected Person does give such demand and (ii) the Seller shall not be required to pay to any Affected Person (x) any amount that has been fully and finally paid in cash to such Affected Person pursuant to any other provision of this Agreement or any other Transaction Document, (y) any amount, if the payment of such amount is expressly excluded by any provision of this Agreement or any other Transaction Document or (z) any amount, if such amount constitutes Taxes (which shall be governed by Section 1.10).

(e) For the avoidance of doubt, any increase in cost and/or reduction in yield caused by regulatory capital allocation adjustments due to Financial Accounting Standards Board's Interpretation 46 (revised December 2003) Consolidation of Variable Interest Entities and Interpretation of Accounting Research Bulletin No. 51 (or any future statement or interpretation issued by the Financial Accounting Standards Board or any successor thereto) (collectively, the "FIN 46 and Subsequent Statements and Interpretations") shall be covered by this Section 1.7.

Section 1.8 Requirements of Law. If, after the Fourth Amendment Effective Date hereof, any Affected Person determines that the existence of or compliance with: (x) any law, regulation or rule or any change therein or in the interpretation or application thereof, or (y) any request, guideline or directive from any central bank or other Governmental Authority (whether or not having the force of law) issued or adopted or occurring after the Fourth Amendment Effective Date:

(a) does or shall subject such Affected Person to any increase in the Purchased Interest (or its portion thereof) or in the amount of Capital relating thereto,

(b) does or shall impose, modify or hold applicable any reserve, special deposit, compulsory loan or similar requirement against assets held by, or deposits or other liabilities in or for the account of, purchases, advances or loans by, or other credit extended by, or any other acquisition of funds by, any office of such Affected Person that are not otherwise included in the determination of Daily 1M SOFR hereunder, or

(c) does or shall impose on such Affected Person any other condition,

and the result of any of the foregoing is: (A) to increase the cost to such Affected Person of agreeing to Purchase or Purchasing or maintaining the ownership of undivided percentage

agreeing to Purchase or Purchasing or maintaining the ownership of undivided percentage ownership interests with regard to the Purchased Interest or any Portion of Capital or issuing any Letter of Credit, or (B) to reduce any amount receivable hereunder (whether directly or indirectly), then, in any such case, upon demand by such Affected Person, the Seller shall promptly pay to such Affected Person additional amounts necessary to compensate such Affected Person for such additional cost or reduced amount receivable. All such amounts shall be payable as incurred. A certificate as to such amounts submitted to the Seller and the Administrator by such Affected Person shall be conclusive and binding for all purposes, absent manifest error.

Section 1.9 [Reserved.]

Section 1.10 Taxes. The Seller agrees that:

(a) Any and all payments by the Seller under this Agreement and any other Transaction Document shall be made free and clear of and without deduction for any Taxes or Other Taxes; provided, however that such payments shall not include overall income or franchise taxes, in either case, imposed on the Person receiving such payment by the Seller hereunder by the jurisdiction under whose laws such Person is organized, the jurisdiction of such Person's principal place of business or the jurisdiction in which such Person holds its undivided percentage ownership interest with regard to the Purchased Interest, or any political subdivision thereof (all such Taxes other than those referred to in the proviso above shall hereinafter be referred to as "Indemnified Taxes"). If the Seller shall be required by law to deduct any Indemnified Taxes from or in respect of any sum payable hereunder to any Affected Person, then the sum payable shall be increased by the amount necessary to yield to such Person (after payment of all Taxes) an amount equal to the sum it would have received had no such deductions been made.

(b) Whenever any Indemnified Taxes are payable by the Seller, as promptly as possible thereafter, the Seller shall send to the Administrator for its own account or for the account of the related Affected Person, a certified copy of an original official receipt showing payment thereof or such other evidence of such payment as may be available to the Seller and acceptable to the taxing authorities having jurisdiction over such Person. If the Seller fails to pay any Indemnified Taxes when due to the appropriate taxing authority or fails to remit to the Administrator the required receipts or other required documentary evidence, the Seller shall indemnify the Administrator and/or any other Affected Person, as applicable, for any incremental Taxes, interest or penalties that may become payable by such party as a result of any such failure.

(c) The Seller shall indemnify each Affected Person, within ten (10) Business Days

after written demand therefor, for the full amount of any Indemnified Taxes paid by such Affected Person on or with respect to any payment by or on account of any obligation of the Seller hereunder (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 1.10) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. None of Sections 1.7, 1.8, 3.1, 3.2 or 6.4(a) shall apply to Taxes, which shall be governed exclusively by this Section 1.10.

(d) If an Affected Person determines, in its sole discretion, that it has received a refund or credit of any Taxes or Other Taxes as to which it has been indemnified by the Seller, it shall pay over such refund or credit to the Seller (but only to the extent of indemnity payments made, or additional amounts paid, by the Seller under this Section 1.10 with respect to the Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of such Affected Person and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund net of any applicable Taxes payable in respect of such interest); provided, that the Seller agrees to repay each such Affected Person, within ten (10) Business Days after the request of such Affected Person, the amount paid over to the Seller (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event such Affected Person is

changes imposed by the relevant Governmental Authority, in the event such Person is required to repay such refund to such Governmental Authority. This Section 1.10 shall not be construed to require any Affected Person to make available its tax returns (or any other information relating to its Taxes which it deems confidential) to the Seller or any other Person.

(e) If an Affected Person requests indemnification or repayment under this Section 1.10, a certificate describing in reasonable detail such amounts and the basis for such Affected Person's demand for such amounts shall be submitted to the Seller and the applicable Purchaser Agent by such Affected Person and shall be conclusive and binding for all purposes, absent manifest error.

Section 1.11 Daily 1M SOFR Unascertainable; Increased Costs; Illegality; Benchmark Replacement Setting.

(a) Unascertainable; Increased Costs. If, at any time:

(i) the Administrator shall have determined (which determination shall be conclusive and binding absent manifest error) that Daily 1M SOFR cannot be determined pursuant to the definition thereof; or

(i) the Majority Purchaser Agents determine that for any reason that Daily 1M SOFR does not adequately and fairly reflect the cost of funding, establishing or maintaining any Portion of Capital, and have provided notice of such determination to the Administrator,

then the Administrator shall have the rights specified in Section 1.11(c).

(b) Illegality. If at any time any Purchaser shall have determined or any Governmental Authority shall have asserted that the making, maintenance or funding of any Portion of Capital

accruing Discount by reference to Daily 1M SOFR or the determination of or charging of interest by reference to Daily 1M SOFR has been made impracticable or unlawful, by compliance by such Purchaser in good faith with any applicable Law or any interpretation or application thereof by any Governmental Authority or with any request or directive of any such Governmental Authority (whether or not having the force of law), then the Administrator shall have the rights specified in Section 1.11(c).

(c) Administrator's and Purchaser's Rights. In the case of any event specified in Section 1.11(a), the Administrator shall promptly so notify the Purchasers and the Seller thereof, and in the case of an event specified in Section 1.11(b), such Purchaser shall promptly so notify the Administrator and endorse a certificate to such notice as to the specific circumstances of such notice, and the Administrator shall promptly send copies of such notice and certificate to the other Purchasers and the Seller. If at any time the Administrator makes a determination under Section 1.11(a), the Discount for any outstanding Portions of Capital then funded at the Alternate Rate determined by reference to Daily 1M SOFR shall, on the last day of the then current Yield Period, be converted to the Base Rate. If any Purchaser notifies the Administrator of a determination under Section 1.11(b), subject to the Seller's indemnification obligations under Section 1.20, the Discount for any outstanding Portions of Capital then funded at the Alternate Rate determined by reference to Daily 1M SOFR shall, on the last day of the then current Yield Period, be converted to the Base Rate or the Seller shall prepay such Portion of Capital. Absent due notice from the Seller of prepayment, such Portion of Capital shall automatically be converted to the Base Rate.

(d) Benchmark Replacement Setting.

(i) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Transaction Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Transaction Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Transaction Document and (y) if a Benchmark Replacement is determined in accordance with clause (2) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Transaction Document in respect of any Benchmark setting at or after 5:00 p.m. (Pittsburgh, Pennsylvania time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Purchasers without any amendment to, or further action or consent of any other party to, this Agreement or any other Transaction Document so long as the Administrator has not received, by such time, written notice of objection to such Benchmark Replacement from Purchaser Agents comprising the Majority Purchaser Agents.

(ii) Benchmark Replacement Conforming Changes. In connection with

the Administrator will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Transaction Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Transaction Document.

(iii) Notices; Standards for Decisions and Determinations. The Administrator will promptly notify the Seller and the Purchasers of (A) the implementation of any Benchmark Replacement, and (B) the effectiveness of any Conforming Changes in connection with the use, administration, adoption, or implementation of a Benchmark Replacement. The Administrator will notify the Seller of the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrator or, if applicable, any Purchaser (or group of Purchasers) pursuant to this Section, including any determination with respect to a rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Transaction Document except, in each case, as expressly required pursuant to this Section.

(iv) [Reserved.]

(v) Benchmark Unavailability Period. Upon the Seller's receipt of notice of the commencement of a Benchmark Unavailability Period with respect to Daily 1M SOFR, the Seller may revoke any pending request for Portion of Capital to accrue Discount at the Alternate Rate determined by reference to Daily 1M SOFR to be made during any Benchmark Unavailability Period and, failing such revocation from the Seller, such Portion of Capital shall automatically be converted to the Base Rate. During a Benchmark Unavailability Period, the component of the Base Rate based upon the then-current Benchmark will not be used in any determination of the Base Rate.

(vi) Definitions. As used in this Section:

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, if such Benchmark (a) is Daily 1M SOFR, one month, and (b) is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining length of a Yield Period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor of such Benchmark that is then-removed from the definition of “Yield Period” pursuant to clause (vi) of this Section 1.11(d).

“Benchmark” means, initially, SOFR and Daily 1M SOFR;

provided that if a Benchmark Transition Event has occurred with respect to the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to this Section.

“Benchmark Replacement” means, with respect to any Benchmark Transition Event, the first alternative set forth in the order below that can be determined by the Administrator for the applicable Benchmark Replacement Date:

(1) ~~the sum of: (A) Daily Simple SOFR and (B) the SOFR Adjustment~~; and;

(2) the sum of (A) the alternate benchmark rate that has been selected by the Administrator and the Seller, giving due consideration to (x) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (y) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for U.S. dollar-denominated syndicated credit facilities at such time and (B) the related Benchmark Replacement Adjustment;;

provided that if the Benchmark Replacement as determined pursuant to clause (2) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Transaction Documents; and provided further, that any Benchmark Replacement shall be administratively feasible as determined by the Administrator in its sole discretion.

“Benchmark Replacement Adjustment” means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrator and the Seller, giving due consideration to (A) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated syndicated credit facilities at such time.

“Benchmark Replacement Date” means a date and time determined

by the Administrator, which date shall be no later than the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (A) the date of the public statement or publication of information referenced therein and (B) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide such Benchmark (or such component thereof), or, if such Benchmark is a term rate or is based on a term rate, all Available Tenors of such Benchmark (or such component thereof); or

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date determined by the Administrator, which date shall promptly follow the date of the public statement or publication of information referenced therein;

For the avoidance of doubt, if such Benchmark is a term rate or is based on a term rate, the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Transition Event” means, the occurrence of one or more of the following events, with respect to the then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate or based on a term rate, all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

(2) a public statement or publication of information by an Official Body having jurisdiction over the Administrator, the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such

component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate or based on a term rate, all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide such Benchmark (or such component thereof) or, if such Benchmark is a term rate or based on a term rate, any Available Tenor of such Benchmark (or such component thereof); or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) or an Official Body having jurisdiction over the Administrative Agent announcing that such Benchmark (or such component thereof) or, if such Benchmark is a term rate or based on a term rate, all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, if such Benchmark is a term rate or based on a term rate, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“Benchmark Unavailability Period” means the period (if any) (x) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Transaction Document in accordance with this Section 1.11(d) and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Transaction Document in accordance with this Section 1.11(d).

“Corresponding Tenor” with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

“Floor” means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the

respect to Daily 1M SOFR or, if no floor is specified, zero.

“Relevant Governmental Body” means the Board of Governors of the Federal Reserve System and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System and/or the Federal Reserve Bank of New York, or any successor thereto.

“Unadjusted Benchmark Replacement” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

(e) Benchmark Replacement Notification. Section 1.11(d) provides a mechanism for determining an alternative rate of interest in the event that Daily 1M SOFR is no longer available or in certain other circumstances. The Administrator does not warrant or accept any responsibility for and shall not have any liability with respect to, the administration, submission or any other matter related to Daily 1M SOFR, or with respect to any alternative or successor rate thereto, or replacement rate therefor.

Section 1.12 Letters of Credit.

On the terms and subject to the conditions hereof, the LC Bank shall issue or cause the issuance of Letters of Credit on behalf of Seller (and, if applicable, on behalf of, or for the account of, any Originator in favor of such beneficiaries as such Originator may elect); provided, that the LC Bank will not be required to issue or cause to be issued any Letters of Credit to the extent that after giving effect thereto the issuance of such Letters of Credit would then cause (a) the sum of (i) the Aggregate Capital plus (ii) the LC Participation Amount to exceed the Purchase Limit or (b) the LC Participation Amount to exceed the aggregate of the Commitments of the LC Bank and the LC Participants. All amounts drawn upon Letters of Credit shall accrue Discount. Letters of Credit that have not been drawn upon shall not accrue Discount.

Section 1.13 Issuance of Letters of Credit.

(a) The Seller may request the LC Bank, upon two (2) Business Days' prior written notice submitted on or before 11:00 a.m., Pennsylvania time, to issue a Letter of Credit by delivering to the Administrator a Letter of Credit Application (the “Letter of Credit Application”), substantially in the form of Annex F hereto and a Purchase Notice, in the form of Annex B hereto, in each case completed to the satisfaction of the Administrator and the LC Bank and, such other certificates, documents and other papers and information as the Administrator may reasonably request. The Seller also has the right to give instructions and make agreements with respect to any Letter of Credit Application and the disposition of documents, and to agree with the Administrator upon any amendment, extension or renewal of any Letter of Credit.

(b) Each Letter of Credit shall, among other things, (i) provide for the payment of sight drafts or other written demands for payment when presented for honor thereunder in accordance with the terms thereof and when accompanied by the documents described therein and (ii) have an

expiry date not later than twelve (12) months after such Letter of Credit's date of issuance, extension or renewal, as the case may be, and in no event later than the date that is twelve (12) months after the date in clause (a) of the definition of “Facility Termination Date.” Each Letter of Credit shall be subject either to the Uniform Customs and Practice for Documentary Credits (2007 Revision), International Chamber of Commerce Publication No. 600, and any amendments or revisions thereof adhered to by the LC Bank or the International Standby Practices (ISP98-International Chamber of Commerce Publication Number 590), and any amendments or revisions thereof adhered to by the LC Bank, as determined by the LC Bank.

(c) The Administrator shall promulgate for the LC Bank and LC Participants, at such

(c) The Administrator shall promptly notify the LC Bank and LC Participants, at such Person's respective address for notices hereunder, of the request by the Seller for a Letter of Credit hereunder, and shall provide the LC Bank and LC Participants with the Letter of Credit Application delivered to the Administrator by the Seller pursuant to Section 1.13(a) above, by the close of business on the day received or if received on a day that is not a Business Day or on any Business Day after 11:00 a.m. Pennsylvania time on such day, on the next Business Day.

Section 1.14 Requirements For Issuance of Letters of Credit.

The Seller shall authorize and direct the LC Bank to name the Seller or any Originator as the "Applicant" or "Account Party" of each Letter of Credit.

Section 1.15 Disbursements, Reimbursement.

(a) Immediately upon the issuance of each Letter of Credit, each LC Participant shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the LC Bank a participation in such Letter of Credit and each drawing thereunder in an amount equal to such LC Participant's Adjusted Pro Rata Share of the face amount of such Letter of Credit and the amount of such drawing, respectively.

(b) In the event of any request for a drawing under a Letter of Credit by the beneficiary or transferee thereof, the LC Bank will promptly notify the Administrator and the Seller of such request. Provided that it shall have received such notice, the Seller shall reimburse (such obligation to reimburse the LC Bank shall sometimes be referred to as a "Reimbursement Obligation") the LC Bank prior to 12:00 p.m., Pennsylvania time on each date that an amount is paid by the LC Bank under any Letter of Credit (each such date, a "Drawing Date") in an amount equal to the amount so paid by the LC Bank. In the event the Seller fails to reimburse the LC Bank for the full amount of any drawing under any Letter of Credit by 12:00 p.m., Pennsylvania time, on the Drawing Date, the LC Bank will promptly notify each LC Participant thereof, and the Seller shall be deemed to have requested that a Funded Purchase be made by the Purchasers in the Purchaser Group for the LC Bank and the LC Participants to be disbursed on the Drawing Date under such Letter of Credit in accordance with Section 1.1(b). Any notice given by the LC Bank pursuant to this Section 1.15(b) may be oral if immediately confirmed in writing; provided that the lack of any such written confirmation shall not affect the conclusiveness or binding effect of the oral notice.

(c) Each LC Participant shall upon any notice pursuant to Section 1.15(b) above make available to the LC Bank an amount in immediately available funds equal to its Adjusted Pro Rata

Share of the amount of the drawing. If any LC Participant so notified fails to make available to the LC Bank the amount of such LC Participant's Adjusted Pro Rata Share of such amount by no later than 2:00 p.m., Pennsylvania time on the Drawing Date, then interest shall accrue on such LC Participant's obligation to make such payment, from the Drawing Date to the date on which such LC Participant makes such payment (i) at a rate per annum equal to the Overnight Bank Funding Rate during the first three days following the Drawing Date and (ii) at a rate per annum equal to the rate applicable to Capital on and after the fourth day following the Drawing Date. The LC Bank will promptly give notice of the occurrence of the Drawing Date, but failure of the LC Bank to give any such notice on the Drawing Date or in sufficient time to enable any LC Participant to effect such payment on such date shall not relieve such LC Participant from its obligation under this Section 1.15(c); provided that such LC Participant shall not be obligated to pay interest as provided in clauses (i) and (ii) above until and commencing from the date of receipt of notice from the LC Bank or the Administrator of a drawing. Each LC Participant's Commitment shall continue until the last to occur of any of the following events: (A) the LC Bank ceases to be obligated to issue or cause to be issued Letters of Credit hereunder; (B) no Letter of Credit issued hereunder remains outstanding and uncanceled; or (C) all Persons (other than the Seller) have been fully reimbursed for all payments made under or relating to Letters of Credit.

Section 1.16 Repayment of Participation Advances.

(a) Upon (and only upon) receipt by the LC Bank for its account of immediately available funds from or for the account of the Seller in reimbursement of any payment made by the LC Bank under a Letter of Credit with respect to which any LC Participant has made a participation advance to the LC Bank, the LC Bank (or the Administrator on its behalf) will pay to each LC Participant, ratably (based on the outstanding drawn amounts funded by each such LC Participant in respect of such Letter of Credit), in the same funds as those received by the LC Bank; it being understood, that the LC Bank shall retain a ratable amount of such funds that were not the subject of any payment in respect of such Letter of Credit by any LC Participant.

(b) If the LC Bank is required at any time to return to the Seller, or to a trustee, receiver, liquidator, custodian, or any official in any insolvency proceeding, any portion of the payments made by the Seller to the LC Bank pursuant to this Agreement in reimbursement of a payment made under the Letter of Credit or interest or fee thereon, each LC Participant shall, on demand of the LC Bank, forthwith return to the LC Bank any funds received by such LC Participant from the LC Bank that the LC Bank is required to return to the Seller, or to such trustee, receiver, liquidator, or custodian, plus interest at the Overnight Bank Funding Rate, from the date the payment was first made to such LC Participant through, but not including, the date the payment is returned by such LC Participant.

(c) If any Letters of Credit are outstanding and undrawn on the Facility Termination Date, the LC Collateral Account shall be funded from Collections (or, in the Seller's sole discretion, by other cash available to the Seller) in an amount equal to the aggregate undrawn face amount of such Letters of Credit plus all applicable fees to accrue through the stated expiration dates thereof (such fees to accrue, as reasonably estimated by the LC Bank, the "LC Fee Expectation").

Section 1.17 Documentation.

The Seller agrees to be bound by (i) the terms of the Letter of Credit Application, (ii) by the LC Bank's interpretations of any Letter of Credit issued for the Seller and (iii) by the LC Bank's written regulations and customary practices relating to letters of credit, though the LC Bank's interpretation of such regulations and practices may be different from the Seller's own. In the event of a conflict between the Letter of Credit Application and this Agreement, this Agreement shall govern. It is understood and agreed that, except in the case of gross negligence or willful misconduct by the LC Bank, the LC Bank shall not be liable for any error, negligence and/or mistakes, whether of omission or commission, in following the Seller's instructions or those contained in the Letters of Credit or any modifications, amendments or supplements thereto.

Section 1.18 Determination to Honor Drawing Request. In determining whether to honor any request for drawing under any Letter of Credit by the beneficiary thereof, the LC Bank shall be responsible only to determine that the documents and certificates required to be delivered under such Letter of Credit have been delivered and that they comply on their face with the requirements of such Letter of Credit and that any other drawing condition appearing on the face of such Letter of Credit has been satisfied in the manner so set forth.

Section 1.19 Nature of Participation and Reimbursement Obligations.

Each LC Participant's obligation in accordance with this Agreement to make participation advances as a result of a drawing under a Letter of Credit, and the obligations of the Seller to reimburse the LC Bank upon a draw under a Letter of Credit, shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Article I under all circumstances, including the following circumstances:

(a) any set-off, counterclaim, recoupment, defense or other right which such LC Participant may have against the LC Bank, the Administrator, the Purchasers, the Purchaser Agents, the Seller or any other Person for any reason whatsoever;

(b) the failure of the Seller or any other Person to comply with the conditions set forth in this Agreement for the making of Purchases, reinvestments, requests for Letters of Credit or otherwise, it being acknowledged that such conditions are not required for the making of participation advances hereunder;

(c) any lack of validity or enforceability of any Letter of Credit or any set-off, counterclaim, recoupment, defense or other right which Seller or any Originator on behalf of which a Letter of Credit has been issued may have against the LC Bank, the Administrator, any Purchaser, or any other Person for any reason whatsoever;

(d) any claim of breach of warranty that might be made by the Seller, the LC Bank or any LC Participant against the beneficiary of a Letter of Credit, or the existence of any claim, set-off, defense or other right which the Seller, the LC Bank or any LC Participant may have at any time against a beneficiary, any successor beneficiary or any transferee of any Letter of Credit or the proceeds thereof (or any Persons for whom any such transferee may be acting), the LC Bank, any LC Participant, the Purchasers or Purchaser Agents or any other Person, whether in connection

any underlying transaction between the Seller or any Subsidiaries of the Seller or any Affiliates of the Seller and the beneficiary for which any Letter of Credit was procured);

(e) the lack of power or authority of any signer of, or lack of validity, sufficiency, accuracy, enforceability or genuineness of, any draft, demand, instrument, certificate or other document presented under any Letter of Credit, or any such draft, demand, instrument, certificate or other document proving to be forged, fraudulent, invalid, defective or insufficient in any respect or any statement therein being untrue or inaccurate in any respect, even if the Administrator or the LC Bank has been notified thereof;

(f) payment by the LC Bank under any Letter of Credit against presentation of a demand, draft or certificate or other document which does not comply with the terms of such Letter of Credit other than as a result of the gross negligence or willful misconduct of the LC Bank;

(g) the solvency of, or any acts or omissions by, any beneficiary of any Letter of Credit, or any other Person having a role in any transaction or obligation relating to a Letter of Credit, or the existence, nature, quality, quantity, condition, value or other characteristic of any property or services relating to a Letter of Credit;

(h) any failure by the LC Bank or any of the LC Bank's Affiliates to issue any Letter of Credit in the form requested by the Seller, unless the LC Bank has received written notice from the Seller of such failure within three (3) Business Days after the LC Bank shall have furnished the Seller a copy of such Letter of Credit and such error is material and no drawing has been made thereon prior to receipt of such notice;

(i) any Material Adverse Effect on the Seller, any Originator or any Affiliates thereof;

(j) any breach of this Agreement or any Transaction Document by any party thereto;

(k) the occurrence or continuance of an Insolvency Proceeding with respect to the Seller, any Originator or any Affiliate thereof;

(l) the fact that a Termination Event or an Unmatured Termination Event shall have occurred and be continuing;

(m) the fact that this Agreement or the obligations of the Seller or the Servicer hereunder shall have been terminated; and

(n) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing.

Section 1.20 Indemnity.

In addition to other amounts payable hereunder, the Seller hereby agrees to protect, indemnify, pay and save harmless the Administrator, the LC Bank, each LC Participant and any of the LC Bank's Affiliates that have issued a Letter of Credit from and against any and all claims,

demands, liabilities, damages, taxes, penalties, interest, judgments, losses, costs, charges and expenses (including Attorney Costs) which the Administrator, the LC Bank, any LC Participant or any of their respective Affiliates may incur or be subject to as a consequence, direct or indirect, of the issuance of any Letter of Credit, other than those that (i) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such indemnitee, (ii) result from a claim brought by the Seller or the Servicer against an indemnitee for breach in bad faith of such indemnitee's obligations under this Agreement or the other Transaction Documents, if the Seller or the Servicer has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of

competent jurisdiction, (iii) result from a claim not involving an act or omission of the Seller or the Servicer and that is brought by an indemnitee against another indemnitee (other than against the Administrator in its capacity as such), or (iv) result from the wrongful dishonor by the LC Bank of a proper demand for payment made under any Letter of Credit, except if such dishonor resulted from any act or omission, whether rightful or wrongful, of any present or future de jure or de facto Governmental Authority (all such acts or omissions herein called "Governmental Acts").

Section 1.21 Liability for Acts and Omissions.

As between the Seller, on the one hand, and the Administrator, the LC Bank, the LC Participants, the Purchasers and the Purchaser Agents, on the other, the Seller assumes all risks of the acts and omissions of, or misuse of any Letter of Credit by, the respective beneficiaries of such Letter of Credit. In furtherance and not in limitation of the respective foregoing, none of the Administrator, the LC Bank, the LC Participants, the Purchasers or the Purchaser Agents shall be responsible for: (i) the form, validity, sufficiency, accuracy, genuineness or legal effect of any document submitted by any party in connection with the application for an issuance of any such Letter of Credit, even if it should in fact prove to be in any or all respects invalid, insufficient, inaccurate, fraudulent or forged (even if the LC Bank or any LC Participant shall have been notified thereof); (ii) the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign any such Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason; (iii) the failure of the beneficiary of any such Letter of Credit, or any other party to which such Letter of Credit may be transferred, to comply fully with any conditions required in order to draw upon such Letter of Credit or any other claim of the Seller against any beneficiary of such Letter of Credit, or any such transferee, or any dispute between or among the Seller and any beneficiary of any Letter of Credit or any such transferee; (iv) errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex or otherwise, whether or not they be in cipher; (v) errors in interpretation of technical terms; (vi) any loss or delay in the transmission or otherwise of any document required in order to make a drawing under any such Letter of Credit or of the proceeds thereof; (vii) the misapplication by the beneficiary of any such Letter of Credit of the proceeds of any drawing under such Letter of Credit; or (viii) any consequences arising from causes beyond the control of the Administrator, the LC Bank, the LC Participants, the Purchasers and the Purchaser Agents, including any Governmental Acts, and none of the above shall affect or impair, or prevent the vesting of, any of the LC Bank's rights or powers hereunder. Nothing in the preceding sentence shall relieve the LC Bank from liability for its gross negligence or willful misconduct, as determined by a final non-appealable judgment of a court of competent jurisdiction, in connection with actions or omissions described in such clauses

(i) through (viii) of such sentence. In no event shall the Administrator, the LC Bank, the LC Participants, the Purchasers or the Purchaser Agents or their respective Affiliates, be liable to the Seller or any other Person for any indirect, consequential, incidental, punitive, exemplary or special damages or expenses (including without limitation Attorney Costs), or for any damages resulting from any change in the value of any property relating to a Letter of Credit.

Without limiting the generality of the foregoing, the Administrator, the LC Bank, the LC Participants, the Purchasers and the Purchaser Agents and each of its Affiliates: (i) may rely on any written communication believed in good faith by such Person to have been authorized or given by or on behalf of the applicant for a Letter of Credit; (ii) may honor any presentation if the documents presented appear on their face to comply with the terms and conditions of the relevant Letter of Credit; (iii) may honor a previously dishonored presentation under a Letter of Credit, whether such dishonor was pursuant to a court order, to settle or compromise any claim of wrongful dishonor, or otherwise, and shall be entitled to reimbursement to the same extent as if such presentation had initially been honored, together with any interest paid by the LC Bank or its Affiliates; (iv) may honor any drawing that is payable upon presentation of a statement advising negotiation or payment, upon receipt of such statement (even if such statement indicates that a draft or other document is being delivered separately), and shall not be liable for any failure of any

such draft or other document to arrive, or to conform in any way with the relevant Letter of Credit; (v) may pay any paying or negotiating bank claiming that it rightfully honored under the laws or practices of the place where such bank is located; and (vi) may settle or adjust any claim or demand made on the Administrator, the LC Bank, the LC Participants, the Purchasers or the Purchaser Agents or their respective Affiliates, in any way related to any order issued at the applicant's request to an air carrier, a letter of guarantee or of indemnity issued to a carrier or any similar document (each an "Order") and may honor any drawing in connection with any Letter of Credit that is the subject of such Order, notwithstanding that any drafts or other documents presented in connection with such Letter of Credit fail to conform in any way with such Letter of Credit.

In furtherance and extension and not in limitation of the specific provisions set forth above, any action taken or omitted by the LC Bank under or in connection with any Letter of Credit issued by it or any documents and certificates delivered thereunder, if taken or omitted in good faith and without gross negligence or willful misconduct, as determined by a final non-appealable judgment of a court of competent jurisdiction, shall not put the LC Bank under any resulting liability to the Seller, any LC Participant or any other Person.

ARTICLE II

REPRESENTATIONS AND WARRANTIES; COVENANTS; TERMINATION EVENTS

Section 2.1 Representations and Warranties; Covenants. Each of the Seller and the Servicer hereby makes the representations and warranties, and hereby agrees to perform and observe the covenants, applicable to it set forth in Exhibits III and IV, respectively.

Section 2.2 Termination Events. If any of the Termination Events set forth in Exhibit V shall occur, the Administrator may (with the consent of the Majority Purchaser Agents) or shall (at the direction of the Majority Purchaser Agents), by notice to the Seller, declare the Facility

Termination Date to have occurred (in which case the Facility Termination Date shall be deemed to have occurred); provided, that upon the occurrence of any event (without any requirement for the passage of time or the giving of notice) described in paragraph (f) of Exhibit V, the Facility Termination Date shall automatically occur. Upon any such declaration, occurrence or deemed occurrence of the Facility Termination Date, the Administrator, each Purchaser Agent and each Purchaser shall have, in addition to the rights and remedies that they may have under this Agreement, all other rights and remedies provided after default under the UCC and under other applicable law, which rights and remedies shall be cumulative.

ARTICLE III

INDEMNIFICATION

Section 3.1 Indemnities by the Seller. Without limiting any other rights any such Person may have hereunder or under applicable law, the Seller hereby indemnifies and holds harmless, on an after-tax basis, the Administrator, each Purchaser Agent, each Liquidity Provider, each Program Support Provider and each Purchaser and their respective officers, directors, agents and employees (each an "Indemnified Party") from and against any and all damages, losses, claims, liabilities, penalties, Taxes, costs and expenses (including Attorney Costs) (all of the foregoing collectively, the "Indemnified Amounts") at any time imposed on or incurred by any Indemnified Party arising out of or otherwise relating to any Transaction Document, the transactions contemplated thereby or the acquisition of any portion of the Purchased Interest, or any action taken or omitted by any of the Indemnified Parties (including any action taken by the Administrator as attorney-in-fact for the Seller or any Originator hereunder or under any other Transaction Document), whether arising by reason of the acts to be performed by the Seller hereunder or otherwise, excluding only Indemnified Amounts to the extent (a) a final judgment of a court of competent jurisdiction holds that such Indemnified Amounts resulted from gross negligence or willful misconduct of the Indemnified Party seeking indemnification, (b) due to the credit risk of the Obligor and for which reimbursement would constitute recourse to any Originator, the Seller or the Servicer for uncollectible Receivables or (c) such Indemnified Amounts include Taxes imposed or based on, or measured by, the gross or net income or receipts of such Indemnified Party by the jurisdiction under the laws of which such Indemnified Party is organized (or any political subdivision thereof); provided, that nothing contained in this sentence shall limit the liability of the Seller or the Servicer or limit the recourse of any Indemnified Party to the Seller or the Servicer for any amounts otherwise specifically provided to be paid by the Seller or the Servicer hereunder. Without limiting the foregoing indemnification, but subject to the limitations set forth in clauses (a), (b) and (c) of the previous sentence, the Seller shall indemnify each Indemnified Party for Indemnified Amounts (including losses in respect of uncollectible Receivables, regardless, for purposes of these specific matters, whether reimbursement therefor would constitute recourse to the Seller or the Servicer) relating to or resulting from:

(i) the failure of any Receivable included in the calculation of the Net Receivables Pool Balance as an Eligible Receivable to be an Eligible Receivable, the failure of any information contained in any Information Package to be true and correct, or the failure of any other information provided to any Purchaser or the Administrator with respect to the Receivables or this Agreement to be true and correct;

(ii) the failure of any representation, warranty or statement made or deemed

made by the Seller (or any employee, officer or agent of the Seller) under or in connection with this Agreement, any other Transaction Document, or any Information Package or any other information or report delivered by or on behalf of the Seller pursuant hereto to have been true and correct as of the date made or deemed made in all respects;

(iii) the failure by the Seller to comply with any applicable law, rule or regulation with respect to any Receivable or the related Contract, or the nonconformity of any Receivable or related Contract with any such applicable law, rule or regulation;

(iv) the failure of the Seller to vest and maintain vested in the Administrator, for the benefit of the Purchasers, a first priority perfected ownership or security interest in the Purchased Interest and the property conveyed hereunder, free and clear of any Adverse Claim;

(v) any commingling of funds to which the Administrator, any Purchaser Agent or any Purchaser is entitled hereunder with any other funds;

(vi) the failure to have filed, or any delay in filing, financing statements or other similar instruments or documents under the UCC of any applicable jurisdiction or other applicable laws with respect to any Receivables in, or purporting to be in, the Receivables Pool and the other Pool Assets, whether at the time of any Purchase or at any subsequent time;

(vii) any failure of a Lock-Box Bank to comply with the terms of the applicable Lock-Box Agreement;

(viii) any dispute, claim, offset or defense (other than discharge in bankruptcy of the Obligor) of the Obligor to the payment of any Receivable (including a defense based on such Receivable or the related Contract not being a legal, valid and binding obligation of such Obligor enforceable against it in accordance with its terms), or any other claim resulting from the sale or lease of goods or the rendering of services related to such Receivable or the furnishing or failure to furnish any such goods or services or relating to collection activities (if such collection activities were performed by the Seller or any of its Affiliates acting as the Servicer or by any agent or independent contractor retained by the Seller or any of its Affiliates) with respect to such Receivable;

(ix) any failure of the Seller (or any of its Affiliates acting as the Servicer) to perform its duties or obligations in accordance with the provisions of this Agreement, any Contract or any other Transaction Document to which it is a party;

(x) any action taken by the Administrator as attorney-in-fact for the Seller or any Originator pursuant to this Agreement or any other Transaction Document;

(xi) any reduction in Capital as a result of the distribution of Collections pursuant to Section 1.4(d), if all or a portion of such distributions shall thereafter be rescinded or otherwise must be returned for any reason;

(xii) the use of proceeds of Purchase or reinvestment or the issuance of any Letter of Credit on behalf of Seller (and, if applicable, on behalf of, or for the account of, any Originator); or

(xiii) any environmental liability claim, products liability claim or personal injury or property damage suit or other similar or related claim or action of whatever sort, arising out of or in connection with any Receivable or any other suit, claim or action of whatever sort relating to any of the Transaction Documents.

Section 3.2 Indemnities by the Servicer. Without limiting any other rights that any Indemnified Party may have hereunder or under applicable law, rules or regulations, the Servicer hereby agrees to indemnify each Indemnified Party from and against any and all Indemnified Amounts arising out of or resulting from (whether directly or indirectly): (a) the failure of any information contained in any Information Package to be true and correct, or the failure of any other information provided to such Indemnified Party by, or on behalf of, the Servicer to be true and correct, (b) the failure of any representation, warranty or statement made or deemed made by the Servicer (or any of its officers) under or in connection with this Agreement or any other Transaction Document to which it is a party to have been true and correct as of the date made or deemed made in all respects when made, (c) the failure by the Servicer to comply with any applicable law, rule or regulation with respect to any Pool Receivable or the related Contract, (d) any dispute, claim, offset or defense of the Obligor (other than as a result of discharge in bankruptcy with respect to such Obligor) to the payment of any Receivable in, or purporting to be in, the Receivables Pool resulting from or related to the collection activities with respect to such Receivable or (e) any failure of the Servicer to perform its duties or obligations in accordance with the provisions hereof or any other Transaction Document to which it is a party.

ARTICLE IV

ADMINISTRATION AND COLLECTIONS

Section 4.1 Appointment of the Servicer.

(a) The servicing, administering and collection of the Pool Receivables shall be conducted by the Person so designated from time to time as the Servicer in accordance with this Section 4.1. Until the Administrator gives notice to Kelly (in accordance with this Section 4.1) of the designation of a new Servicer, Kelly is hereby designated as, and hereby agrees to perform the duties and obligations of, the Servicer pursuant to the terms hereof. Upon the occurrence of a Termination Event, the Administrator may (with the consent of the Majority Purchaser Agents) or shall (at the direction of the Majority Purchaser Agents) terminate Kelly as Servicer and designate as Servicer any Person (including itself) to succeed Kelly or any successor Servicer, on the condition in each case that any such Person so designated shall agree to perform the duties and obligations of the Servicer pursuant to the terms hereof.

(b) Upon the designation of a successor Servicer as set forth in Section 4.1(a), Kelly agrees that it will terminate its activities as Servicer hereunder in a manner that the Administrator determines will facilitate the transition of the performance of such activities to the new Servicer,

and Kelly shall cooperate with and assist such new Servicer. Such cooperation shall include access to and transfer of related records (including all Contracts) and use by the new Servicer of all licenses (or the obtaining of new licenses), hardware or software necessary or desirable to collect the Pool Receivables and the Related Security.

(c) Kelly acknowledges that, in making their decision to execute and deliver this Agreement, the Administrator and each member in each Purchaser Group have relied on Kelly's agreement to act as Servicer hereunder. Accordingly, Kelly agrees that it will not voluntarily resign as Servicer.

(d) The Servicer may delegate its duties and obligations hereunder to any subservicer (each a "Sub-Servicer"); provided, that, in each such delegation: (i) such Sub-Servicer shall agree in writing to perform the delegated duties and obligations of the Servicer pursuant to the terms hereof, (ii) the Servicer shall remain liable for the performance of the duties and obligations so delegated, (iii) the Seller, the Administrator and each Purchaser Group shall have the right to look solely to the Servicer for performance, (iv) the terms of any agreement with any Sub-Servicer shall provide that the Administrator may terminate such agreement upon the termination of the Servicer hereunder by giving notice of its desire to terminate such agreement to the Servicer (and the

Servicer shall provide appropriate notice to each such Sub-Servicer) and (v) the Administrator and the Majority Purchaser Agents shall have consented in writing in advance to such delegation. For the avoidance of doubt, this Section 4.1(d) shall not apply to any third party collection agency collecting Defaulted Receivables or other third party servicer provider assisting in the servicing of the Defaulted Receivables.

Section 4.2 Duties of the Servicer.

(a) The Servicer shall take or cause to be taken all such action as may be necessary or advisable to administer and collect each Pool Receivable from time to time, all in accordance with this Agreement and all applicable laws, rules and regulations, with reasonable care and diligence, and in accordance with the Credit and Collection Policy. The Servicer shall set aside for the accounts of the Seller and each Purchaser Group the amount of Collections to which each such Purchaser Group is entitled in accordance with Article I hereof. The Servicer may, in accordance with the applicable Credit and Collection Policy, extend the maturity of any Pool Receivable and extend the maturity or adjust the Outstanding Balance of any Defaulted Receivable, as the Servicer may reasonably determine to be appropriate to maximize Collections thereof or reflect adjustments expressly permitted under the Credit and Collection Policy or as expressly required under applicable laws, rules or regulations or the applicable Contract; provided, that for purposes of this Agreement: (i) such extension shall not, and shall not be deemed to, change the number of days such Pool Receivable has remained unpaid from the date of the original due date related to such Pool Receivable, (ii) such extension or adjustment shall not alter the status of such Pool Receivable as a Delinquent Receivable or a Defaulted Receivable or limit the rights of any Purchaser, any Purchaser Agent or the Administrator under this Agreement or any other Transaction Document and (iii) if a Termination Event has occurred and is continuing and Kelly or an Affiliate thereof is serving as the Servicer, Kelly or such Affiliate may take such action only upon the prior approval of the Administrator. The Seller shall deliver to the Servicer and the Servicer shall hold for the benefit of the Seller and the Administrator (individually and for the

benefit of each Purchaser Group, in accordance with their respective interests), all records and documents (including computer tapes or disks) with respect to each Pool Receivable. Notwithstanding anything to the contrary contained herein, if a Termination Event has occurred and is continuing, the Administrator may direct the Servicer (whether the Servicer is Kelly or any other Person) to commence or settle any legal action to enforce collection of any Pool Receivable or to foreclose upon or repossess any Related Security.

(b) The Servicer shall, as soon as practicable following actual receipt of collected funds, turn over to the Seller the collections of any indebtedness owed to the Seller that is not a Pool Receivable, less, if Kelly or an Affiliate thereof is not the Servicer, all reasonable and appropriate out-of-pocket costs and expenses of such Servicer of servicing, collecting and administering such collections. The Servicer, if other than Kelly or an Affiliate thereof, shall, as soon as practicable upon demand, deliver to the Seller all records in its possession that evidence or relate to any indebtedness that is not a Pool Receivable, and copies of records in its possession that evidence or relate to any indebtedness that is a Pool Receivable.

(c) The Servicer's obligations hereunder shall terminate on the later of: (i) the Facility Termination Date, (ii) the date on which no Capital or Discount in respect of the Purchased Interest shall be outstanding, (iii) the date on which an amount equal to 100% of the LC Participation Amount has been deposited in the LC Collateral Account or all Letters of Credit have expired, and (iv) the date on which all amounts required to be paid to each Purchaser Agent, each Purchaser, the Administrator and any other Indemnified Party or Affected Person hereunder shall have been paid in full.

After such termination, if Kelly or an Affiliate thereof was not the Servicer on the date of such termination, the Servicer shall promptly deliver to the Seller all books, records and related materials that the Seller previously provided to the Servicer, or that have been obtained by the Servicer, in connection with this Agreement.

Section 4.3 Lock-Box Account Arrangements. Prior to the Initial Closing Date, the Seller shall have entered into Lock-Box Agreements with all of the Lock-Box Banks and delivered executed counterparts of each to the Administrator. Upon the occurrence and during the continuation of a Termination Event, the Administrator may (with the consent of the Majority Purchaser Agents) or shall (upon the direction of the Majority Purchaser Agents) at any time thereafter give notice to each Lock-Box Bank that the Administrator is exercising its rights under the Lock-Box Agreements to do any or all of the following: (a) to have the exclusive ownership and control of the Lock-Box Accounts transferred to the Administrator (for the benefit of the Purchasers) and to exercise exclusive dominion and control over the funds deposited therein, (b) to have the proceeds that are sent to the respective Lock-Box Accounts redirected pursuant to the Administrator's instructions rather than deposited in the applicable Lock-Box Account, and (c) to take any or all other actions permitted under the applicable Lock-Box Agreement. The Seller hereby agrees that if the Administrator at any time takes any action set forth in the preceding sentence, the Administrator shall have exclusive control (for the benefit of the Purchasers) of the proceeds (including Collections) of all Pool Receivables and the Seller hereby further agrees to take any other action that the Administrator or any Purchaser Agent may reasonably request to transfer such control. Any proceeds of Pool Receivables received by the Seller or the Servicer

parties hereto hereby acknowledge that if at any time the Administrator takes control of any Lock-Box Account, the Administrator shall not have any rights to the funds therein in excess of the unpaid amounts due to the Administrator, any member of any Purchaser Group, any Indemnified Party or Affected Person or any other Person hereunder, and the Administrator shall distribute or cause to be distributed such funds in accordance with Section 4.2(b) and Article I (in each case as if such funds were held by the Servicer thereunder).

Section 4.4 Enforcement Rights.

(a) At any time following the occurrence and during the continuation of a Termination Event:

(i) the Administrator may direct the Obligors that payment of all amounts payable under any Pool Receivable is to be made directly to the Administrator or its designee,

(ii) the Administrator may instruct the Seller or the Servicer to give notice of the Purchaser Groups' interest in Pool Receivables to each Obligor, which notice shall direct that payments be made directly to the Administrator or its designee (on behalf of such Purchaser Groups), and the Seller or the Servicer, as the case may be, shall give such notice at the expense of the Seller or the Servicer, as the case may be; provided, that if the Seller or the Servicer, as the case may be, fails to so notify each Obligor, the Administrator (at the Seller's or the Servicer's, as the case may be, expense) may so notify the Obligors,

(iii) the Administrator may request the Servicer to, and upon such request the Servicer shall: (A) assemble all of the records necessary or desirable to collect the Pool Receivables and the Related Security, and transfer or license to a successor Servicer the use of all software necessary or desirable to collect the Pool Receivables and the Related Security, and make the same available to the Administrator or its designee (for the benefit of the Purchasers) at a place selected by the Administrator, and (B) segregate all cash, checks and other instruments received by it from time to time constituting Collections in a manner acceptable to the Administrator and, promptly upon receipt, remit all such cash, checks and instruments, duly endorsed or with duly executed instruments of transfer, to the Administrator or its designee, and

(iv) the Administrator may collect any amounts due from any Originator under the Sale Agreement.

(b) The Seller hereby authorizes the Administrator (on behalf of each Purchaser Group), and irrevocably appoints the Administrator as its attorney-in-fact with full power of substitution and with full authority in the place and stead of the Seller, which appointment is coupled with an interest, to take any and all steps in the name of the Seller and on behalf of the Seller necessary or desirable, in the determination of the Administrator, after the occurrence and during the continuation of a Termination Event, to collect any and all amounts or portions thereof due under any and all Pool Assets, including endorsing the name of the Seller on checks and other

instruments representing Collections and enforcing such Pool Assets. Notwithstanding anything to the contrary contained in this Section 4.4(b), none of the powers conferred upon such attorney-in-fact pursuant to the preceding sentence shall subject such attorney-in-fact to any liability if any action taken by it shall prove to be inadequate or invalid, nor shall they confer any obligations upon such attorney-in-fact in any manner whatsoever.

Section 4.5 Responsibilities of the Seller.

(a) Anything herein to the contrary notwithstanding, the Seller shall: (i) perform all of its obligations, if any, under the Contracts related to the Pool Receivables to the same extent as if

its obligations, if any, under the Contracts related to the Pool Receivables to the same extent as its interests in such Pool Receivables had not been transferred hereunder, and the exercise by the Administrator, the Purchaser Agents or the Purchasers of their respective rights hereunder shall not relieve the Seller from such obligations, and (ii) pay when due any Taxes, including any sales taxes payable in connection with the Pool Receivables and their creation and satisfaction. None of the Administrator, the Purchaser Agents or any of the Purchasers shall have any obligation or liability with respect to any Pool Asset, nor shall any of them be obligated to perform any of the obligations of the Seller, the Servicer, Kelly or the Originators thereunder.

(b) Kelly hereby irrevocably agrees that if at any time it shall cease to be the Servicer hereunder, it shall act (if the then-current Servicer so requests) as the data-processing agent of the Servicer and, in such capacity, Kelly shall conduct the data-processing functions of the administration of the Receivables and the Collections thereon in substantially the same way that Kelly conducted such data-processing functions while it acted as the Servicer.

Section 4.6 Servicing Fee. (a) Subject to clause (b), the Servicer shall be paid a fee (the "Servicing Fee") equal to 1.00% per annum (the "Servicing Fee Rate") of the daily average aggregate Outstanding Balance of the Pool Receivables. The Purchasers' Share of the Servicing Fee shall be paid through the distributions contemplated by Section 1.4(d), and the Seller's Share of the Servicing Fee shall be paid directly by the Seller.

(b) If the Servicer ceases to be Kelly or an Affiliate thereof, the Servicing Fee shall be the greater of: (i) the amount calculated pursuant to clause (a), and (ii) an alternative amount specified by the successor Servicer not to exceed 110% of the aggregate reasonable costs and expenses incurred by such successor Servicer in connection with the performance of its obligations as Servicer.

ARTICLE V

THE AGENTS

Section 5.1 Appointment and Authorization. (a) Each Purchaser and Purchaser Agent hereby irrevocably designates and appoints PNC Bank, National Association, as the "Administrator" hereunder and authorizes the Administrator to take such actions and to exercise such powers as are delegated to the Administrator hereby and to exercise such other powers as are reasonably incidental thereto. The Administrator shall hold, in its name, for the benefit of each Purchaser, ratably, the Purchased Interest. The Administrator shall not have any duties other than

those expressly set forth herein or any fiduciary relationship with any Purchaser or Purchaser Agent, and no implied obligations or liabilities shall be read into this Agreement, or otherwise exist, against the Administrator. The Administrator does not assume, nor shall it be deemed to have assumed, any obligation to, or relationship of trust or agency with, the Seller or Servicer. Notwithstanding any provision of this Agreement or any other Transaction Document to the contrary, in no event shall the Administrator ever be required to take any action which exposes the Administrator to personal liability or which is contrary to the provision of any Transaction Document or applicable law.

(b) Each Purchaser hereby irrevocably designates and appoints the respective institution identified as the Purchaser Agent for such Purchaser's Purchaser Group on the signature pages hereto or in the Assumption Agreement or Transfer Supplement pursuant to which such Purchaser becomes a party hereto, and each authorizes such Purchaser Agent to take such action on its behalf under the provisions of this Agreement and to exercise such powers and perform such duties as are expressly delegated to such Purchaser Agent by the terms of this Agreement, if any, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement, no Purchaser Agent shall have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any

responsibilities, duties, obligations or liabilities on the part of such Purchaser Agent shall be read into this Agreement or otherwise exist against such Purchaser Agent.

(c) Except as otherwise specifically provided in this Agreement, the provisions of this Article V are solely for the benefit of the Purchaser Agents, the Administrator and the Purchasers, and none of the Seller or the Servicer shall have any rights as a third-party beneficiary or otherwise under any of the provisions of this Article V, except that this Article V shall not affect any obligations which any Purchaser Agent, the Administrator or any Purchaser may have to the Seller or the Servicer under the other provisions of this Agreement. Furthermore, no Purchaser shall have any rights as a third-party beneficiary or otherwise under any of the provisions hereof in respect of a Purchaser Agent which is not the Purchaser Agent for such Purchaser.

(d) In performing its functions and duties hereunder, the Administrator shall act solely as the agent of the Purchasers and the Purchaser Agents and does not assume nor shall be deemed to have assumed any obligation or relationship of trust or agency with or for the Seller or the Servicer or any of their successors and assigns. In performing its functions and duties hereunder, each Purchaser Agent shall act solely as the agent of its respective Purchaser and does not assume nor shall be deemed to have assumed any obligation or relationship of trust or agency with or for the Seller, the Servicer, any other Purchaser, any other Purchaser Agent or the Administrator, or any of their respective successors and assigns.

Section 5.2 Delegation of Duties. The Administrator may execute any of its duties through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Administrator shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

Section 5.3 Exculpatory Provisions. None of the Purchaser Agents, the Administrator

or any of their respective directors, officers, agents or employees shall be liable for any action taken or omitted (i) with the consent or at the direction of the Majority Purchaser Agents (or in the case of any Purchaser Agent, the Purchasers within its Purchaser Group that have a majority of the aggregate Commitments of such Purchaser Group) or (ii) in the absence of such Person's gross negligence or willful misconduct. The Administrator shall not be responsible to any Purchaser, Purchaser Agent or other Person for (i) any recitals, representations, warranties or other statements made by the Seller, the Servicer, any Originator or any of their Affiliates, (ii) the value, validity, effectiveness, genuineness, enforceability or sufficiency of any Transaction Document, (iii) any failure of the Seller, the Servicer, any Originator or any of their Affiliates to perform any obligation hereunder or under the other Transaction Documents to which it is a party (or under any Contract), or (iv) the satisfaction of any condition specified in Exhibit II. The Administrator shall not have any obligation to any Purchaser or Purchaser Agent to ascertain or inquire about the observance or performance of any agreement contained in any Transaction Document or to inspect the properties, books or records of the Seller, the Servicer, any Originator or any of their respective Affiliates.

Section 5.4 Reliance by Agents. (a) Each Purchaser Agent and the Administrator shall in all cases be entitled to rely, and shall be fully protected in relying, upon any document or other writing or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person and upon advice and statements of legal counsel (including counsel to the Seller), independent accountants and other experts selected by the Administrator. Each Purchaser Agent and the Administrator shall in all cases be fully justified in failing or refusing to take any action under any Transaction Document unless it shall first receive such advice or concurrence of the Majority Purchaser Agents (or in the case of any Purchaser Agent, the Purchasers within its Purchaser Group that have a majority of the aggregate Commitment of such Purchaser Group), and assurance of its indemnification, as it deems appropriate.

(b) The Administrator shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement in accordance with a request of the Majority Purchaser Agents or the Purchaser Agents, and such request and any action taken or failure to act pursuant thereto shall be binding upon all Purchasers, the Administrator and Purchaser Agents.

(c) The Purchasers within each Purchaser Group with a majority of the Commitments of such Purchaser Group shall be entitled to request or direct the related Purchaser Agent to take action, or refrain from taking action, under this Agreement on behalf of such Purchasers. Such Purchaser Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement in accordance with a request of such Majority Purchaser Agents, and such request and any action taken or failure to act pursuant thereto shall be binding upon all of such Purchaser Agent's Purchasers.

(d) Unless otherwise advised in writing by a Purchaser Agent or by any Purchaser on whose behalf such Purchaser Agent is purportedly acting, each party to this Agreement may assume that (i) such Purchaser Agent is acting for the benefit of each of the Purchasers in respect of which such Purchaser Agent is identified as being the "Purchaser Agent" in the definition of "Purchaser Agent" hereto, as well as for the benefit of each assignee or other transferee from any such Person, and (ii) each action taken by such Purchaser Agent has been duly authorized and

acting. Each Purchaser Agent and its Purchaser(s) shall agree amongst themselves as to the circumstances and procedures for removal, resignation and replacement of such Purchaser Agent.

Section 5.5 Notice of Termination Events. Neither any Purchaser Agent nor the Administrator shall be deemed to have knowledge or notice of the occurrence of any Termination Event or Unmatured Termination Event unless the Administrator and the Purchaser Agents have received notice from any Purchaser, the Servicer or the Seller stating that a Termination Event or an Unmatured Termination Event has occurred hereunder and describing such Termination Event or Unmatured Termination Event. In the event that the Administrator receives such a notice, it shall promptly give notice thereof to each Purchaser Agent whereupon each such Purchaser Agent shall promptly give notice thereof to its related Purchasers. In the event that a Purchaser Agent receives such a notice (other than from the Administrator), it shall promptly give notice thereof to the Administrator. The Administrator shall take such action concerning a Termination Event or an Unmatured Termination Event as may be directed by the Majority Purchaser Agents (unless such action otherwise requires the consent of all Purchasers, the LC Bank and/or the Required LC Participants), but until the Administrator receives such directions, the Administrator may (but shall not be obligated to) take such action, or refrain from taking such action, as the Administrator deems advisable and in the best interests of the Purchasers and the Purchaser Agents.

Section 5.6 Non-Reliance on Administrator, Purchaser Agents and Other Purchasers. Each Purchaser expressly acknowledges that none of the Administrator, the Purchaser Agents nor any of their respective officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by the Administrator, or any Purchaser Agent hereafter taken, including any review of the affairs of the Seller, Kelly, the Servicer or any Originator, shall be deemed to constitute any representation or warranty by the Administrator or such Purchaser Agent, as applicable. Each Purchaser represents and warrants to the Administrator and the Purchaser Agents that, independently and without reliance upon the Administrator, Purchaser Agents or any other Purchaser and based on such documents and information as it has deemed appropriate, it has made and will continue to make its own appraisal of and investigation into the business, operations, property, prospects, financial and other conditions and creditworthiness of the Seller, Kelly, the Servicer or the Originators, and the Receivables and its own decision to enter into this Agreement and to take, or omit, action under any Transaction Document. Except for items specifically required to be delivered hereunder, the Administrator shall not have any duty or responsibility to provide any Purchaser Agent with any information concerning the Seller, Kelly, the Servicer or the Originators or any of their Affiliates that comes into the possession of the Administrator or any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates.

Section 5.7 Administrator, Purchasers, Purchaser Agents and Affiliates. Each of the Administrator, the Purchasers and the Purchaser Agents and any of their respective Affiliates may extend credit to, accept deposits from and generally engage in any kind of banking, trust, debt, equity or other business with the Seller, Kelly, the Servicer or any Originator or any of their Affiliates. With respect to the acquisition of the Eligible Receivables pursuant to this Agreement, each of the Purchaser Agents and the Administrator shall have the same rights and powers under this Agreement as any Purchaser and may exercise the same as though it were not such an agent,

and the terms “Purchaser” and “Purchasers” shall include, to the extent applicable, each of the Purchaser Agents and the Administrator in their individual capacities.

Section 5.8 Indemnification. Each LC Participant and Related Committed Purchaser shall indemnify and hold harmless the Administrator (but solely in its capacity as Administrator) and the LC Bank and their respective officers, directors, employees, representatives and agents (to the extent not reimbursed by the Seller, the Servicer or any Originator and without limiting the obligation of the Seller, the Servicer, or any Originator to do so), ratably (based on its Commitment) from and against any and all liabilities, obligations, losses, damages, penalties, indemnity settlements, costs, expenses and disbursements of any kind whatsoever (including in

judgments, settlements, costs, expenses and disbursements of any kind whatsoever (including in connection with any investigative or threatened proceeding, whether or not the Administrator, the LC Bank or such Person shall be designated a party thereto) that may at any time be imposed on, incurred by or asserted against the Administrator, the LC Bank or such Person as a result of, or related to, any of the transactions contemplated by the Transaction Documents or the execution, delivery or performance of the Transaction Documents or any other document furnished in connection therewith (but excluding any such liabilities, obligations, losses, damages, penalties, judgments, settlements, costs, expenses or disbursements resulting solely from the gross negligence or willful misconduct of the Administrator, the LC Bank or such Person as finally determined by a court of competent jurisdiction). Without limiting the generality of the foregoing, each LC Participant agrees to reimburse the Administrator and the LC Bank, ratably according to its Pro Rata Share, promptly upon demand, for any out of pocket expenses (including reasonable counsel fees) incurred by the Administrator or the LC Bank in connection with the administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of, its rights and responsibilities under this Agreement.

Section 5.9 Successor Administrator. The Administrator may, upon at least thirty (30) days' prior written notice to the Seller, each Purchaser and Purchaser Agent, resign as Administrator. Such resignation shall not become effective until (x) a successor Administrator is appointed by the Majority Purchaser Agents and has accepted such appointment and (y) so long as no Termination Event or Unmatured Termination Event has occurred and is continuing, the Seller and the Servicer shall have consented to such successor Administrator (such consent not to be unreasonably withheld or delayed). Upon such acceptance of its appointment as Administrator hereunder by a successor Administrator, such successor Administrator shall succeed to and become vested with all the rights and duties of the retiring Administrator, and the retiring Administrator shall be discharged from its duties and obligations under the Transaction Documents. After any retiring Administrator's resignation hereunder, the provisions of Sections 3.1 and 3.2 and this Article V shall inure to its benefit as to any actions taken or omitted to be taken by it while it was the Administrator.

ARTICLE VI

MISCELLANEOUS

Section 6.1 Amendments, Etc. No amendment or waiver of any provision of this Agreement or any other Transaction Document, or consent to any departure by the Seller or the Servicer therefrom, shall be effective unless in a writing signed by the Administrator, the LC Bank

and each of the Majority LC Participants and Majority Purchaser Agents, and, in the case of any amendment, by the other parties thereto; and then such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, that, to the extent required by the securitization program of any Conduit Purchaser, no such material amendment shall be effective until the Rating Agency Condition shall have been satisfied with respect thereto (the Administrator hereby agrees to provide executed copies of any material amendment to or waiver of any provision of this Agreement to the Rating Agencies); provided, further that no such amendment or waiver shall, without the consent of each affected Purchaser, (A) extend the date of any payment or deposit of Collections by the Seller or the Servicer, (B) reduce the rate or extend the time of payment of Discount, (C) reduce any fees payable to the Administrator, any Purchaser Agent or any Purchaser pursuant to the applicable Purchaser Group Fee Letter, (D) change the amount of Capital of any Purchaser, any Purchaser's pro rata share of the Purchased Interest or any Related Committed Purchaser's or LC Participant's Commitment, (E) amend, modify or waive any provision of the definition of "Majority Purchaser Agents" or this Section 6.1, (F) consent to or permit the assignment or transfer by the Seller of any of its rights and obligations under this Agreement, (G) change the definition of "Defaulted Receivable," "Delinquent Receivable," "Eligible Receivable," "Facility Termination Date" (other than an extension of such date in accordance with clause (H)), "Loss Reserve" "Loss Reserve

extension of such date in accordance with Clause (11), Loss Reserve, Loss Reserve Percentage, "Dilution Reserve," "Dilution Reserve Percentage" or "Termination Event", (H) extend the "Facility Termination Date" or (I) amend or modify any defined term (or any defined term used directly or indirectly in such defined term) used in clauses (A) through (I) above in a manner that would circumvent the intention of the restrictions set forth in such clauses. No failure on the part of the Purchasers, the Purchaser Agents or the Administrator to exercise, and no delay in exercising any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right.

Section 6.2 Notices, Etc. All notices and other communications provided for hereunder shall, unless otherwise stated herein, be in writing (including email communications) and shall be personally delivered or sent by email, or by overnight mail, to the intended party at the mailing or email address of such party set forth under its name on the signature pages hereof (or in any other document or agreement pursuant to which it is or became a party hereto), or at such other address as shall be designated by such party in a written notice to the other parties hereto. All such notices and communications shall be effective (i) if delivered by overnight mail, when received, and (ii) if transmitted by email, when sent, receipt confirmed by telephone or electronic means.

Section 6.3 Successors and Assigns; Participations; Assignments.

(a) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Except as otherwise provided in Section 4.1(d), neither the Seller nor the Servicer may assign or transfer any of its rights or delegate any of its duties hereunder or under any Transaction Document without the prior consent of the Administrator, the LC Bank, the Required LC Participants and the Purchaser Agents.

(b) Participations. (i) Except as otherwise specifically provided herein, any Purchaser

may sell to one or more Persons (each a “Participant”) participating interests in the interests of such Purchaser hereunder; provided, that no Purchaser shall grant any participation under which the Participant shall have rights to approve any amendment to or waiver of this Agreement or any other Transaction Document. Such Purchaser shall remain solely responsible for performing its obligations hereunder, and the Seller, the Servicer, each Purchaser Agent and the Administrator shall continue to deal solely and directly with such Purchaser in connection with such Purchaser’s rights and obligations hereunder. A Purchaser shall not agree with a Participant to restrict such Purchaser’s right to agree to any amendment hereto, except amendments that require the consent of all Purchasers.

(ii) Notwithstanding anything contained in paragraph (a) or clause (i) of paragraph (b) of this Section 6.3, each of the LC Bank and each LC Participant may sell participations in all or any part of any Funded Purchase made by such LC Participant to another bank or other entity so long as (x) no such grant of a participation shall, without the consent of the Seller, require the Seller to file a registration statement with the SEC and (y) no holder of any such participation shall be entitled to require such LC Participant to take or omit to take any action hereunder except that such LC Participant may agree with such participant that, without such Participant’s consent, such LC Participant will not consent to an amendment, modification or waiver referred to in Section 6.1. Any such Participant shall not have any rights hereunder or under the Transaction Documents.

(c) Assignments by Certain Related Committed Purchasers. Any Related Committed Purchaser may assign to one or more Persons (each a “Purchasing Related Committed Purchaser”), reasonably acceptable to the Administrator, the LC Bank and the related Purchaser Agent in its sole discretion, any portion of its Commitment (which shall be inclusive of its Commitment as an LC Participant) pursuant to a supplement hereto, substantially in the form of Annex D with any changes as have been approved by the parties thereto (each, a “Transfer Supplement”), executed by each such Purchasing Related Committed Purchaser, such selling Related Committed Purchaser, such related Purchaser Agent and the Administrator and with the consent of the Seller (provided, that the consent of the Seller shall not be unreasonably withheld or delayed and that no such consent shall be required if a Termination Event or Unmatured Termination Event has occurred and is continuing; provided, further, that no consent of the Seller shall be required if the assignment is made by any Related Committed Purchaser to the Administrator, to any other Related Committed Purchaser, to any Affiliate of the Administrator or any Related Committed Purchaser, to any Program Support Provider or any Person which (i) is in the business of issuing commercial paper notes and (ii) is associated with or administered by the Administrator or any Affiliate of the Administrator). Any such assignment by a Related Committed Purchaser cannot be for an amount less than \$10,000,000. Upon (i) the execution of the Transfer Supplement, (ii) delivery of an executed copy thereof to the Seller, the Servicer, such related Purchaser Agent and the Administrator and (iii) payment by the Purchasing Related Committed Purchaser to the selling Related Committed Purchaser of the agreed purchase price, if any, such selling Related Committed Purchaser shall be released from its obligations hereunder to the extent of such assignment and such Purchasing Related Committed Purchaser shall for all purposes be a Related Committed Purchaser party hereto and shall have all the rights and obligations of a Related Committed Purchaser hereunder to the same extent as if it were an original party hereto. The amount of the Commitment of the selling Related Committed Purchaser allocable to such Purchasing Related Committed Purchaser shall be equal to the amount of the

price, if any, paid therefor. The Transfer Supplement shall be an amendment hereof only to the extent necessary to reflect the addition of such Purchasing Related Committed Purchaser as a “Related Committed Purchaser” and a related “LC Participant” and any resulting adjustment of the selling Related Committed Purchaser’s Commitment.

(d) Assignments to Liquidity Providers and other Program Support Providers. Any Conduit Purchaser may at any time grant to one or more of its Liquidity Providers or other Program Support Providers, participating interests in its portion of the Purchased Interest. In the event of any such grant by such Conduit Purchaser of a participating interest to a Liquidity Provider or other Program Support Provider, such Conduit Purchaser shall remain responsible for the performance of its obligations hereunder. The Seller agrees that each Liquidity Provider and Program Support Provider of any Conduit Purchaser hereunder shall be entitled to the benefits of Section 1.7.

(e) Other Assignment by Conduit Purchasers. Each party hereto agrees and consents (i) to any Conduit Purchaser’s assignment, participation, grant of security interests in or other transfers of any portion of, or any of its beneficial interest in, the Purchased Interest (or portion thereof), including without limitation to any collateral agent in connection with its commercial paper program and (ii) to the complete assignment by any Conduit Purchaser of all of its rights and obligations hereunder to any other Person, and upon such assignment such Conduit Purchaser shall be released from all obligations and duties, if any, hereunder; provided, that such Conduit Purchaser may not, without the prior consent of its Related Committed Purchasers, make any such transfer of its rights hereunder unless the assignee (i) is principally engaged in the purchase of assets similar to the assets being purchased hereunder, (ii) has as its Purchaser Agent the Purchaser Agent of the assigning Conduit Purchaser and (iii) issues commercial paper or other Notes with credit ratings substantially comparable to the ratings of the assigning Conduit Purchaser. Any assigning Conduit Purchaser shall deliver to any assignee a Transfer Supplement with any changes as have been approved by the parties thereto, duly executed by such Conduit Purchaser, assigning any portion of its interest in the Purchased Interest to its assignee. Such Conduit Purchaser shall promptly (i) notify each of the other parties hereto of such assignment and (ii) take all further action that the assignee reasonably requests in order to evidence the assignee’s right, title and interest in such interest in the Purchased Interest and to enable the assignee to exercise or enforce any rights of such Conduit Purchaser hereunder. Upon the assignment of any portion of its interest in the Purchased Interest, the assignee shall have all of the rights hereunder with respect to such interest (except that the Discount therefor shall thereafter accrue at the rate, determined with respect to the assigning Conduit Purchaser unless the Seller, the related Purchaser Agent and the assignee shall have agreed upon a different Discount).

(f) Opinions of Counsel. If required by the Administrator or the applicable Purchaser Agent or to maintain the ratings of the Notes of any Conduit Purchaser, each Transfer Supplement or other assignment and acceptance agreement must be accompanied by an opinion of counsel of the assignee as to such matters as the Administrator or such Purchaser Agent may reasonably request.

Section 6.4 Costs, Expenses and Taxes. (a) By way of clarification, and not of

limitation, of Sections 1.7, 1.20 or 3.1, the Seller shall pay to the Administrator, each Purchaser Agent and/or any Purchaser on demand all costs and expenses in connection with (i) the preparation, execution, delivery and administration of this Agreement or the other Transaction Documents and the other documents and agreements to be delivered hereunder and thereunder (and all reasonable costs and expenses in connection with any amendment, waiver or modification of any thereof), (ii) the sale of the Purchased Interest (or any portion thereof), (iii) the perfection (and continuation) of the Administrator’s rights in the Receivables, Collections and other Pool Assets, (iv) the enforcement by the Administrator, any Purchaser Agent or any member of any Purchaser Group of the obligations of the Seller, the Servicer or the Originators under the

Transaction Documents or of any Obligor under a Receivable and (v) the maintenance by the Administrator of the Lock-Box Accounts (and any related lock-box or post office box), including Attorney Costs for the Administrator, the Purchaser Agents and the Purchasers relating to any of the foregoing or to advising the Administrator or any member of any Purchaser Group (including, any related Liquidity Provider or any other related Program Support Provider) about its rights and remedies under any Transaction Document or any other document, agreement or instrument related thereto and all costs and expenses (including counsel fees and expenses) of the Administrator, any Purchaser Agent and any Purchaser in connection with the enforcement or administration of the Transaction Documents or any other document, agreement or instrument related thereto. The Administrator and each member of each Purchaser Group agree, however, that unless a Termination Event has occurred and is continuing, all of such entities will be represented by a single law firm. The Seller shall, subject to the provisos in clause (e) of each of Sections 1 and 2 of Exhibit IV, reimburse the Administrator, each Purchaser Agent and each Purchaser for the cost of such Person's auditors (which may be employees of such Person) auditing the books, records and procedures of the Seller or the Servicer. The Seller shall reimburse each Conduit Purchaser for any amounts such Conduit Purchaser must pay to any related Liquidity Provider or other related Program Support Provider pursuant to any Program Support Agreement on account of any Tax. The Seller shall reimburse each Purchaser on demand for all out of pocket costs and expenses incurred by such Purchaser in connection with the Transaction Documents or the transactions contemplated thereby.

(b) In addition, the Seller shall pay on demand any and all stamp, franchise and other taxes and fees payable in connection with the execution, delivery, filing and recording of this Agreement or the other documents or agreements to be delivered hereunder, and agrees to save each Indemnified Party and Affected Person harmless from and against any liabilities with respect to or resulting from any delay in paying or omission to pay such taxes and fees.

Section 6.5 No Proceedings; Limitation on Payments. (a) Each of the Seller, Kelly, the Servicer, the Administrator, the Purchaser Agents, the Purchasers, each assignee of the Purchased Interest or any interest therein, and each Person that enters into a commitment to purchase the Purchased Interest or interests therein, hereby covenants and agrees that it will not institute against, or join any other Person in instituting against, any Conduit Purchaser any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding, or other proceeding under any federal or state bankruptcy or similar law, for one year and one day after the latest maturing Note issued by such Conduit Purchaser is paid in full. The provisions of this paragraph shall survive any termination of this Agreement. Each party hereto agrees that it will not institute against, or join any Person in instituting against, the Seller any bankruptcy, reorganization, arrangement,

insolvency or liquidation proceeding, or any other proceeding under any federal or state bankruptcy or similar law, for one year and one day after which all other indebtedness and other obligations of the Seller hereunder and under each other Transaction Document shall have been paid in full; provided that the Administrator may take any such action with the prior written consent of the Majority Purchaser Agents and the LC Bank.

(b) Notwithstanding any provisions contained in this Agreement to the contrary, no Conduit Purchaser shall or shall be obligated to, pay any amount, if any, payable by it pursuant to this Agreement or any other Transaction Document unless (i) such Conduit Purchaser has received funds which may be used to make such payment and which funds are not required to repay the Notes when due and (ii) after giving effect to such payment, either (x) such Conduit Purchaser could issue Notes to refinance all outstanding Notes (assuming such outstanding Notes matured at such time) in accordance with the program documents governing such Conduit Purchaser's securitization program or (y) all Notes are paid in full. Any amount which such Conduit Purchaser does not pay pursuant to the operation of the preceding sentence shall not constitute a claim (as defined in §101 of the Bankruptcy Code) against or company obligation of such Conduit Purchaser for any such insufficiency unless and until such Conduit Purchaser satisfies the provisions of clauses (i) and (ii) above. The provisions of this paragraph shall survive any termination of this

Section 6.6 GOVERNING LAW AND JURISDICTION.

(a) THIS AGREEMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO ANY OTHERWISE APPLICABLE CONFLICTS OF LAW PRINCIPLES (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK) EXCEPT TO THE EXTENT THAT THE PERFECTION OF A SECURITY INTEREST OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR COLLATERAL ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK.

(b) ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK; AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH OF THE PARTIES HERETO CONSENTS, FOR ITSELF AND IN RESPECT OF ITS PROPERTY, TO THE NON-EXCLUSIVE JURISDICTION OF THOSE COURTS. EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES, TO THE MAXIMUM EXTENT PERMITTED BY LAW, ANY OBJECTION, INCLUDING ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, THAT IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY ACTION OR PROCEEDING IN SUCH JURISDICTION IN RESPECT OF THIS AGREEMENT OR ANY DOCUMENT RELATED HERETO. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN ANY OTHER JURISDICTION BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. EACH OF THE PARTIES HERETO WAIVES

PERSONAL SERVICE OF ANY SUMMONS, COMPLAINT OR OTHER PROCESS, WHICH SERVICE MAY BE MADE BY ANY OTHER MEANS PERMITTED BY NEW YORK LAW.

Section 6.7 Confidentiality. Unless otherwise required by applicable law, each of the Seller and the Servicer agrees to maintain the confidentiality of this Agreement and the other Transaction Documents (and all drafts thereof) in communications with third parties and otherwise; provided, that this Agreement may be disclosed (a) to third parties to the extent such disclosure is made pursuant to a written agreement of confidentiality in form and substance reasonably satisfactory to the Administrator and each Purchaser Agent and (b) to the Seller's and Servicer's legal counsel and auditors if they agree to hold it confidential. Each of the Administrator, the Purchaser Agents and the Purchasers agrees to hold any confidential information which it may receive from any the Seller, the Servicer or any of the Originators pursuant to this Agreement in confidence, and will not disclose or use for any purpose other than its credit evaluation under this Agreement such confidential information, except for disclosure: (i) subject to an agreement containing provisions substantially the same as those of this Section, to any assignee of, or any prospective assignee of, any of its rights or obligations under this Agreement; (ii) to any affiliate of the Administrator, the Purchaser Agents and the Purchasers, as applicable, or any officer, director, employee or agent of such affiliate; provided, that such affiliate agrees to hold any confidential information which it may receive in confidence and not to disclose or use such confidential information for any purpose other than to assist the Administrator, the Purchaser Agents and the Purchasers, as applicable, in its credit evaluation under this Agreement; (iii) to legal counsel, accountants and other professional advisors to the Administrator, the Purchaser Agents and the Purchasers, as applicable (or such affiliate thereof) to the extent necessary to advise the Administrator, the Purchaser Agents and the Purchasers, as applicable (or such affiliate thereof) concerning its rights or obligations in respect of this Agreement; provided, that such professional advisor agrees to hold any confidential information which it may receive in confidence and not to disclose or use such confidential information for any purpose other than advising the Administrator, the Purchaser Agents and the Purchasers, as applicable, with respect to its rights and obligations under this Agreement; (iv) to regulatory officials to the extent required by applicable law, rule, regulations, order, policy or directive (whether or not any such policy or directive has the force of law); (v) pursuant to any order of any court, arbitrator or Governmental Authority of competent jurisdiction (or as otherwise required by law); provided, however, that the Administrator, the Purchaser Agents and the Purchasers, as applicable (or other Person given confidential information by the Administrator, the Purchaser Agents and the Purchasers, as applicable) shall provide the Seller and the Servicer with prompt notice of any such required disclosure so that the Seller and the Servicer may seek a protective order or other appropriate remedy, unless such notice is prohibited under applicable law, and in the event that such protective order or other remedy is not obtained, the Administrator, the Purchaser Agents and the Purchasers, as applicable, (or such other Person) will furnish only that portion of the confidential information which is legally required, (vi) to the extent reasonably necessary in connection with the exercise of any remedy under this Agreement or any other Transaction Document, (vii) to the rating agencies rating the Notes of any Conduit Purchaser, (viii) to any Program Support Provider or potential Program Support Provider (if they agree to hold it confidential), (ix) to any placement agency placing the Notes, and (x) with the Seller and the Servicer's consent. Previously confidential information that is or becomes available to the public or becomes available to the Administrator, the Purchaser Agents and the Purchasers, as applicable, other than as a result of disclosure by (i)

(ii) any person to whom the Administrator, the Purchaser Agents and the Purchasers, as applicable, is permitted to disclose such information under obligation of confidentiality as provided in this Section, shall no longer be subject to the confidentiality provisions of this Section. Notwithstanding anything herein to the contrary, confidential information shall not include, and the Administrator, the Purchaser Agents and the Purchasers, as applicable (and each employee, representative or other agent of the Administrator, the Purchaser Agents and the Purchasers, as applicable, for so long as they remain an employee, representative or other agent) may disclose to any and all Persons, without limitation of any kind, the "tax treatment" and "tax structure" (in each case, within the meaning of Treasury Regulation Section 1.6011-4) of the transactions contemplated hereby and all materials of any kind (including opinions or other tax analyses) that are or have been provided to the Administrator, the Purchaser Agents and the Purchasers, as applicable, relating to such "tax treatment" or "tax structure"; provided that with respect to any document or similar item that in either case contains information concerning the "tax treatment" or "tax structure" of the transactions contemplated hereby as well as other information, this sentence shall only apply to such portions of the document or similar item that relate to the "tax treatment" or "tax structure" of the transactions contemplated hereby.

Section 6.8 Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed, shall be deemed to be an original, and all of which, when taken together, shall constitute one and the same agreement.

Section 6.9 Survival of Termination. The provisions of Sections 1.7, 1.8, 1.9, 1.10, 1.19, 1.20, 3.1, 3.2, 6.4, 6.5, 6.6, 6.7, 6.10 and 6.15 shall survive any termination of this Agreement.

Section 6.10 WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO WAIVES ITS RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY IN ANY ACTION, PROCEEDING OR OTHER LITIGATION OF ANY TYPE BROUGHT BY ANY OF THE PARTIES AGAINST ANY OTHER PARTY OR PARTIES, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS OR OTHERWISE. EACH OF THE PARTIES HERETO AGREES THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A COURT TRIAL WITHOUT A JURY. WITHOUT LIMITING THE FOREGOING, EACH OF THE PARTIES HERETO FURTHER AGREES THAT ITS RESPECTIVE RIGHT TO A TRIAL BY JURY IS WAIVED BY OPERATION OF THIS SECTION AS TO ANY ACTION, COUNTERCLAIM OR OTHER PROCEEDING THAT SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS AGREEMENT OR ANY PROVISION HEREOF. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT.

Section 6.11 Sharing of Recoveries. Each Purchaser agrees that if it receives any recovery, through set-off, judicial action or otherwise, on any amount payable or recoverable hereunder in a greater proportion than should have been received hereunder or otherwise

inconsistent with the provisions hereof, then the recipient of such recovery shall purchase for cash an interest in amounts owing to the other Purchasers (as return of Capital or otherwise), without representation or warranty except for the representation and warranty that such interest is being sold by each such other Purchaser free and clear of any Adverse Claim created or granted by such other Purchaser, in the amount necessary to create proportional participation by the Purchaser in such recovery. If all or any portion of such amount is thereafter recovered from the recipient, such purchase shall be rescinded and the purchase price restored to the extent of such recovery, but without interest.

Section 6.12 Right of Setoff. Each Purchaser is hereby authorized (in addition to any other rights it may have) to setoff, appropriate and apply (without presentment, demand, protest or other notice which are hereby expressly waived) any deposits and any other indebtedness held or owing by such Purchaser (including by any branches or agencies of such Purchaser) to, or for the account of, the Seller against amounts owing by the Seller hereunder (even if contingent or unmatured).

Section 6.13 Entire Agreement. This Agreement and the other Transaction Documents embody the entire agreement and understanding between the parties hereto, and supersede all prior or contemporaneous agreements and understandings of such Persons, verbal or written, relating to the subject matter hereof and thereof.

Section 6.14 Headings. The captions and headings of this Agreement and any Exhibit, Schedule or Annex hereto are for convenience of reference only and shall not affect the interpretation hereof or thereof.

Section 6.15 Purchaser Groups' Liabilities. The obligations of each Purchaser Agent and each Purchaser under the Transaction Documents are solely the corporate obligations of such Person. Except with respect to any claim arising out of the willful misconduct or gross negligence of the Administrator, any Purchaser Agent or any Purchaser, no claim may be made by the Seller or the Servicer or any other Person against the Administrator, any Purchaser Agent or any Purchaser or their respective Affiliates, directors, officers, employees, attorneys or agents for any special, indirect, consequential or punitive damages in respect of any claim for breach of contract or any other theory of liability arising out of or related to the transactions contemplated by this Agreement or any other Transaction Document, or any act, omission or event occurring in connection therewith; and each of Seller and Servicer hereby waives, releases, and agrees not to sue upon any claim for any such damages, whether or not accrued and whether or not known or suspected to exist in its favor.

Section 6.16 USA PATRIOT Act. The Administrator and each Purchaser Agent hereby notifies the Seller and the Servicer that pursuant to the requirements of the USA PATRIOT Act, Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the "*PATRIOT Act*"), the Administrator and the Purchaser Agents may be required to obtain, verify and record information that identifies the Seller, the Originators and the Servicer, which information includes the name, address, tax identification number and other information regarding the Seller, the Originators and the Servicer that will allow the Administrator and the Purchaser Agents to identify the Seller, the Originators and the Servicer in accordance with the PATRIOT Act. This notice is given in

accordance with the requirements of the PATRIOT Act. Each of the Seller and the Servicer agrees to provide the Administrator and the Purchaser Agents, from time to time, with all documentation and other information required by bank regulatory authorities under "know your customer" and anti-money laundering rules and regulations, including, without limitation, the PATRIOT Act.

Section 6.17 Amendment and Restatement; Integration; Effectiveness. (i) Upon this Agreement becoming effective pursuant to Section 1 of Exhibit II hereof: (a) all terms and conditions of the Existing Receivables Purchase Agreement and any other Transaction Documents executed and delivered pursuant thereto, as amended by this Agreement and the other Transaction Documents being executed and delivered in connection herewith, shall be and remain in full force and effect, as so amended, and shall constitute and continue to be the legal, valid, binding and enforceable obligations of the Seller and the Servicer and of the Administrator, the Purchaser Agents and the Purchasers; (b) the terms and conditions of the Existing Receivables Purchase Agreement shall be amended as set forth herein and, as so amended, the Existing Receivables Purchase Agreement shall be restated in its entirety, but shall be amended only with respect to the rights, duties and obligations among the Seller, the Servicer, the Administrator, the Purchaser Agents and the Purchasers accruing from and after the date hereof; and (c) any and all references in the Transaction Documents to the Existing Receivables Purchase Agreement shall, without further

action of the parties, be deemed a reference to the Existing Receivables Purchase Agreement, as amended and restated by this Agreement, and as this Agreement shall be further amended or amended and restated from time to time hereafter. Subject to the foregoing, this Agreement and the other Transaction Documents represent the entire agreement of the Seller, the Servicer, Administrator, the Purchaser Agents and the Purchasers with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Administrator, the Purchaser Agents and the Purchasers relative to the subject matter hereof not expressly set forth or referred to herein or in the other Transaction Documents.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

KELLY RECEIVABLES FUNDING, LLC, as Seller

By: _____
Name: _____
Title: _____

Address: Kelly Receivables Funding, LLC
911 West Big Beaver Road, Suite 301A
Troy, MI 48084
Attention: Michael F. Orsini
Telephone: (248) 244-4381
Email: orsinimf@kellyservices.com

S-1

First Amended and Restated
Receivables Purchase Agreement
(Kelly Receivables Funding, LLC)

KELLY SERVICES, INC., as Servicer

By: _____
Name: _____
Title: _____

Address: Kelly Services, Inc.
999 West Big Beaver Road
Troy, MI 48084
Attention: Michael F. Orsini
Telephone: (248) 244-4381
Email: orsinimf@kellyservices.com

S-2

First Amended and Restated
Receivables Purchase Agreement
(Kelly Receivables Funding, LLC)

THE PURCHASER GROUPS:

PNC BANK, NATIONAL ASSOCIATION, as Purchaser
Agent for the PNC Bank Purchaser Group

By: _____
Name: _____
Title: _____

Address: PNC Bank, National Association
The Tower at PNC Plaza
300 Fifth Avenue
Pittsburgh, PA 15222
Attention: Robyn Reeher
Email: ABFAdmin@pnc.com
robyn.reeher@pnc.com

Group Commitment: \$250,000,000

S-3

First Amended and Restated
Receivables Purchase Agreement
(Kelly Receivables Funding, LLC)

PNC BANK, NATIONAL ASSOCIATION,
as a Related Committed Purchaser

By: _____
Name: _____
Title: _____

Address: PNC Bank, National Association
The Tower at PNC Plaza
300 Fifth Avenue
Pittsburgh, PA 15222
Attention: Robyn Reeher
Email: ABFAdmin@pnc.com
robyn.reeher@pnc.com

Commitment: \$250,000,000

PNC BANK, NATIONAL ASSOCIATION, as the LC Bank
and as an LC Participant

By: _____
Name: _____
Title: _____

Address: PNC Bank, National Association
The Tower at PNC Plaza
300 Fifth Avenue
Pittsburgh, PA 15222
Attention: Robyn Reeher
Email: ABFAdmin@pnc.com
robyn.reeher@pnc.com

Commitment: \$250,000,000
Pro-Rata Share: 100%

PNC BANK, NATIONAL ASSOCIATION, as
Administrator

By: _____
Name: _____
Title: _____

Address: PNC Bank, National Association
The Tower at PNC Plaza
300 Fifth Avenue
Pittsburgh, PA 15222
Attention: Robyn Reeher
Email: ABFAdmin@pnc.com
robyn.reeher@pnc.com

DEFINITIONS

1. Definitions. As used in this Agreement (including its Exhibits, Schedules and Annexes), the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined). Unless otherwise indicated, all Section, Annex, Exhibit and Schedule references in this Exhibit are to Sections of and Annexes, Exhibits and Schedules to this Agreement.

“Administrator” has the meaning set forth in the preamble to this Agreement.

“Adjusted LC Participation Amount” means, at any time, the LC Participation Amount minus the amount on deposit in the LC Collateral Account.

“Adjusted Pro Rata Share” means, with respect to any LC Participant at any time, a fraction, expressed as a percentage, (a) the numerator of which is LC Funding Exposure of such LC Participant, and (b) the denominator of which is the Adjusted LC Participation Amount.

“Adverse Claim” means a lien, security interest or other charge or encumbrance, or any other type of preferential arrangement; it being understood that any thereof in favor of the Administrator (for the benefit of the Purchasers) shall not constitute an Adverse Claim.

“Affected Person” has the meaning set forth in Section 1.7 of this Agreement.

“Affiliate” means, as to any Person: (a) any Person that, directly or indirectly, is in control of, is controlled by or is under common control with such Person, or (b) who is a director or officer: (i) of such Person or (ii) of any Person described in clause (a), except that, in the case of each Conduit Purchaser, Affiliate shall mean the holder of its capital stock or membership interest, as the case may be; provided that, prior to the consummation of the Permitted Holder Acquisition, neither the Kelly Trust nor any member of the Kelly Family shall be an “Affiliate” for purposes of this definition. For purposes of this definition, control of a Person shall mean the power, direct or indirect: (x) to vote 25% or more of the securities having ordinary voting power for the election of directors of such Person, or (y) to direct or cause the direction of the management and policies of such Person, in either case whether by ownership of securities, contract, proxy or otherwise.

“Aggregate Capital” means the amount paid to the Seller in respect of the Purchased Interest or portion thereof by each Purchaser pursuant to this Agreement, as reduced from time to time by Collections distributed and applied on account of such Aggregate Capital pursuant to Section 1.4(d) of this Agreement; provided, that if such Aggregate Capital shall have been reduced by any distribution, and thereafter all or a portion of such distribution is rescinded or must otherwise be returned for any reason, such Aggregate Capital shall be increased by the amount of such rescinded or returned distribution as though it had not been made.

“Aggregate Discount” means at any time, the sum of the aggregate for each Purchaser of the accrued and unpaid Discount with respect to each such Purchaser’s Capital at such time.

“Agreement” has the meaning set forth in the preamble hereto.

“Alternate Rate” for any day during any Yield Period for any Portion of Capital funded by any Purchaser other than through the issuance of Notes, means an interest rate per annum equal to Daily 1M SOFR ~~plus the SOFR Adjustment~~ (subject however, to the provisions set forth in Section 1.11 hereof); provided, that the “Alternate Rate” for any day while a Termination Event or an Unmatured Termination Event exists shall be an interest rate equal to the greater of (i) 2.0% per annum above the Base Rate in effect on such day and (ii) 2.0% per annum above the “Alternate Rate” as calculated in clause (a) above.

“Anti-Corruption Laws” means (a) the U.S. Foreign Corrupt Practices Act of 1977, as amended; (b) the U.K. Bribery Act 2010, as amended; and (c) any other applicable Law relating to anti-bribery or anti-corruption in any jurisdiction in which any Seller Party is located or doing business.

“Anti-Money Laundering Laws” means (a) the Bank Secrecy Act and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT) Act of 2001; (b) the U.K. Proceeds of Crime Act 2002, the Money Laundering Regulations 2017, as amended and the Terrorist Asset-Freezing etc. Act 2010; and (c) any other applicable Law relating to anti-money laundering and countering the financing of terrorism in any jurisdiction in which any Seller Party is located or doing business.

“Assumption Agreement” means an agreement substantially in the form set forth in Annex C to this Agreement.

“Attorney Costs” means and includes all reasonable fees and disbursements of any law firm or other external counsel.

“Bankruptcy Code” means the United States Bankruptcy Reform Act of 1978 (11 U.S.C. § 101, et seq.), as amended from time to time.

“Base Rate” means, for any day, a fluctuating per annum rate of interest equal to the highest of (i) the Overnight Bank Funding Rate, plus 0.50%, (ii) the Prime Rate, and (iii) Daily Simple SOFR, plus 1.00%, so long as Daily Simple SOFR is offered, ascertainable and not unlawful; provided, however, if the Base Rate as determined above would be less than zero, then such rate shall be deemed to be zero. Any change in the Base Rate (or any component thereof) shall take effect at the opening of business on the day such change occurs. Notwithstanding anything to the contrary contained herein, in the case of any event specified in Section 1.11(a) or Section 1.11(b), to the extent any such determination affects the calculation of Base Rate, the definition hereof shall be calculated without reference to clause (iii) above until the circumstances giving rise to such event no longer exist. “Benchmark Replacement” has the meaning set forth in Section 1.11(d).

“Beneficial Ownership Certification” means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation” means 31 C.F.R. § 1010.230.

“Benefit Plan” means any employee benefit pension plan as defined in Section 3(2) of ERISA in respect of which the Seller, any Originator, Kelly or any ERISA Affiliate is, or at any time during the immediately preceding six years was, an “employer” as defined in Section 3(5) of ERISA.

“Blocked Property” means any property: (a) owned, directly or indirectly, by a Sanctioned Person; (b) due to or from a Sanctioned Person; (c) in which a Sanctioned Person otherwise holds any interest; or (d) located in a Sanctioned Jurisdiction.

“Business Day” means any day other than a Saturday or Sunday or a legal holiday on which commercial banks are authorized or required to be closed, or are in fact closed, for business in Pittsburgh, Pennsylvania; provided that, when used in connection with an amount that bears interest at a rate based on SOFR or any direct or indirect calculation or determination of SOFR, the term “Business Day” means any such day that is also a U.S. Government Securities Business Day.

“Capital” means with respect to any Purchaser, (a) the amount paid to the Seller by such Purchaser pursuant to Section 1.1(a) or (b) of this Agreement plus (b) such Purchaser’s Adjusted

Purchaser pursuant to Section 1.1(a) or (b) of this Agreement *plus* (v) such Purchaser's Adjusted Pro Rata Share of the aggregate amount of all unreimbursed draws deemed to be Funded Purchases pursuant to Section 1.2(e) of this Agreement, as reduced from time to time by Collections distributed and applied on account of such Capital pursuant to Section 1.4(d) of this Agreement; provided, that if such Capital shall have been reduced by any distribution and thereafter all or a portion of such distribution is rescinded or must otherwise be returned for any reason, such Capital shall be increased by the amount of such rescinded or returned distribution as though it had not been made.

"Change in Control" means (a) that Kelly ceases to own, directly or indirectly, (i) 100% of the membership interests of the Seller free and clear of all Adverse Claims or (ii) 100% of the voting stock of any Originator (other than Kelly) free and clear of all Adverse Claims (other than the pledge of any such interest therein of Kelly or any Originator solely pursuant to the Credit Agreement and the other "Loan Documents" (as such term is defined in the Credit Agreement), (b) subject to the exceptions contained in the next sentence, any Person or group of Persons (within the meaning of Section 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended) shall after the Closing Date either (i) acquire beneficial ownership (within the meaning of Rule 13d-3 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended) in excess of 50% of the outstanding shares of voting stock of Kelly or (ii) obtain the power (whether or not exercised) to elect a majority of Kelly's directors or (c) a "Change in Control" (as such term is defined in the Credit Agreement, without giving effect to any amendment, supplement, modification or waiver of such definition to which the Administrator, the LC Bank and each of the Majority LC Participants and Majority Purchaser Agents have not consented). A Change in Control shall not include any acquisition of beneficial ownership (as defined above) or the power to elect a majority of Kelly's directors (i) prior to the consummation of the Permitted Holder Acquisition, by any Person who is, or group of Persons (as defined above) which includes, a member of the Kelly Family or who is or are acting for the benefit of any member of the Kelly Family, nor shall Change in Control include any change in legal title to, or any trustee of, the Kelly Trust or the admission within or to, or withdrawal from, the Kelly Trust of any beneficiary and (ii) on or after the consummation of the Permitted Holder Acquisition, any Permitted Holder.

“Closing Date” means December 5, 2016.

“Collections” means, with respect to any Pool Receivable: (a) all funds that are received by any Originator, Kelly, the Seller or the Servicer in payment of any amounts owed in respect of such Receivable (including purchase price, finance charges, interest and all other charges), or applied to amounts owed in respect of such Receivable (including insurance payments and net proceeds of the sale or other disposition of repossessed goods or other collateral or property of the related Obligor or any other Person directly or indirectly liable for the payment of such Pool Receivable and available to be applied thereon), (b) all Deemed Collections and (c) all other proceeds of such Pool Receivable.

“Commitment” means, with respect to any Related Committed Purchaser, LC Participant or LC Bank, as applicable, the maximum aggregate amount which such Purchaser is obligated to pay hereunder on account of all Funded Purchases and all drawings under all Letters of Credit, on a combined basis, as set forth below its signature to this Agreement or in the Assumption Agreement or Transfer Supplement pursuant to which it became a Purchaser, as such amount may be modified in connection with any subsequent assignment pursuant to Section 6.3(c) or in connection with a change in the Purchase Limit pursuant to Section 1.1(c) or Section 1.2(f).

“Commitment Percentage” means, for each Related Committed Purchaser or related LC Participant in a Purchaser Group, the Commitment of such Related Committed Purchaser or related LC Participant, as the case may be, divided by the total of all Commitments of all Related Committed Purchasers or related LC Participants, as the case may be, in such Purchaser Group.

“Company Note” has the meaning set forth in Section 3.1 of the Sale Agreement.

“Compliance Authority” means (a) the U.S. Department of the Treasury’s Office of Foreign Assets Control (“OFAC”) and the U.S. Department of State, (b) the United Nations Security Council, (c) the European Union, and (d) His Majesty’s Treasury.

“Concentration Percentage” means, at any time: (a) for any Group A Obligor, 15.0%, (b) for any Group B Obligor, 7.5%, (c) for any Group C Obligor, 5.0% and (d) for any Group D Obligor, ~~3.0~~5.0%;

“Concentration Reserve” means at any time, the product of (a) the sum of (i) the Aggregate Capital plus (ii) the LC Participation Amount, multiplied by (b)(i) the Concentration Reserve Percentage divided by (ii) 100% minus the Concentration Reserve Percentage.

“Concentration Reserve Percentage” means, at any time, (a) the largest of the following (i) the sum of the five (5) largest Group D Obligor Receivables balances (up to the Concentration Percentage for each such Obligor), (ii) the sum of the three (3) largest Group C Obligor Receivables balances (up to the Concentration Percentage for each such Obligor), (iii) the sum of the two (2) largest Group B Obligor Receivables balances (up to the Concentration Percentage for such Obligor), and (iv) the largest Group A Obligor Receivables balance (up to the Concentration Percentage for such Obligor), divided by (b) the sum of the aggregate Outstanding Balances of all Eligible Receivables in the Receivables Pool.

“Conduit Purchaser” means each commercial paper conduit that is a party to this

an Assumption Agreement, Transfer Supplement or otherwise.

“Conforming Changes” means, with respect to either the use or administration of Daily 1M SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “Base Rate,” the definition of “Business Day,” the definition of “Yield Period,” the definition of “U.S. Government Securities Business Day,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrator decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement or to permit the use and administration of Daily 1M SOFR or such Benchmark Replacement by the Administrator in a manner substantially consistent with market practice (or, if the Administrator decides that adoption of any portion of such market practice is not administratively feasible or if the Administrator determines that no market practice for the administration of Daily 1M SOFR or the Benchmark Replacement exists, in such other manner of administration as the Administrator decides is reasonably necessary in connection with the administration of this Agreement and the other Transaction Documents).

“Contract” means, with respect to any Receivable, any and all contracts, instruments, agreements, leases, invoices, notes or other writings pursuant to which such Receivable arises or that evidence such Receivable or under which an Obligor becomes or is obligated to make payment in respect of such Receivable.

“Contributed Receivables” has the meaning set forth in Section 1.1(a) of the Sale Agreement.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings correlative thereto.

“Covered Entity” means (a) the Seller, the Servicer, the Originator and each of the Seller’s Subsidiaries; (b) any Person who has pledged (or will pledge) Pool Assets hereunder; and (c) each Person that, directly or indirectly, controls a Person described in clauses (a) or (b) above.

“CP Rate” means, for any Conduit Purchaser and for any Yield Period for any Portion of Capital (a) the per annum rate equivalent to the weighted average cost (as determined by the applicable Purchaser Agent and which shall include commissions of placement agents and dealers, incremental carrying costs incurred with respect to Notes of such Person maturing on dates other than those on which corresponding funds are received by such Conduit Purchaser, other borrowings by such Conduit Purchaser (other than under any Program Support Agreement) and any other costs associated with the issuance of Notes) of or related to the issuance of Notes that are allocated, in whole or in part, by the applicable Purchaser Agent to fund or maintain such Portion of Capital (and which may be also allocated in part to the funding of other assets of such Conduit Purchaser); provided, that if any component of such rate is a discount rate, in calculating the “CP Rate” for such Portion of Capital for such Yield Period, the applicable Purchaser Agent shall for such component use the rate resulting from converting such discount rate to an interest bearing

equivalent rate per annum; provided, further, that notwithstanding anything in this Agreement or the other Transaction Documents to the contrary, the Seller agrees that any amounts payable to the Purchasers in respect of Discount for any Yield Period with respect to any Portion of Capital funded by such Purchaser at the CP Rate shall include an amount equal to the portion of the face amount of the outstanding Notes issued to fund or maintain such Portion of Capital that corresponds to the portion of the proceeds of such Notes that was used to pay the interest component of maturing Notes issued to fund or maintain such Portion of Capital, to the extent that such Purchaser had not received payments of interest in respect of such interest component prior to the maturity date of such maturing Notes (for purposes of the foregoing, the “interest component”

of Notes equals the excess of the face amount thereof over the net proceeds received by such Purchaser from the issuance of Notes, except that if such Notes are issued on an interest-bearing basis its “interest component” will equal the amount of interest accruing on such Notes through maturity) or (b) any other rate designated as the “CP Rate” for such Conduit Purchaser in an Assumption Agreement or Transfer Supplement pursuant to which such Person becomes a party as a Conduit Purchaser to this Agreement, or any other writing or agreement provided by such Conduit Purchaser to the Seller, the Servicer and the applicable Purchaser Agent from time to time. The “CP Rate” for any day while a Termination Event or an Unmatured Termination Event exists shall be an interest rate equal to the greater of (a) 2.0% per annum above the Base Rate as in effect on such day and (b) the Alternate Rate as calculated in the definition thereof. If the CP Rate is not available for any day, then the CP Rate for such day will be the CP Rate for the first Business Day preceding such day for which the CP Rate was available.

“Credit Agreement” means that certain Third Amended and Restated Credit Agreement, dated as of December 5, 2019, among Kelly, as borrower, the Lenders party thereto and JPMorgan Chase Bank, N.A., as agent (as amended by the First Amendment to Third Amended and Restated Credit Agreement, dated as of November 4, 2022, the Second Amendment to Third Amended and Restated Credit Agreement, dated as of November 2, 2023, the Third Amendment to Third Amended and Restated Credit Agreement, dated on or about the Fourth Amendment Effective Date and as the same may be further amended, restated, supplemented or otherwise modified from time to time).

“Credit and Collection Policy” means, as the context may require, those receivables credit and collection policies and practices of each Originator and of Kelly in effect on the Fourth Amendment Effective Date and described in Schedule I to this Agreement, as modified in compliance with this Agreement.

“Cut-off Date” has the meaning set forth in Section 1.1(a) the Sale Agreement.

“Daily 1M SOFR” means, with respect to any Portion of Capital accruing Discount based on “Daily 1M SOFR” as provided herein, for any day (a “Daily 1M SOFR Day”), the interest rate per annum determined by the Administrator equal to the Term SOFR Reference Rate for a one (1) month period, as published by the Term SOFR Administrator, for the day (“Daily 1M SOFR Determination Date”) that is 2 Business Days prior to (i) such Daily 1M SOFR Day if such Daily 1M SOFR Day is a Business Day or (ii) , if such Daily 1M SOFR Day is not a Business Day, the Business Day immediately preceding such Daily 1M SOFR Day; provided, that if Daily 1M SOFR, determined as provided above, would be less than the SOFR Floor, then Daily 1M SOFR shall be deemed to be the SOFR Floor. If Daily 1M SOFR for any Daily 1M SOFR Determination

Date has not been published or replaced with a Benchmark Replacement by 5:00 p.m. (Pennsylvania time) on the second Business Day immediately following such Daily 1M SOFR Determination Date, then Daily 1M SOFR for such Daily 1M SOFR Determination Date will be Daily 1M SOFR for the first Business Day preceding such Daily 1M SOFR Determination Date for which Daily 1M SOFR was published in accordance with this definition of “Daily 1M SOFR”; provided that Daily 1M SOFR determined pursuant to this sentence shall be used for purposes of calculating Daily 1M SOFR for no more than the latter of (i) 3 consecutive Daily 1M SOFR Days and (ii) the last day of the current Yield Period. Such rate of interest will be adjusted automatically as of each Business Day based on changes in Daily 1M SOFR without notice to the Seller.

“Daily Simple SOFR” means, for any day (a “SOFR Rate Day”), the interest rate per annum determined by the Administrator equal to SOFR for the day (the “SOFR Determination Date”) that is 2 Business Days prior to (i) such SOFR Rate Day if such SOFR Rate Day is a Business Day or (ii) the Business Day immediately preceding such SOFR Rate Day if such SOFR Rate Day is not a Business Day, in each case, as such SOFR is published by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate) on the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source identified by the Federal Reserve Bank of New York or its successor

administrator for the secured overnight financing rate from time to time. If Daily Simple SOFR as determined above would be less than the SOFR Floor, then Daily Simple SOFR shall be deemed to be the SOFR Floor. If SOFR for any SOFR Determination Date has not been published or replaced with a Benchmark Replacement by 5:00 p.m. (Pittsburgh, Pennsylvania time) on the second Business Day immediately following such SOFR Determination Date, then SOFR for such SOFR Determination Date will be SOFR for the first Business Day preceding such SOFR Determination Date for which SOFR was published in accordance with the definition of "SOFR"; provided that SOFR determined pursuant to this sentence shall be used for purposes of calculating Daily Simple SOFR for no more than 3 consecutive SOFR Rate Days. If and when Daily Simple SOFR as determined above changes, any applicable rate of interest based on Daily Simple SOFR will change automatically without notice to the Seller, effective on the date of any such change.

"Days' Sales Outstanding" means, for any Fiscal Month, an amount computed as of the last day of such Fiscal Month equal to: (a) the average of the Outstanding Balance of all Pool Receivables as of the last day of each of the three most recent Fiscal Months ended on the last day of such Fiscal Month divided by (b)(i) the aggregate Outstanding Balance of Receivables generated by the Originators during the three Fiscal Months ended on the last day of such Fiscal Month divided by (ii) 90.

"Debt" of any Person shall mean, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person under conditional sale or other title retention agreements relating to property or assets purchased by such Person, (d) all obligations of such Person issued or assumed as the deferred purchase price of property or services (other than current trade liabilities and current intercompany liabilities (but not any refinancings, extensions, renewals or replacements thereof) incurred in the ordinary course of business and maturing within 365 days after the incurrence thereof), (e) all guarantees by such Person of Debt of others, (f) all capital lease obligations of such Person, (g) all payments that such Person would have to make in the

event of an early termination, on the date Debt of such Person is being determined, in respect of outstanding swap agreements, (h) the principal component of all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and (i) the principal component of all obligations of such person in respect of bankers' acceptances. The Debt of any person shall include the Debt of any partnership in which such Person is a general partner, other than to the extent that the instrument or agreement evidencing such Debt expressly limits the liability of such person in respect thereof.

"Deemed Collections" has the meaning set forth in Section 1.4(e)(ii) of this Agreement.

"Default Ratio" means the ratio (expressed as a percentage and rounded to the nearest 1/100 of 1%, with 5/1000th of 1% rounded upward) computed as of the last day of each Fiscal Month by dividing: (i) the aggregate Outstanding Balance of all Pool Receivables that became Defaulted Receivables during such month (other than Receivables that became Defaulted Receivables as a result of an Insolvency Proceeding with respect to the Obligor thereof during such month) by (ii) the aggregate Outstanding Balance of Receivables generated by the Originators during the month that is six (6) Fiscal Months before such month.

"Defaulted Receivable" means a Receivable:

(a) as to which any payment, or part thereof, remains unpaid for more than 150 days from the original Payment Due Date for such payment, or

(b) without duplication (i) as to which an Insolvency Proceeding shall have occurred with respect to the Obligor thereof or any other Person obligated thereon or owning any Related Security with respect thereto, or (ii) as to which any payment, or part thereof, has been written off the Seller's books as uncollectible.

"Delinquency Ratio" means the ratio (expressed as a percentage and rounded to the nearest 1/100 of 1%, with 5/1000th of 1% rounded upward) computed as of the last day of each Fiscal Month by dividing: (a) the aggregate Outstanding Balance of all Pool Receivables that were Delinquent Receivables on such day by (b) the aggregate Outstanding Balance of all Pool Receivables on such day.

"Delinquent Receivable" means a Receivable as to which any payment, or part thereof, remains unpaid for more than 60 days from the original Payment Due Date for such payment.

"Dilution Horizon Ratio" means, for any Fiscal Month, the ratio (expressed as a percentage and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward) computed as of the last day of such Fiscal Month by dividing: (a) the aggregate Outstanding Balance of Receivables generated by all the Originators during the three most recent Fiscal Months, by (b) the Net Receivables Pool Balance at the last day of such Fiscal Month.

"Dilution Ratio" means the ratio (expressed as a percentage and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward), computed as of the last day of each Fiscal Month by dividing: (a) the aggregate amount of payments made or owed by the Seller pursuant to Section 1.4(e)(i) of this Agreement during such Fiscal Month by (b) the aggregate Outstanding Balance of Receivables generated by all the Originators during the Fiscal Month that is two

months prior to such Fiscal Month.

“Dilution Reserve” means, on any day, an amount equal to the product of: (a) the sum of (i) the Aggregate Capital plus (ii) the LC Participation Amount at the close of business of the Servicer on such day multiplied by (b) (i) the Dilution Reserve Percentage on such day, divided by (ii) 100% minus the Dilution Reserve Percentage on such day.

“Dilution Reserve Percentage” means on any day, the product of (a) the Dilution Horizon Ratio multiplied by (b) the sum of (i) 2.25 times the average of the Dilution Ratios for the twelve most recent Fiscal Months and (ii) the Dilution Spike Factor.

“Dilution Spike Factor” means, for any Fiscal Month, the product of (a) the positive difference, if any, between: (i) the highest Dilution Ratio for any Fiscal Month during the twelve most recent Fiscal Months and (ii) the arithmetic average of the Dilution Ratios for such twelve Fiscal Months times (b) (i) the highest Dilution Ratio for any Fiscal Month during the twelve most recent Fiscal Months, divided by (ii) the arithmetic average of the Dilution Ratios for such twelve Fiscal Months.

“Discount” means with respect to any Purchaser:

(a) for any Portion of Capital for any Yield Period with respect to any Purchaser to the extent such Portion of Capital will be funded by such Purchaser during such Yield Period through the issuance of Notes:

$$DI(C, CPR) = C \times \frac{CPR}{360}$$

$$\sum_{n=1}^{ED} DI_n(C_n, CPR_n)$$

(b) for any Portion of Capital for any Yield Period with respect to any Purchaser to the extent such Portion of Capital will not be funded by such Purchaser during such Yield Period through the issuance of Notes or, if the LC Bank and/or any LC Participant has deemed to have made a Funded Purchase in connection with any drawing under a Letter of Credit which accrues Discount pursuant to Section 1.2(e) of this Agreement:

$$DI(C, AR, YEAR) = C \times \frac{AR}{YEAR}$$

$$\sum_{n=1}^{ED} DI_n(C_n, AR_n, YEAR_n)$$

where:

AR = the Alternate Rate for such Portion of Capital for such day with respect to such Purchaser.

- C = the Capital with respect to such Portion of Capital during such Yield Period with respect to such Purchaser,
- CPR = the CP Rate for the Portion of Capital for such day with respect to such Purchaser,
- DI(C, CPR) = daily interest calculated for the C and CPR for such day,
- DI (C, CPR, Year) = daily interest calculated for the C, CPR, and applicable Year value for such day,
- ED = the actual number of days during such Yield Period, and
- Year = if such Portion of Capital is funded based upon: (i) Daily 1M SOFR, 360 days, and (ii) the Base Rate, 365 or 366 days, as applicable.

provided, that no provision of this Agreement shall require the payment or permit the collection of Discount in excess of the maximum permitted by applicable law; and provided further, that Discount for any Portion of Capital shall not be considered paid by any distribution to the extent that at any time all or a portion of such distribution is rescinded or must otherwise be returned for any reason.

“Dollar” or “\$” means lawful currency of the United States of America.

“Drawing Date” has the meaning set forth in Section 1.15(b) of this Agreement.

“Eligible Assignee” means any bank or financial institution acceptable to the LC Bank and the Administrator.

“Eligible Receivable” means, at any time, a Pool Receivable:

(a) the Obligor of which is (i) a United States resident, (ii) not subject to any action of the type described in paragraph (f) of Exhibit V to this Agreement and (iii) not an Affiliate of Kelly;

(b) that is denominated and payable in U.S. dollars to a Lock-Box Account in the United States, and the Obligor with respect to which has been instructed to remit Collections in respect thereof to a Lock-Box Account in the United States;

(c) that does not have a Payment Due Date which is more than 125 days after the original invoice date of such Receivable;

(d) that arises under a duly authorized Contract for the sale and delivery of goods and services in the ordinary course of an Originator’s business;

(e) that arises under a duly authorized Contract that is in full force and effect and that is a legal, valid and binding obligation of the related Obligor, enforceable against such Obligor in accordance with its terms;

(f) that conforms in all material respects with all applicable laws, rulings and regulations in effect;

(g) that is not the subject of any asserted dispute, offset, hold back, defense, Adverse Claim or other claim, but any such Pool Receivable shall be ineligible only to the extent of the amount of such asserted dispute, offset, hold back, defense, Adverse Claim or other claim;

(h) that satisfies all applicable requirements of the applicable Credit and Collection Policy;

(i) that has not been modified, waived or restructured since its creation, except as permitted pursuant to Section 4.2 of this Agreement;

(j) in which the Seller has good and marketable title, free and clear of any Adverse Claims, and that is freely assignable by the Seller (including without any consent of the related Obligor unless such consent has already been obtained);

(k) for which the Administrator (for the benefit of each Purchaser) shall have a valid and enforceable undivided percentage ownership or security interest, to the extent of the Purchased Interest, and a valid and enforceable first priority perfected security interest therein and in the Related Security and Collections with respect thereto, in each case free and clear of any Adverse Claim;

(l) that constitutes an "account" or "general intangible" (each, as defined in the UCC), and that is not evidenced by "instruments" or "chattel paper" (each, defined in the UCC);

(m) that is not a Defaulted Receivable or a Delinquent Receivable;

(n) for which none of the Originator thereof, the Seller and the Servicer has established any offset arrangements (other than any cash rebates or early pay discounts as disclosed to the Administrator and the Purchaser Agents) with the related Obligor;

(o) for which Defaulted Receivables of the related Obligor do not exceed 50% of the Outstanding Balance of all such Obligor's Receivables;

(p) that represents amounts earned and payable by the Obligor that are not

subject to the performance of additional services by the Originator thereof;

(q) that if such Receivable has not yet been billed, no more than 41 days have expired since the date that such Receivable was created; and

(r) the Obligor of such Receivable has not been deemed to be ineligible by the Administrator, in its reasonable discretion, upon thirty (30) days' prior written notice to the Seller; provided, however, that such Receivable shall be ineligible beginning with the next immediately due Information Package and continuing thereafter until the Administrator consents otherwise.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and any successor statute of similar import, together with the rulings and regulations thereunder, in each case as in effect from time to time. References to sections of ERISA also refer to any successor sections.

“ERISA Affiliate” means: (a) any corporation that is a member of the same controlled group of corporations (within the meaning of Section 414(b) of the Internal Revenue Code) as the Seller, any Originator or Kelly, (b) a trade or business (whether or not incorporated) under common control (within the meaning of Section 414(c) of the Internal Revenue Code) with the Seller, any Originator or Kelly, or (c) a member of the same affiliated service group (within the meaning of Section 414(m) of the Internal Revenue Code) as the Seller, any Originator, any corporation described in clause (a) or any trade or business described in clause (b).

“Excess Concentration” means, for any day, the sum of, without duplication, (i) the sum of the amounts by which the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool of each Obligor exceeds an amount equal to (a) the applicable Concentration Percentage for such Obligor multiplied by (b) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool, plus (ii) the amount by which the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool the Obligor of which is a United States Federal Governmental Authority exceeds an amount equal to (a) 6.0% multiplied by (b) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool, plus (iii) the amount by which the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool that have a Payment Due Date which is more than 90 days but less than 126 days after the original invoice date of such Receivable exceeds an amount equal to (a) ~~9.0~~15.0% multiplied by (b) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool, plus (iv) the amount by which the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool that have been earned for less than 41 days but have not been invoiced to the Obligor thereof exceeds an amount equal to (a) ~~2.0~~20.0% multiplied by (b) the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool.

“Existing Receivables Purchase Agreement” has the meaning set forth in the preamble hereto.

“Exiting Notice” has the meaning set forth in Section 1.4(b)(ii) of this Agreement.

“Exiting Purchaser” has the meaning set forth in Section 1.4(b)(ii) of this Agreement.

“Facility Termination Date” means the earliest to occur of: (a) with respect to each

Purchaser, May/June 2822, 20272028, (b) the date determined pursuant to Section 2.2 of this Agreement, (c) the date the Purchase Limit reduces to zero pursuant to Section 1.1(c) of this Agreement, (d) with respect to each Conduit Purchaser (if any), the date that the Commitments of all of the Liquidity Providers terminate under the related Liquidity Agreement, , and (e) the date which is 60 days after the date on which the Administrator has received written notice from the Seller of its election to terminate the Purchase Facility.

“Fair Market Value Discount” has the meaning set forth in Section 2.2 of the Sale Agreement.

“Fee Letters” has the meaning set forth in Section 1.5 of this Agreement. As of the Fourth Amendment Effective Date, the Fee Letters consist of (i) the Sixth Amended and Restated Purchaser Group Fee Letter, dated as Fourth Amendment Effective Date, and (ii) the Agent Fee Letter, dated as of the Closing Date.

“Fees” means the fees payable by the Seller to each member of each Purchaser Group pursuant to the applicable Purchaser Group Fee Letter.

“FIN 46 and Subsequent Statements and Interpretations” has the meaning set forth in Section 1.7(e) of this Agreement.

“Fiscal Month” means with respect to the Seller or any Originator, each of the twelve (12) monthly periods, each of which monthly periods, contains either four (4) or five (5) weeks, into which the particular Fiscal Year of the Seller or such Originator is divided. Such Fiscal Months are set forth on Schedule V hereto as such Schedule is updated from time to time by the Servicer.

“Fiscal Quarter” means with respect to the Seller or any Originator, each of the quarterly periods, each of which quarterly periods, contains three (3) Fiscal Months. Such Fiscal Quarters are set forth on Schedule V hereto as such Schedule is updated from time to time by the Servicer.

“Fiscal Year” means with respect to the Seller or any Originator, the 52-week or 53-week period ending on the last Sunday of such Fiscal Year.

“Fourth Amendment Effective Date” means May 29, 2024.

“Force Majeure Event” means circumstances beyond the Seller’s or the Servicer’s control, including but not limited to, emergency conditions, action or inaction of a Governmental Authority, fire, strike or other labor dispute, war, riot, flood, earthquake or other natural disaster, which circumstances affect the payment of amounts via wire payment or other means of electronic payment and could not have been avoided by the Seller or the Servicer through the exercise of reasonable efforts or the reasonable expenditure of funds and the existence of which was not known to and could not have been reasonably discovered by the Seller or the Servicer prior such circumstances occurring.

“Funded Purchase” means a Purchase or deemed Purchase of undivided percentage ownership interests in the Purchased Interest under this Agreement which (i) is paid for in cash, including pursuant to Section 1.1(b) (other than through reinvestment of Collections pursuant to

Section 1.4(b)) or (ii) is treated as a Funded Purchase pursuant to Section 1.2(e).

“GAAP” means the generally accepted accounting principles and practices in the United States, consistently applied.

“Government Official” means any officer, employee, official, representative, or any Person acting for or on behalf of any Official Body, government-owned or government-controlled association, organization, business, or enterprise, or public international organization, any political party or official thereof and any candidate for political office.

“Governmental Authority” means any nation or government, any state or other political subdivision thereof, any central bank (or similar monetary or regulatory authority) thereof, any body or entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any court, and any Person owned or controlled, through stock or capital ownership or otherwise, by any of the foregoing.

“Group A Obligor” means any Obligor with a short-term rating of at least: (a) “A-1” by Standard & Poor’s, or if such Obligor does not have a short-term rating from Standard & Poor’s, a rating of “A+” or better by Standard & Poor’s on its long-term senior unsecured and uncredit-enhanced debt securities, and (b) “P-1” by Moody’s, or if such Obligor does not have a short-term rating from Moody’s, “A1” or better by Moody’s on its long-term senior unsecured and uncredit-enhanced debt securities. If both a short-term and long-term rating exist for an Obligor, the short-term rating will be used and if Standard & Poor’s and Moody’s ratings for an Obligor indicate a different group for such Obligor, the lower of such ratings shall be used.

“Group B Obligor” means an Obligor, other than a Group A Obligor, with a short-term rating of at least: (a) “A-2” by Standard & Poor’s, or if such Obligor does not have a short-term rating from Standard & Poor’s, a rating of “BBB+” Standard & Poor’s on its long-term senior unsecured and uncredit-enhanced debt securities, and (b) “P-2” by Moody’s, or if such Obligor does not have a short-term rating from Moody’s, “Baa1” by Moody’s on its long-term senior unsecured and uncredit-enhanced debt securities. If both a short-term and long-term rating exist for an Obligor, the short-term rating will be used and if Standard & Poor’s and Moody’s ratings for an Obligor indicate a different group for such Obligor, the lower of such ratings shall be used.

“Group C Obligor” means an Obligor, other than a Group A Obligor or Group B Obligor, with a short-term rating of at least: (a) “A-3” by Standard & Poor’s, or if such Obligor does not have a short-term rating from Standard & Poor’s, a rating of “BBB-” by Standard & Poor’s on its long-term senior unsecured and uncredit-enhanced debt securities, and (b) “P-3” by Moody’s, or if such Obligor does not have a short-term rating from Moody’s, “Baa3” by Moody’s on its long-term senior unsecured and uncredit-enhanced debt securities. If both a short-term and long-term rating exist for an Obligor, the short-term rating will be used and if Standard & Poor’s and Moody’s ratings for an Obligor indicate a different group for such Obligor, the lower of such ratings shall be used.

“Group Capital” means with respect to any Purchaser Group, an amount equal to the aggregate of all Capital of the Purchasers within such Purchaser Group.

“Group Commitment” means with respect to any Purchaser Group, the aggregate of the

Commitments of each Purchaser within such Purchaser Group, which amount is set forth on the signature pages hereto as such amount may be modified in connection with Section 1.1(c) or Section 1.2(f).

“Group D Obligor” means any Obligor that is not a Group A Obligor, Group B Obligor or Group C Obligor.

“Indemnified Amounts” has the meaning set forth in Section 3.1 of this Agreement.

“Indemnified Party” has the meaning set forth in Section 3.1 of this Agreement.

“Indemnified Taxes” has the meaning set forth in Section 1.10 of this Agreement.

“Independent Manager” has the meaning set forth in paragraph 3(c) of Exhibit IV to this Agreement.

“Information Package” means each report, in substantially the form of Annex A to this Agreement, furnished by or on behalf of the Servicer to the Administrator and each Purchaser

“Initial Closing Date” means December 4, 2009.

“Insolvency Proceeding” means: (a) any case, action or proceeding before any court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors, or (b) any general assignment for the benefit of creditors of a Person or any composition, marshalling of assets for creditors of a Person, or other similar arrangement in respect of its creditors generally or any substantial portion of its creditors, in each case undertaken under U.S. Federal, state or foreign law, including the Bankruptcy Code.

“Internal Revenue Code” means the Internal Revenue Code of 1986, as amended from time to time, and any successor statute of similar import, together with the regulations thereunder, in each case as in effect from time to time. References to sections of the Internal Revenue Code also refer to any successor sections.

“International Trade Laws” means any applicable Law relating to economic and financial sanctions administered, enacted, imposed or enforced by the U.S. government (including those administered by OFAC), the Canadian government, the United Nations Security Council, the European Union, or the United Kingdom.

“Investment Company Act” means the Investment Company Act of 1940, as amended or otherwise modified from time to time.

“Kelly” has the meaning set forth in the preamble to this Agreement.

“Kelly Family” means any spouse or child of Terence E. Adderley, and the legal descendants of each, together with the brothers and sisters of William R. Kelly and their legal descendants.

“Kelly Trust” means, collectively, (i) the William R. Kelly Irrevocable Trust dated July 14, 1972, (ii) the William R. Kelly Trust for Terence E. Adderley, dated February 24, 1964, and (iii) the Terence E. Adderley Irrevocable Trust K, dated March 4, 2002, in each case as the same have been or shall be amended from time to time.

“Law” means any law(s) (including common law), constitution, statute, treaty, regulation, rule, ordinance, opinion, release, ruling, order, executive order, injunction, writ, decree, bond, judgment, authorization or approval, lien or award, or any settlement arrangement, by agreement, consent or otherwise, of any Official Body, foreign or domestic.

“LC Bank” has the meaning set forth in the preamble to this Agreement.

“LC Collateral Account” means the account designated as the LC Collateral Account established and maintained by the Administrator (for the benefit of the LC Bank and the LC Participants), or such other account as may be so designated as such by the Administrator with notice to the Seller and the Servicer.

“LC Fee Expectation” has the meaning set forth in Section 1.16(c) of this Agreement.

“LC Funding Exposure” means, with respect to any Purchaser, an amount equal to the product of (A) its Pro Rata Share and (B) the Adjusted LC Participation Amount.

“LC Participant” has the meaning set forth in the preamble to this Agreement.

“LC Participation Amount” means, at any time, the then sum of the undrawn amounts of all outstanding Letters of Credit.

“Letter of Credit” means any stand-by letter of credit issued by the LC Bank for the account of the Seller pursuant to this Agreement.

“Letter of Credit Application” has the meaning set forth in Section 1.13(a) of this Agreement.

“Liquidity Agent” means each of the banks acting as agent for the various Liquidity Providers under each Liquidity Agreement.

“Liquidity Agreement” means any agreement entered into in connection with this Agreement pursuant to which a Liquidity Provider agrees to make purchases or advances to, or purchase assets from, any Conduit Purchaser in order to provide liquidity for such Conduit Purchaser’s Purchases.

“Liquidity Provider” means each bank or other financial institution that provides liquidity support to any Conduit Purchaser pursuant to the terms of a Liquidity Agreement.

“Lock-Box Account” means each account listed on Schedule II to this Agreement and maintained, in each case in the name of the Seller and maintained by the Seller at a bank or other financial institution acting as a Lock-Box Bank pursuant to a Lock-Box Agreement for the purpose of receiving Collections.

“Lock-Box Agreement” means an agreement, among the Seller, the Servicer, a Lock-Box

Bank and the Administrator, governing the terms of the related Lock-Box Accounts, in each case acceptable to the Administrator.

“Lock-Box Bank” means any of the banks or other financial institutions holding one or more Lock-Box Accounts.

“Loss Reserve” means, on any day, an amount equal to (a) the sum of (i) the Aggregate Capital plus (ii) the LC Participation Amount at the close of business of the Servicer on such date multiplied by (b)(i) the Loss Reserve Percentage on such date divided by (ii) 100%, minus the Loss Reserve Percentage on such date.

“Loss Reserve Percentage” means, on any day, an amount equal to (a) the product of (i) 2.25 times the highest three month rolling average of the Default Ratios during the twelve most recent Fiscal Months multiplied by (ii) the aggregate Outstanding Balance of Receivables generated by all Originators during the seven most recent Fiscal Months divided by (b) the Net Receivables Pool Balance as of such date.

“Majority LC Participants” shall mean LC Participants whose Pro Rata Shares aggregate 51% or more.

“Majority Purchaser Agents” means the Purchaser Agents which in their related Purchaser Group have Related Committed Purchasers whose Commitments aggregate more than 50% of the aggregate of the Commitments of all Related Committed Purchasers in all Purchaser Groups; provided, that so long as any one Related Committed Purchaser’s Commitment is greater than 50% of the aggregate Commitments and there is more than one Purchaser Group, then “Majority Purchaser Agents” shall mean a minimum of two Purchaser Agents which in their related Purchaser Group have Related Committed Purchasers whose Commitments aggregate more than 50% of the aggregate Commitment of all Related Committed Purchasers in all Purchaser Groups.

“Material Adverse Effect” means, relative to any Person with respect to any event or circumstance, a material adverse effect on:

- (a) the assets, operations, business or financial condition of an Originator, the Seller or the Servicer,
- (b) the ability of any of an Originator, the Seller or Servicer to perform its obligations under this Agreement or any other Transaction Document to which it is a party,
- (c) the validity or enforceability of any of the Transaction Documents, or the validity, enforceability or collectability of the Pool Receivables, or
- (d) the status, perfection, enforceability or priority of the Administrator’s, any Purchaser’s or the Seller’s interest in the Pool Assets.

“Minimum Dilution Reserve” means, on any day, the product of (a) the sum of (i) the Aggregate Capital plus (ii) the LC Participation Amount, and (b)(i) the Minimum Dilution Reserve Percentage on such date divided by (ii) 100% minus the Minimum Dilution Reserve

Percentage on such date.

“Minimum Dilution Reserve Percentage” means, at any time, the product of (a) the 12-month rolling average of the Dilution Ratio at such time multiplied by (b) the Dilution Horizon Ratio as of such date.

“Minimum Usage Amount” means (i) prior to January 1, 2010, zero and (ii) at all times on and after January 1, 2010, greater than or equal to the lesser of (A) \$30,000,000 or (B) an amount which causes the Purchased Interest to equal 100%.

“Moody’s” means Moody’s Investors Service, Inc. and any successor thereto that is a nationally recognized statistical rating organization.

“Net Receivables Pool Balance” means, at any time: (a) the Outstanding Balance of Eligible Receivables then in the Receivables Pool minus (b) the Excess Concentration minus (c) the Specifically Reserved Dilution Amount.

“Notes” means short-term promissory notes issued, or to be issued, by any Conduit Purchaser to fund its investments in accounts receivable or other financial assets.

“Obligor” means, with respect to any Receivable, the Person obligated to make payments pursuant to the Contract relating to such Receivable.

“Official Body” means the government of the United States of America or of any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank) and any group or body charged with setting financial accounting or regulatory capital rules or standards (including the Financial Accounting Standards Board, the Bank for International Settlements or the Basel Committee on Banking Supervision or any successor or similar authority to any of the foregoing).

“Order” has the meaning set forth in Section 1.21 of this Agreement.

“Originator” means each Person from time to time party to the Sale Agreement as an Originator.

“Other Taxes” means any and all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Transaction Document.

“Outstanding Balance” means, for any Receivable at any time, the then outstanding principal balance thereof.

“Overnight Bank Funding Rate” means for any day, the rate comprised of both overnight federal funds and overnight eurocurrency borrowings by U.S.-managed banking offices of

depository institutions, as such composite rate shall be determined by the Federal Reserve Bank of New York (“NYFRB”), as set forth on its public website from time to time, and as published on the next succeeding Business Day as the overnight bank funding rate by the NYFRB (or by such other recognized electronic source (such as Bloomberg) selected by the Administrator for the purpose of displaying such rate); provided, that if such day is not a Business Day, the Overnight Bank Funding Rate for such day shall be such rate on the immediately preceding Business Day; provided, further, that if such rate shall at any time, for any reason, no longer exist, a comparable replacement rate determined by the Administrator at such time (which determination shall be conclusive absent manifest error). If the Overnight Bank Funding Rate determined as above would be less than zero, then such rate shall be deemed to be zero. The rate of interest charged shall be adjusted as of each Business Day based on changes in the Overnight Bank Funding Rate without notice to the Seller.

“Participant” has the meaning set forth in Section 6.3(b) of this Agreement.

“PATRIOT Act” has the meaning set forth in Section 6.16 of this Agreement.

“Payment Date” means each Business Day that the Originators are open for business.

“Payment Due Date” means, for any Receivable the later of (i) the payment date as set forth in the applicable Contract and (ii) the payment date as stated on the Seller’s collection and servicing systems, after giving effect to any special collection provisions and mailing instructions.

“Permitted Holder” means (a) Hunt Companies, Inc., a Delaware corporation (“Hunt”) and (b) any other entity that is directly or indirectly majority owned and controlled by Hunt.

“Permitted Holder Acquisition” means a Permitted Holder (a) acquires from the Kelly Trust beneficial ownership in excess of 50% of the outstanding shares of voting stock of Kelly or (b) obtains the power to elect a majority of the Kelly’s directors.

“Person” means any natural person, partnership, corporation (including a business trust), joint stock company, trust, unincorporated association, joint venture, limited liability company, Official Body or other entity, or a government or any political subdivision or agency thereof.

“PNC” means PNC Bank, National Association.

“Pool Assets” has the meaning set forth in Section 1.2(d) of this Agreement.

“Pool Receivable” means a Receivable in the Receivables Pool.

“Portion of Capital” means, with respect to any Purchaser and its related Capital, the portion of such Capital being funded or maintained by such Purchaser by reference to a particular interest rate basis.

“Prime Rate” means the interest rate per annum last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer

quoted therein, any similar rate quoted therein (as determined by the Administrator) or any similar release by the Federal Reserve Board (as determined by the Administrator). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective. Any change in the Prime Rate shall take effect at the opening of business on the day such change is announced.

“Pro Rata Share” shall mean, as to any LC Participant or LC Bank, a fraction, the numerator of which equals the Commitment of such LC Participant or LC Bank at such time and the denominator of which equals the aggregate of the Commitments of all LC Participants in such LC Participant’s related Purchaser Group and the LC Bank at such time.

“Program Support Agreement” means and includes any Liquidity Agreement and any other agreement entered into by any Program Support Provider providing for: (a) the issuance of one or more letters of credit for the account of any Conduit Purchaser, (b) the issuance of one or more surety bonds for which the such Conduit Purchaser is obligated to reimburse the applicable Program Support Provider for any drawings thereunder, (c) the sale by such Conduit Purchaser to any Program Support Provider of the Purchased Interest (or portions thereof) maintained by such Conduit Purchaser and/or (d) the making of loans and/or other extensions of credit to any Conduit Purchaser in connection with such Conduit Purchaser’s securitization program contemplated in this Agreement, together with any letter of credit, surety bond or other instrument issued thereunder.

“Program Support Provider” means and includes with respect to each Conduit Purchaser, any Liquidity Provider and any other Person (other than any customer of such Conduit Purchaser) now or hereafter extending credit or having a commitment to extend credit to or for the account of, or to make purchases from, such Conduit Purchaser pursuant to any Program Support Agreement.

“Purchase” has the meaning set forth in Section 1.1(a) of this Agreement.

“Purchase and Sale Indemnified Amounts” has the meaning set forth in Section 9.1 of the Sale Agreement.

“Purchase and Sale Indemnified Party” has the meaning set forth in Section 9.1 of the Sale Agreement.

“Purchase and Sale Termination Date” has the meaning set forth in Section 1.4 of the Sale Agreement.

“Purchase and Sale Termination Event” has the meaning set forth in Section 8.1 of the Sale Agreement.

“Purchase Date” means the date on which a Purchase or a reinvestment is made pursuant to this Agreement.

“Purchase Facility” has the meaning set forth in Section 1.1 of the Sale Agreement.

“Purchase Limit” means \$250,000,000, as such amount may be reduced pursuant to Section 1.1(c) of this Agreement or otherwise in connection with any existing Purchaser or

increased pursuant to Section 1.2(f) of this Agreement or otherwise in connection with any

existing Purchaser or additional Purchaser. References to the unused portion of the Purchase Limit shall mean, at any time, the Purchase Limit minus the sum of the then outstanding Aggregate Capital plus the LC Participation Amount.

“Purchase Notice” has the meaning set forth in Section 1.2(a) to this Agreement.

“Purchase Price” has the meaning set forth in Section 2.2 of the Sale Agreement.

“Purchased Interest” means, at any time, the undivided percentage ownership interest of the Purchasers in: (a) each and every Pool Receivable now existing or hereafter arising, (b) all Related Security with respect to such Pool Receivables and (c) all Collections with respect to, and other proceeds of, such Pool Receivables and Related Security. Such undivided percentage ownership interest shall be computed as:

$$\frac{\text{Aggregate Capital} + \text{Adjusted LC Participation Amount} + \text{Total Reserves}}{\text{Net Receivables Pool Balance}}$$

The Purchased Interest shall be determined from time to time pursuant to Section 1.3 of this Agreement.

“Purchaser” means each Conduit Purchaser, each Related Committed Purchaser, each LC Participant and/or the LC Bank, as applicable.

“Purchaser Agent” means each Person acting as agent on behalf of a Purchaser Group and designated as a Purchaser Agent for such Purchaser Group on the signature pages to this Agreement or any other Person who becomes a party to this Agreement as a Purchaser Agent pursuant to an Assumption Agreement or a Transfer Supplement.

“Purchaser Group” means (a) for any Conduit Purchaser, such Conduit Purchaser, its Related Committed Purchaser, related Purchaser Agent and related LC Participants and (b) with respect to the PNC Purchaser Group, PNC’s roles as Related Committed Purchaser, Purchaser Agent and LC Bank.

“Purchaser Group Fee Letter” has the meaning set forth in Section 1.5 of this Agreement.

“Purchasers’ Share” of any amount, at any time, means such amount multiplied by the Purchased Interest at such time.

“Purchasing Related Committed Purchaser” has the meaning set forth in Section 6.3(c) of this Agreement.

“Ratable Share” means, for each Purchaser Group, such Purchaser Group’s aggregate Commitments divided by the aggregate Commitments of all Purchaser Groups.

“Rating Agency” means Moody’s, Standard & Poor’s or any other rating agency a Conduit Purchaser chooses to rate its Notes.

“Rating Agency Condition” means, when applicable, with respect to any material event or occurrence, receipt by the Administrator (or the applicable Purchaser Agent) of written confirmation from each of Standard & Poor’s and Moody’s (and/or each other rating agency then rating the Notes of the applicable Conduit Purchaser) that such event or occurrence shall not cause the rating on the then outstanding Notes of any applicable Purchaser to be downgraded or withdrawn.

“Receivable” means any accounts or notes receivable representing or evidencing any indebtedness and other obligations owed to any Originator or the Seller or any right of the Seller or any Originator to payment from or on behalf of an Obligor or any right to reimbursement for funds

any Originator to payment from or on behalf of an Obligor or any right to reimbursement for funds paid or advanced by the Seller or any Originator on behalf of an Obligor, whether constituting an "account," "chattel paper," "payment intangible," "instrument" or "general intangible," (each, as defined in the UCC) however arising (whether or not earned by performance), and includes, without limitation, the obligation to pay any finance charges, fees and other charges with respect thereto. Indebtedness and other obligations arising from any one transaction, including, without limitation, indebtedness and other obligations represented by an individual invoice or agreement, shall constitute a Receivable separate from a Receivable consisting of the indebtedness and other obligations arising from any other transaction.

"Receivables Pool" means, at any time, all of the then outstanding Receivables purchased by the Seller pursuant to the Sale Agreement prior to the Facility Termination Date.

"Receivables Subsidiary Agreement" means the Amended and Restated Receivables Subsidiary Agreement, dated as of July 1, 2023, among the Seller, JPMorgan Chase Bank, N.A., as agent under the Credit Agreement, and the Administrator, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"Reimbursement Obligation" has the meaning set forth in Section 1.15(b) of this Agreement.

"Related Committed Purchaser" means each Person listed as such (and its respective Commitment) for each Conduit Purchaser as set forth on the signature pages of this Agreement or in any Assumption Agreement or Transfer Supplement.

"Related Rights" has the meaning set forth in Section 1.1 of the Sale Agreement.

"Related Security" means, with respect to any Receivable:

(a) all of the Seller's and the Originator's interest in any goods (including returned goods), and documentation of title evidencing the shipment or storage of any goods (including returned goods), the sale of which gave rise to such Receivable,

(b) all instruments and chattel paper that may evidence such Receivable,

(c) all other security interests or liens and property subject thereto from time to time purporting to secure payment of such Receivable, whether pursuant to the Contract related to such Receivable or otherwise, together with all UCC financing statements or similar filings relating thereto,

(d) solely to the extent applicable to such Receivable, all of the Seller's and the Originator's rights, interests and claims under the Contracts relating to such Receivable, and all guaranties, indemnities, insurance and other agreements (including the related Contract) or arrangements of whatever character from time to time supporting or securing payment of such Receivable or otherwise relating to such Receivable, whether pursuant to the Contract related to such Receivable or otherwise, and

(e) all of the Seller's rights, interests and claims under the Sale Agreement and the other Transaction Documents.

"Relevant Governmental Body" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

"Reportable Compliance Event" means that any Covered Entity becomes a Sanctioned Person.

"Required LC Participants" means the LC Participants whose Pro Rata Shares aggregate

66 $\frac{2}{3}$ % or more.

“Restricted Payments” has the meaning set forth in Section 1(n) of Exhibit IV to this Agreement.

“Sale Agreement” means the Purchase and Sale Agreement, dated as of the Initial Closing Date, between the Seller and the Originators, as the same may be amended, restated, supplemented or otherwise modified from time to time.

“Sanctioned Person” means any Person that is (a) located in, organized under the laws of, or resident in a Sanctioned Jurisdiction; (b) named as a “Specially Designated National and Blocked Person” on the most current list published by OFAC at its official website, or any replacement website or otherwise identified on the most current version of any sanctions-related list maintained and officially published by any Compliance Authority; or (c) owned 50% or more, in the aggregate, directly or indirectly by, or controlled by, or one or more Persons described in clauses (a) or (b) above.

“Sanctioned Jurisdiction” means, at any time, a country, area, territory, or jurisdiction that is the subject or target of comprehensive U.S. sanctions (as of the date of this Agreement, Cuba, Iran, North Korea, Syria and the Crimea, Donetsk People’s Republic and Luhansk People’s Republic regions of Ukraine).

“SEC” means the U.S. Securities and Exchange Commission.

“Seller” has the meaning set forth in the preamble to this Agreement.

“Seller Party” means the Seller and the Servicer.

“Seller’s Share” of any amount means the greater of: (a) \$0 and (b) such amount minus the product of (i) such amount multiplied by (ii) the Purchased Interest.

“Service Level Agreement Accrual” means on any day, the amount accrued in Kelly’s general ledger account number 21120.

“Servicer” has the meaning set forth in the preamble to this Agreement.

“Servicing Fee” means the fee referred to in Section 4.6 of this Agreement.

“Servicing Fee Rate” has the meaning set forth in Section 4.6 of this Agreement.

“Settlement Date” means the 25th day of each calendar month (or if such day is not a Business Day, the next occurring Business Day); provided, that on and after the occurrence and continuation of any Termination Event, the Settlement Date shall be the date selected as such by the Administrator (with the consent or at the direction of the Majority Purchaser Agents) from time to time (it being understood that the Administrator (with the consent or at the direction of the Majority Purchaser Agents) may select such Settlement Date to occur as frequently as daily) or, in the absence of any such selection, the date which would be the Settlement Date pursuant to this definition.

“SOFR” means, for any day, a rate equal to the secured overnight financing rate as administered by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

~~“SOFR Adjustment” means ten basis points (0.10%).~~

“SOFR Floor” means a rate of interest per annum equal to zero basis points (0.00%).

“Solvent” means, with respect to any Person at any time, a condition under which:

(i) the fair value and present fair saleable value of such Person’s total assets is, on the date of determination, greater than such Person’s total liabilities (including contingent and unliquidated liabilities) at such time;

(ii) the fair value and present fair saleable value of such Person’s assets is greater than the amount that will be required to pay such Person’s probable liability on its existing debts as they become absolute and matured (“debts,” for this purpose, includes all legal liabilities, whether matured or unmatured, liquidated or unliquidated, absolute, fixed, or contingent);

(iii) such Person is and shall continue to be able to pay all of its liabilities as such liabilities mature; and

(iv) such Person does not have unreasonably small capital with which to engage in its current and in its anticipated business.

For purposes of this definition:

(A) the amount of a Person’s contingent or unliquidated liabilities at any time shall be that amount which, in light of all the facts and circumstances then existing,

represents the amount which can reasonably be expected to become an actual or matured

liability;

(B) the “fair value” of an asset shall be the amount which may be realized within a reasonable time either through collection or sale of such asset at its regular market value;

(C) the “regular market value” of an asset shall be the amount which a capable and diligent business person could obtain for such asset from an interested buyer who is willing to purchase such asset under ordinary selling conditions; and

(D) the “present fair saleable value” of an asset means the amount which can be obtained if such asset is sold with reasonable promptness in an arm’s-length transaction in an existing and not theoretical market.

“Specifically Reserved Dilution Amount” means, on any day, an amount equal to the sum of: (a) the Volume Rebate Accrual, plus (b) the Service Level Agreement Accrual.

“Standard & Poor’s” means Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, and any successor thereto that is a nationally recognized statistical rating organization.

“Sub-Servicer” has the meaning set forth in Section 4.1(d) of this Agreement.

“Subsidiary” means, as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock of each class or other interests having ordinary voting power (other than stock or other interests having such power only by reason of the happening of a contingency) to elect a majority of the Board of Directors or other managers of such entity are at the time owned, or management of which is otherwise controlled: (a) by such Person, (b) by one or more Subsidiaries of such Person or (c) by such Person and one or more Subsidiaries of such Person.

“Tangible Net Worth” means, with respect to any Person, the tangible net worth of such Person as determined in accordance with GAAP.

“Taxes” means, with respect to any Person, any and all present or future taxes, charges, fees, levies or other assessments (including income, gross receipts, profits, withholding, excise, property, sales, use, value added, license, occupation and franchise taxes and including any related interest, penalties or other additions) imposed by any jurisdiction or taxing authority (whether foreign or domestic) under the laws of which such Person is organized.

“Term SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrator in its reasonable discretion).

“Term SOFR Reference Rate” means the forward-looking term rate based on SOFR.

“Termination Day” means: (a) each day on which the conditions set forth in Section 3 of

Exhibit II to this Agreement are not satisfied or (b) each day that occurs on or after the Facility Termination Date.

“Termination Event” has the meaning specified in Exhibit V to this Agreement.

“Total Reserves” means, on any day, an amount equal to the sum of: (a) the Yield Reserve, plus (b) the greater of (i) the sum of the Loss Reserve plus the Dilution Reserve and (ii) the sum of the Concentration Reserve plus the Minimum Dilution Reserve.

“Transaction Documents” means this Agreement the Lock-Box Agreements each

Transaction Documents means this Agreement, the Loan Documents, each Purchaser Group Fee Letter, the Sale Agreement, the Receivables Subsidiary Agreement and all other certificates, instruments, reports, notices, agreements and documents executed or delivered under or in connection with this Agreement, in each case as the same may be amended, restated, supplemented or otherwise modified from time to time in accordance with the terms thereof.

“Transfer Supplement” has the meaning set forth in Section 6.3(c) of this Agreement.

“UCC” means the Uniform Commercial Code as from time to time in effect in the applicable jurisdiction.

“Unmatured Purchase and Sale Termination Event” means any event which, with the giving of notice or lapse of time, or both, would become a Purchase and Sale Termination Event.

“Unmatured Termination Event” means an event that, with the giving of notice or lapse of time, or both, would constitute a Termination Event.

“U.S. Government Securities Business Day” means any day except for (a) a Saturday or Sunday or (b) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“Volcker Rule” means Section 13 of the U.S. Bank Holding Company Act of 1956, as amended, and the applicable rules and regulations thereunder.

“Volume Rebate Accrual” means, on any day, the amount accrued in Kelly’s general ledger account number 211200.

“Yield Period” means (a) with respect to any Portion of Capital funded by the issuance of Notes, (i) initially the period commencing on (and including) the date of the initial Purchase or funding of such Portion of Capital and ending on (but not including) the next occurring Settlement Date, and (ii) thereafter, each period commencing on (and including) the first day after the last day of the immediately preceding Yield Period for such Portion of Capital and ending on (but not including) the next occurring Settlement Date; and (b) with respect to any Portion of Capital not funded by the issuance of Notes, (i) initially the period commencing on (and including) the date of the initial Purchase or funding of such Portion of Capital and ending such number of days later (including a period of one day) as the Administrator (with the consent or at the direction of the applicable Purchaser Agent) shall select, and (ii) thereafter, each period commencing on the last day of the immediately preceding Yield Period for such Portion of Capital and ending such

number of days later (including a period of one day) as the Administrator (with the consent or at the direction of the applicable Purchaser Agent) shall select; provided, that

(i) any Yield Period (other than of one day) which would otherwise end on a day which is not a Business Day shall be extended to the next succeeding Business Day;

(ii) in the case of any Yield Period of one day, (A) if such Yield Period is the initial Yield Period for a Purchase hereunder (other than a reinvestment), such Yield Period shall be the day of such Purchase; (B) any subsequently occurring Yield Period which is one day shall, if the immediately preceding Yield Period is more than one day, be the last day of such immediately preceding Yield Period, and, if the immediately preceding Yield Period is one day, be the day next following such immediately preceding Yield Period; and (C) if such Yield Period occurs on a day immediately preceding a day which is not a Business Day, such Yield Period shall be extended to the next succeeding Business Day; and

(iii) in the case of any Yield Period for any Portion of Capital which commences before the Facility Termination Date and would otherwise end on a date occurring after the

Facility Termination Date, such Yield Period shall end on such Facility Termination Date and the duration of each Yield Period which commences on or after the Facility Termination Date shall be of such duration as shall be selected by the Administrator (with the consent or at the direction of the applicable Purchaser Agent).

“Yield Reserve” means, on any date, an amount equal to (a) the sum of (i) the Aggregate Capital plus (ii) the LC Participation Amount at the close of business of the Servicer on such date multiplied by (b)(i) the Yield Reserve Percentage on such date divided by (ii) 100%, minus the Yield Reserve Percentage on such date.

“Yield Reserve Percentage” means, at any time the sum of (a) all accrued and unpaid Discount at such time, plus (b) the following amount:

$$\frac{\{(BR + SFR) \times 1.5(DSO)\}}{360}$$

where:

BR = the Base Rate in effect at such time,

DSO = the Days’ Sales Outstanding, and

SFR = the Servicing Fee Rate.

2. Other Terms; Usage. All accounting terms not specifically defined herein shall be construed in accordance with GAAP. All terms used in Article 9 of the UCC in the State of New York, and not specifically defined herein, are used herein as defined in such Article 9. Unless the context otherwise requires, “or” means “and/or,” and “including” (and with correlative meaning “include” and “includes”) means including without limiting the generality of any description preceding such term.

CONDITIONS TO PURCHASES

1. Conditions Precedent to Effectiveness. This Agreement shall become effective as of the Closing Date when (a) the Administrator shall have received each of the documents, agreements (in fully executed form), opinions of counsel, certificates and other deliverables listed on the closing memorandum attached as Exhibit VI hereto, in each case, in form and substance acceptable to the Administrator and (b) all fees and expenses payable by the Seller on the Closing Date to the Administrator and the Purchaser Agents have been paid in full in accordance with the terms of the Transaction Documents.

2. Conditions Precedent to Initial Purchase. The initial Purchase under this Agreement is subject to the conditions precedent that the Administrator and each Purchaser Agent shall have received on or before the date of such Purchase, each in form and substance (including the date thereof) reasonable satisfactory to the Administrator and each Purchaser Agent the following:

(a) A counterpart of this Agreement and the other Transaction Documents duly executed by the parties thereto.

(b) Copies of: (i) the resolutions of the board of directors or board of managers of each of the Seller, the Originators and the Servicer authorizing the execution, delivery and performance by the Seller, such Originator and the Servicer, as the case may be, of this Agreement and the other Transaction Documents to which it is a party; (ii) all documents evidencing other necessary corporate action and governmental approvals, if any, with respect to this Agreement and the other Transaction Documents; and (iii) the organizational documents of the Seller, each Originator and the Servicer, in each case, certified by the Secretary or Assistant Secretary of the applicable party and, in the case of good standing certificates, certificates of qualification, certificate of formation or similar documents, the applicable secretary of state.

(c) A certificate of the Secretary or Assistant Secretary of the Seller, the Originators and the Servicer certifying the names and true signatures of its officers who are authorized to sign this Agreement and the other Transaction Documents to which it is a party. Until the Administrator and each Purchaser Agent receives a subsequent incumbency certificate from the Seller, an Originator or the Servicer, as the case may be, the Administrator and each Purchaser Agent shall be entitled to rely on the last such certificate delivered to it by the Seller, such Originator or the Servicer, as the case may be.

(d) Executed counterparts of the Receivables Subsidiary Agreement.

(e) A certificate of an officer of each of Kelly and the Seller certifying that there are no effective financing statements (that have not been terminated or released as described in clause (g) below) filed in any local jurisdictions that name any Originator or the Seller, as applicable, as debtor and show any Adverse Claim on any Pool Assets.

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(f) Acknowledgment copies, or time stamped receipt copies, of proper financing statements, duly filed on or before the Initial Closing Date under the UCC of all jurisdictions that the Administrator may deem reasonably necessary or desirable in order to perfect the interests of the Seller and the Administrator (for the benefit of the Purchasers) contemplated by this Agreement and the Sale Agreement.

(g) Acknowledgment copies, or time stamped receipt copies, of proper financing statements, if any, duly filed on or before the Initial Closing Date under the UCC of all jurisdictions that the Administrator may deem reasonably necessary or desirable in order to terminate or release all security interests and other rights of any Person in the Receivables

terminate or release all security interests and other rights of any person in the Receivables, Contracts or Related Security previously granted by the Originators or the Seller in any applicable secretary of state UCC filing office.

(h) Completed UCC search reports from all applicable state jurisdictions, dated on or shortly before the Initial Closing Date, listing all financing statements filed with the secretary of state in all such state jurisdictions, that name Kelly, the Originators or the Seller as debtor, and similar search reports from all applicable jurisdictions with respect to judgment, tax, ERISA and other liens as the Administrator may request, showing no Adverse Claims on any Pool Assets (other than those which have been released as described in the preceding clause (g)).

(i) Favorable opinions, addressed to each Rating Agency, the Administrator, each Purchaser, each Purchaser Agent and each Liquidity Provider, in form and substance reasonably satisfactory to the Administrator and each Purchaser Agent, of Dewey & LeBoeuf LLP, counsel for Seller, the Originators and the Servicer, and/or in-house counsel for Seller, the Originators and the Servicer, covering such matters as the Administrator or any Purchaser Agent may reasonably request, including, without limitation, organizational and enforceability matters, certain bankruptcy matters, and certain UCC perfection and priority matters (based on the search results referred to in clause (h) above and the officer's certificate referred to in clause (e) above).

(j) Satisfactory results of a review, field examination and audit (performed by representatives of the Administrator) of the Servicer's collection, operating and reporting systems, the Credit and Collection Policy of each Originator, historical receivables data and accounts, including satisfactory results of a review of the Servicer's operating location(s) and satisfactory review and approval of the Eligible Receivables in existence on the date of the initial purchase under this Agreement.

(k) A pro forma Information Package representing the performance of the Receivables Pool for the Fiscal Month before closing.

(l) Evidence of payment by the Seller of all accrued and unpaid fees (including those contemplated by each Purchaser Group Fee Letter), costs and expenses to the extent then due and payable on the date thereof, including any such costs, fees and expenses arising under or referenced in Section 6.4 of this Agreement and the applicable Purchaser Group Fee Letters.

(m) Good standing certificates with respect to each of the Seller, the Originators and the Servicer issued by the Secretary of State (or similar official) of the state of each such Person's

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organization or formation and principal place of business.

(n) To the extent required by each Conduit Purchaser's commercial paper program, letters from each of the rating agencies then rating such Conduit Purchaser's Notes confirming the rating of such Notes after giving effect to the transaction contemplated by this Agreement.

(o) A computer file containing all information with respect to the Receivables as the Administrator or any Purchaser Agent may reasonably request.

(p) Such other approvals, opinions or documents as the Administrator or any Purchaser Agent may reasonably request.

3. Conditions Precedent to All Funded Purchases, Reinvestments and Issuance of Letters of Credit. Each Funded Purchase, including the initial Funded Purchase (but excluding any deemed Funded Purchase pursuant to Section 1.2(e)), reinvestment and issuance of any Letters of Credit shall be subject to the further conditions precedent that:

(a) in the case of each Funded Purchase and the issuance of any Letters of Credit, the

Servicer shall have delivered to the Administrator and each Purchaser Agent on or before such Purchase or issuance, as the case may be, in form and substance reasonably satisfactory to the Administrator and each Purchaser Agent, the most recent Information Package to reflect the level of the Aggregate Capital, the LC Participation Amount and Total Reserves and the calculation of the Purchased Interest after such subsequent Purchase or issuance, as the case may be, and a completed Purchase Notice in the form of Annex B; and

(b) on the date of such Funded Purchase, reinvestment or issuance, as the case may be, the following statements shall be true (and acceptance of the proceeds of such Funded Purchase, reinvestment or issuance shall be deemed a representation and warranty by the Seller that such statements are then true):

(i) the representations and warranties contained in Exhibit III to this Agreement are true and correct in all material respects on and as of the date of such Funded Purchase, reinvestment or issuance, as the case may be, as though made on and as of such date except for representations and warranties which apply as to an earlier date (in which case such representations and warranties shall be true and correct as of such earlier date);

(ii) no event has occurred and is continuing, or would result from such Funded Purchase, reinvestment or issuance, as the case may be, that constitutes a Termination Event or an Unmatured Termination Event;

(iii) the sum of the Aggregate Capital plus the LC Participation Amount, after giving effect to any such Funded Purchase, reinvestment or issuance, as the case may be, shall not be greater than the Purchase Limit, and the Purchased Interest shall not exceed 100%; and

(iv) the Facility Termination Date has not occurred.

EXHIBIT III

REPRESENTATIONS AND WARRANTIES

1. Representations and Warranties of the Seller. The Seller represents and warrants to the Administrator, each Purchaser Agent and each Purchaser as of the date of execution of this Agreement that:

(a) Existence and Power. The Seller is a limited liability company duly formed, validly existing and in good standing under the laws of Delaware, and has all organizational power and all governmental licenses, authorizations, consents and approvals required to carry on its business in each jurisdiction in which its business is conducted unless the failure to have such power, authority, licenses, authorizations consents of approvals could not be reasonably expected to have a Material Adverse Effect.

(b) Company and Governmental Authorization, Contravention. The execution, delivery and performance by the Seller of this Agreement and each other Transaction Document to which it is a party including the use of the proceeds of purchases and reinvestments: (i) are within the Seller's organizational powers, (ii) have been duly authorized by all necessary organizational action, (iii) require no authorization, approval or other action by or in respect of, and no notice to or filing with (other than the filing of UCC financing statements and continuation statements), any Governmental Authority or other Person, and (iv) do not (A) contravene, or constitute a default under, any provision of (1) applicable law or regulation or (2) the organizational documents of the Seller or (3) any agreement, judgment, award, injunction, order, writ, decree or other instrument binding upon the Seller or (B) result in the creation or imposition of any lien (other than liens in favor of the Administrator under the Transaction Documents) on assets of the Seller. This Agreement and the other Transaction Documents to which the Seller is a party have been duly executed and delivered by the Seller.

(c) Binding Effect of Agreement. This Agreement and each other Transaction Document to which it is a party constitute the legal, valid and binding obligations of the Seller enforceable against the Seller in accordance with its respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally and by general principles of equity, regardless of whether enforceability is considered in a proceeding in equity or at law.

(d) Accuracy of Information. All information heretofore furnished by the Seller to the Administrator or any Purchaser Agent pursuant to or in connection with this Agreement or any other Transaction Document or any transaction contemplated hereby or thereby is, and all such information hereafter furnished by the Seller to the Administrator or any Purchaser Agent in writing pursuant to this Agreement or any Transaction Document will be, true and accurate in all material respects on the date such information is stated or certified and will not contain any material misstatement of fact or omit to state a material fact necessary to make the statements contained therein, in the light of the circumstances in which they were made not misleading.

(e) Actions, Suits and Proceedings. There are no actions, suits or proceedings pending

Subsidiaries or their respective properties, in or before any court, arbitrator or governmental body. The Seller is not in default with respect to any order of any court, arbitrator or governmental body.

(f) Accuracy of Exhibits; Lock-Box Arrangements. The names and addresses of all the Lock-Box Banks together with the account numbers of the Lock-Box Accounts at such Lock-Box Banks, are specified in Schedule II to this Agreement (or at such other Lock-Box Banks and/or with such other Lock-Box Accounts as have been notified to the Administrator), and all Lock-Box Accounts are subject to Lock-Box Agreements. All information on each Exhibit, Schedule or Annex to this Agreement or the other Transaction Documents (as updated by the Seller from time to time) is true and complete. The Seller has delivered a copy of all Lock-Box Agreements to the Administrator. The Seller has not granted any interest in any Lock-Box Account (or any related lock-box or post office box) to any Person other than the Administrator and, upon delivery to a Lock-Box Bank of the related Lock-Box Agreement, the Administrator will have exclusive ownership and control of the Lock-Box Account at such Lock-Box Bank.

(g) No Material Adverse Effect, Unmatured Termination Event or Termination Event. Since the date of organization of the Seller as set forth in its certificate of formation, there has been no Material Adverse Effect with respect to the Seller. No event has occurred and is continuing or would result from a Purchase in respect of the Purchased Interest or from the application of the proceeds therefrom, that constitutes a Termination Event or an Unmatured Termination Event.

(h) Names and Location. The Seller has not used any company names, trade names or assumed names other than its name set forth on the signature pages of this Agreement. The Seller is "located" (as defined in the UCC) in Delaware. The office where the Seller keeps its records concerning the Receivables is at 999 West Big Beaver Road, Troy, MI 48084.

(i) Margin Stock, No Fraudulent Conveyance. The Seller is not engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulations T, U and X, as issued by the Board of Governors of the Federal Reserve System), and no proceeds of any Purchase will be used to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock. No Purchase hereunder constitutes a fraudulent transfer or conveyance under any United States federal or applicable state bankruptcy or insolvency laws or is otherwise void or voidable under such or similar laws or principles or for any other reason.

(j) Eligible Receivables. Each Pool Receivable included as an Eligible Receivable in the calculation of the Net Receivables Pool Balance is an Eligible Receivable.

(k) Credit and Collection Policy. The Seller has complied in all material respects with the Credit and Collection Policy of each Originator with regard to each Receivable originated by such Originator and the related Contract.

(l) Investment Company Act. The Seller (i) is not an "investment company," or a company "controlled" by an "investment company," within the meaning of the Investment Company Act and (ii) is not a "covered fund" under the Volcker Rule. In determining that the

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Seller is not a "covered fund," the Seller is entitled to rely on the exemption from the definition of "investment company" set forth in Section 3(c)(5) of the Investment Company Act.

(m) Compliance with Transaction Documents. The Seller has complied in all material respects with all of the terms, covenants and agreements contained in this Agreement and the other Transaction Documents to which it is a party and that are applicable to it.

(n) Taxes. The Seller has filed or caused to be filed all U.S. federal income tax returns and all other material returns, statements, forms and reports for taxes, domestic or foreign, required to be filed by it and has paid or has made adequate provision for payment of all taxes

required to be filed by it and has paid or has made adequate provision for payment of all taxes payable by it which have become due or any assessments made against it or any of its property and all other material taxes, fees or other charges imposed on it or any of its property by any Governmental Authority other than any taxes or assessments that are being contested in good faith and by appropriate proceedings diligently conducted, and for which adequate reserves have been set aside in accordance with GAAP.

(o) Compliance with Applicable Laws. The Seller is in compliance with the requirements of all applicable laws, rules, regulations and orders of all Governmental Authorities except to the extent that the failure to comply could not be reasonably expected to have a Material Adverse Effect.

(p) Licenses and Labor Controversies.

(i) The Seller has not failed to obtain any licenses, permits, franchises or other governmental authorizations necessary to the ownership of its properties or to the conduct of its business unless such failure could not reasonably be expected to have a Material Adverse Effect.

(ii) There are no labor controversies pending against the Seller that have had (or could be reasonably expected to have) a Material Adverse Effect.

(q) Sanctions. Each of the Seller and its Subsidiaries, and, to the knowledge of the Seller, the directors, officers, and employees of the Seller or of any of its Subsidiaries, is not a Sanctioned Person. Each of the Seller and its Subsidiaries (i) does not do any business in or with, or derive any of its operating income from direct or indirect investments in or transactions involving, any Sanctioned Jurisdiction or Sanctioned Person other than as permitted by applicable Law; and (ii) is not in violation of International Trade Laws applicable to the Seller or such Subsidiary. Each of the Seller and its Subsidiaries has instituted and maintains policies and procedures reasonably designed to promote and achieve compliance with the International Trade Laws applicable to the Seller or such Subsidiary. The Seller represents and warrants that there is no Blocked Property pledged as Pool Assets.

(r) Anti-Corruption. Each of the Seller and its Subsidiaries, and, to the knowledge of the Seller, the directors, officers, and employees of the Seller or of any of its Subsidiaries, is not in violation of any Anti-Corruption Laws applicable to the Seller or such Subsidiary in any material respect.

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(s) Issuance of Debt or Other Obligations. The Seller has not, does not and will not (i) issue any obligations that (A) constitute asset-backed commercial paper, or (B) are securities required to be registered under the Securities Act or that may be offered for sale under Rule 144A or a similar exemption from registration under the Securities Act or the rules promulgated thereunder, or (ii) issue any other debt obligations or equity interest other than debt obligations substantially similar to the obligations of the Seller under this Agreement that are (A) issued to other banks or asset-backed commercial paper conduits in privately negotiated transactions, and (B) subject to transfer restrictions substantially similar to the transfer restrictions set forth in this Agreement. The Seller further represents and warrants that its assets and liabilities are consolidated with the assets and liabilities of Kelly for purposes of generally accepted accounting principles.

(t) Beneficial Ownership Regulation. As of the Fourth Amendment Effective Date, to the best knowledge of the Seller, the information included in the Beneficial Ownership Certification, if any, provided on or prior to the effective date to any Purchaser Agent in connection with this Agreement is true and correct in all respects.

2. Representations and Warranties of the Servicer. The Servicer represents and

warrants to the Administrator, each Purchaser Agent and each Purchaser as of the date of execution of this Agreement that:

(a) Existence and Power. The Servicer is a corporation duly incorporated validly existing and in good standing under the laws of its state of organization, and has all corporate power and authority and all governmental licenses, authorizations, consents and approvals required to carry on its business in each jurisdiction in which its business is conducted unless the failure to have such power, authority, licenses, authorizations consents of approvals could not be reasonably expected to have a Material Adverse Effect.

(b) Company and Governmental Authorization, Contravention. The execution, delivery and performance by the Servicer of this Agreement and each other Transaction Document to which it is a party including the use of the proceeds of purchase and reinvestment: (i) are within the Servicer's organizational powers, (ii) have been duly authorized by all necessary organizational action, (iii) require no authorization, approval or other action by or in respect of, and no notice to or filing with, any Governmental Authority or other Person, and (iv) do not (A) contravene, or constitute a default under, any provision of (1) applicable law or regulation, (2) the organizational documents or bylaws of the Servicer or (3) any judgment, award, injunction, order, writ, or decree or agreement or other instrument binding upon the Servicer or (B) result in the creation or imposition of any lien (other than in favor of the Administrator under the Transaction Documents) on assets of the Servicer or any of its Subsidiaries. This Agreement and the other Transaction Documents to which the Servicer is a party have been duly executed and delivered by the Servicer.

(c) Binding Effect of Agreement. This Agreement and each other Transaction Document to which it is a party constitute the legal, valid and binding obligations of the Servicer enforceable against the Servicer in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement

of creditors' rights generally and by general principles of equity, regardless of whether enforceability is considered in a proceeding in equity or at law.

(d) Accuracy of Information. All information heretofore furnished by the Servicer to the Administrator or any Purchaser Agent pursuant to or in connection with this Agreement or any other Transaction Document or any transaction contemplated hereby or thereby is, and all such information hereafter furnished by the Servicer to the Administrator or any Purchaser Agent in writing pursuant to this Agreement or any other Transaction Document will be, true and accurate in all material respects on the date such information is stated or certified and will not contain any material misstatement of fact or omit to state a material fact necessary to make the statements contained therein, in the light of the circumstances in which they were made not misleading.

(e) Actions, Suits and Proceedings. Except as set forth in Schedule IV or as otherwise disclosed in its publicly available SEC filings, there are no actions, suits or proceedings pending or, to the best of the Servicer's knowledge, threatened against or affecting the Servicer or any of its Affiliates or their respective properties, in or before any court, arbitrator or governmental body, which could reasonably be expected to have a Material Adverse Effect upon the ability of the Servicer (or such Affiliate) to perform its obligations under this Agreement or any other Transaction Document to which it is a party.

(f) No Material Adverse Effect, Unmatured Termination Event or Termination Event. Since the date of the financial statements described in Section 2(i) below, there has been no Material Adverse Effect with respect to the Servicer. No event has occurred and is continuing or would result from a Purchase in respect of the Purchased Interest or from the application of the proceeds therefrom, that constitutes a Termination Event or an Unmatured Termination Event.

(g) Credit and Collection Policy. The Servicer has complied in all material respects with the Credit and Collection Policy of each Originator with regard to each Receivable originated by such Originator and the related Contract.

(h) Investment Company Act. The Servicer is not an "investment company," or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

(i) Financial Information. The balance sheets of Kelly and its consolidated Subsidiaries at December 31, 2023, and the related statements of income and retained earnings for the Fiscal Year then ended, copies of which have been made publicly available, certified by its independent accountants, fairly present in all material respects the financial condition of Kelly and its consolidated Subsidiaries at such date and the results of the operations of Kelly and its consolidated Subsidiaries for the period ended on such date, all in accordance with GAAP.

(j) Compliance with Transaction Documents. The Servicer has complied in all material respects with all terms, covenants and agreements contained in this Agreement and the other Transaction Documents to which it is a party and that are applicable to it.

(k) Taxes. The Servicer has filed or caused to be filed all U.S. federal income tax

required to be filed by it and has paid or has made adequate provision for payment of all taxes payable by it which have become due or any assessments made against it or any of its property and all other material taxes, fees or other charges imposed on it or any of its property by any Governmental Authority other than any taxes or assessments that are being contested in good faith and by appropriate proceedings diligently conducted, and for which adequate reserves have been set aside in accordance with GAAP.

(l) Compliance with Applicable Laws. The Servicer is in compliance with the requirements of all applicable laws, rules, regulations and orders of all Governmental Authorities except to the extent that the failure to comply could not be reasonably expected to have a Material Adverse Effect.

(m) Licenses and Labor Controversies.

(i) The Servicer has not failed to obtain any licenses, permits, franchises or other governmental authorizations necessary to the ownership of its properties or to the conduct of its business unless such failure could not reasonably be expected to have a Material Adverse Effect.

(ii) There are no labor controversies pending against the Servicer that have had (or could be reasonably expected to have) a Material Adverse Effect.

(n) Sanctions. Each of the Servicer and its Subsidiaries, and, to the knowledge of the Servicer, the directors, officers, and employees of the Servicer or of any of its Subsidiaries, is not a Sanctioned Person. Each of the Servicer and its Subsidiaries (i) does not do any business in or with, or derive any of its operating income from direct or indirect investments in or transactions involving, any Sanctioned Jurisdiction or Sanctioned Person in any other than as permitted by applicable Law; and (ii) is not in violation of International Trade Laws applicable to the Servicer or such Subsidiary. Each of the Servicer and its Subsidiaries has instituted and maintains policies and procedures reasonably designed to promote and achieve compliance with the International Trade Laws applicable to the Servicer or such Subsidiary. The Servicer represents and warrants that there is no Blocked Property pledged as Pool Assets.

(o) Anti-Corruption. Each of the Servicer and its Subsidiaries, and, to the knowledge of the Servicer, the directors, officers, and employees of the Servicer or of any of its Subsidiaries, is not in violation of any Anti-Corruption Laws applicable to the Servicer or such Subsidiary in any material respect.

3. Representations, Warranties and Agreements Relating to the Security Interest. The Seller hereby makes the following representations, warranties and agreements with respect to the Receivables and Related Security:

(a) The Receivables.

(i) Creation. This Agreement creates a valid and continuing security interest (as defined in the applicable UCC) in the Receivables included in the Receivables

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Pool in favor of the Administrator (for the benefit of the Purchasers), which security interest is prior to all other Adverse Claims, and is enforceable as such as against creditors of and purchasers from the Seller.

(ii) Nature of Receivables. The Receivables included in the Receivables Pool constitute either “accounts”, “general intangibles” or “tangible chattel paper” within the meaning of the applicable UCC.

(iii) Ownership of Receivables. The Seller owns and has good and marketable title to the Receivables included in the Receivables Pool and Related Security

marketable title to the Receivables included in the Receivables Pool and Related Security free and clear of any Adverse Claim.

(iv) Perfection and Related Security. The Seller has caused the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under applicable law in order to perfect the sale of the Receivables and Related Security from such Originator to the Seller pursuant to the Sale Agreement, and the sale and security interest therein from the Seller to the Administrator under this Agreement, to the extent that such collateral constitutes “accounts,” “general intangibles,” or “tangible chattel paper.”

(v) Tangible Chattel Paper. With respect to any Receivables included in the Receivables Pool that constitute “tangible chattel paper”, if any, the Seller (or the Servicer on its behalf) has in its possession the original copies of such tangible chattel paper that constitute or evidence such Receivables, and the Seller has caused (and will cause the applicable Originator to cause), within ten (10) days after the Initial Closing Date, the filing of financing statements described in clause (iv) above, each of which will contain a statement that: “A purchase of, or security interest in, any collateral described in this financing statement will violate the rights of the Administrator” or similar words to that effect. The Receivables to the extent they are evidenced by “tangible chattel paper” do not have any marks or notations indicating that they have been pledged, assigned or otherwise conveyed to any Person other than the Seller or the Administrator.

(b) The Lock-Box Accounts.

(i) Nature of Accounts. Each Lock-Box Account constitutes a “deposit account” within the meaning of the applicable UCC.

(ii) Ownership. The Seller owns and has good and marketable title to the Lock-Box Accounts free and clear of any Adverse Claim.

(iii) Perfection. The Seller has delivered to the Administrator a fully executed Lock-Box Agreement relating to each Lock-Box Account, pursuant to which each applicable Lock-Box Bank, respectively, has agreed, following the delivery of a notice of control by the Administrator, to comply with all instructions originated by the Administrator (on behalf of the Purchasers) directing the disposition of funds in such Lock-Box Account without further consent by the Seller or the Servicer.

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(c) Priority.

(i) Other than the transfer of the Receivables to the Seller and the Administrator under the Sale Agreement and this Agreement, respectively, and/or the security interest granted to the Seller and the Administrator pursuant to the Sale Agreement and this Agreement, respectively, neither the Seller nor any Originator has pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of the Receivables transferred or purported to be transferred under the Transaction Documents, the Lock-Box Accounts or any subaccount thereof, except for any such pledge, grant or other conveyance which has been released or terminated. Neither the Seller nor any Originator has authorized the filing of, or is aware of any financing statements against either the Seller or such Originator that include a description of Receivables transferred or purported to be transferred under the Transaction Documents, the Lock-Box Accounts or any subaccount thereof, other than any financing statement (i) relating to the sale thereof by such Originator to the Seller under the Sale Agreement, (ii) relating to the security interest granted to the Administrator under this Agreement, or (iii) that has been released or terminated.

(ii) The Seller is not aware of any judgment, ERISA or tax lien filings against either the Seller, the Servicer or any Originator that (x) in the case of the Seller (A) has been outstanding for greater than 30 days from the earlier of such Persons knowledge or notice thereof, (b) is \$250,000 or more and (C) otherwise gives rise to a Termination Event under clause (k) of Exhibit V to this Agreement or (y) in the case of the Servicer or any Originator, (A) could reasonably be expected to have a Material Adverse Effect upon the ability of the Servicer or the Originator to perform its obligations under this Agreement or any other Transaction Document to which it is a party, or (B) otherwise gives rise to a Termination Event under clause (k) of Exhibit V to this Agreement.

(iii) The Lock-Box Accounts are not in the name of any person other than the Seller or the Administrator. Neither the Seller nor the Servicer has consented to any bank maintaining such account to comply with instructions of any person other than the Administrator and, prior to the occurrence and continuation of a Termination Event and the delivery of a notice of control by the Administrator, the Servicer.

(d) Survival of Supplemental Representations. Notwithstanding any other provision of this Agreement or any other Transaction Document, the representations contained in this Section 3 shall be continuing, and remain in full force and effect until such time as the Purchased Interest and all other obligations under this Agreement have been finally and fully paid and performed.

(e) No Waiver. To the extent required pursuant to the securitization program of any Conduit Purchaser, the parties to this Agreement: (i) shall not, without obtaining a confirmation of the then-current rating of the Notes of such Conduit Purchaser, waive any of the representations set forth in this Section 3; (ii) shall provide the Ratings Agencies with prompt written notice of any breach of any representations set forth in this Section 3, and shall not, without obtaining a confirmation of the then-current rating of such Notes (as determined after any adjustment or withdrawal of the ratings following notice of such breach) waive a breach of any of the

representations set forth in this Section 3.

(f) Servicer to Maintain Perfection and Priority. In order to evidence the interests of the Administrator under this Agreement, the Servicer shall, from time to time take such action, or execute and deliver such instruments as may be necessary (including, without limitation, such actions as are reasonably requested by the Administrator or any Purchaser Agent) to maintain and perfect, as a first-priority interest, the Administrator's security interest in the Receivables, Related Security and Collections. The Servicer shall, from time to time and within the time limits established by law, prepare and present to the Administrator for the Administrator's authorization and approval, all financing statements, amendments, continuations or initial financing statements in lieu of a continuation statement, or other filings necessary to continue, maintain and perfect the Administrator's security interest as a first-priority interest. The Administrator's approval of such filings shall authorize the Servicer to file such financing statements under the UCC without the signature of the Seller, any Originator or the Administrator where allowed by applicable law. Notwithstanding anything else in the Transaction Documents to the contrary, the Servicer shall not have any authority to file a termination, partial termination, release, partial release, or any amendment that deletes the name of a debtor or excludes collateral of any such financing statements, without the prior written consent of the Administrator, until such time as the latest of the Facility Termination Date, the date on which no Capital of or Discount in respect of the Purchased Interest shall be outstanding, the date on which an amount equal to 100% of the LC Participation Amount has been deposited in the LC Collateral Account or all Letters of Credit have expired, or the date all other amounts owed by the Seller under this Agreement to any Purchaser, any Purchaser Agent, the Administrator and any other Indemnified Party or Affected Person shall be paid in full.

4. Ordinary Course of Business. Each of the Seller and the Purchasers represents and warrants, as to itself, that each remittance of Collections by or on behalf of the Seller to the Purchasers under this Agreement will have been (i) in payment of a debt incurred by the Seller in the ordinary course of business or financial affairs of the Seller and the Purchasers and (ii) made in the ordinary course of business or financial affairs of the Seller and the Purchasers.

5. Reaffirmation of Representations and Warranties. On the date of each Purchase and/or reinvestment hereunder, and on the date each Information Package or other report is delivered to the Administrator, any Purchaser Agent or any Purchaser hereunder, the Seller and the Servicer, by accepting the proceeds of such Purchase or reinvestment and/or the provision of such information or report, shall each be deemed to have certified that (i) all representations and warranties of the Seller and the Servicer, as applicable, described in this Exhibit III, as from time to time amended in accordance with the terms hereof, are correct on and as of such day as though made on and as of such day, except for representations and warranties which apply as to an earlier date (in which case such representations and warranties shall be true and correct as of such date), and (ii) no event has occurred or is continuing, or would result from any such Purchase, which constitutes a Termination Event or an Unmatured Termination Event.

COVENANTS

1. Covenants of the Seller. At all times from the date hereof until the latest of the Facility Termination Date, the date on which no Capital of or Discount in respect of the Purchased Interest shall be outstanding, the date on which an amount equal to 100% of the LC Participation Amount has been deposited in the LC Collateral Account or all Letters of Credit have expired, or the date all other amounts owed by the Seller under this Agreement to any Purchaser, any Purchaser Agent, the Administrator and any other Indemnified Party or Affected Person shall be paid in full:

(a) Financial Reporting. The Seller will maintain a system of accounting established and administered in accordance with GAAP, and the Seller (or the Servicer on its behalf) shall furnish to the Administrator and each Purchaser Agent:

(i) Annual Reporting. Promptly upon completion and in no event later than 120 days after the close of each Fiscal Year of the Seller, annual unaudited financial statements of the Seller certified by a designated financial or other officer of the Seller.

(ii) Information Packages. As soon as available and in any event not later than two (2) Business Days prior to the Settlement Date, an Information Package as of the last day of the most recently completed Fiscal Month.

(iii) Shareholders Statements and Reports and SEC Filings. Promptly upon the furnishing thereof to the shareholders of the Seller copies of all financial statements, reports and proxy statements so furnished.

(iv) Delivery of Financial Information. Promptly upon the filing thereof, copies of all registration statements and annual, quarterly, monthly or other regular reports which the Seller or any of its respective Affiliates files with the SEC.

(v) Copies of Notices. Promptly upon its receipt of any notice, request for consent, financial statements, certification, report or other communication under or in connection with any Transaction Document from any Person other than the Administrator or any Purchaser Agent, copies of the same.

(vi) Change in Credit and Collection Policy. (A) At least thirty (30) days prior to the effectiveness of any change in or amendment to any Credit and Collection Policy as set forth in the first sentence of Section 1(i) of Exhibit IV, notice of such change or amendment.

(vii) Other Information. Such other information (including non-financial information) as the Administrator or any Purchaser Agent may from time to time reasonably request, within a reasonable time after such request is received.

(b) Notices. The Seller will notify the Administrator and each Purchaser Agent in

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writing of any of the following events promptly upon (but in no event later than three (3) Business Days after) a financial or other officer learning of the occurrence thereof, with such notice describing the same, and if applicable, the steps being taken by the Person(s) affected with respect thereto:

(i) Notice of Termination Events or Unmatured Termination Events. A statement of the chief financial officer or chief accounting officer of the Seller setting forth details of any Termination Event or Unmatured Termination Event.

(ii) Judgments and Proceedings. (A) (1) The entry of any judgment or

(ii) Judgments and Proceedings. (A) (1) The entry of any judgment or decree against Kelly or any of Kelly's Subsidiaries if the aggregate amount of all judgments and decrees then outstanding against such Person and its Subsidiaries, as the case may be, exceeds \$25,000,000 after deducting (I) the amount with respect to which such Person or any such Subsidiary, as the case may be, is insured and with respect to which the insurer has assumed responsibility in writing, and (II) the amount for which such Person or any such Subsidiary, as the case may be, is otherwise indemnified if the terms of such indemnification are reasonably satisfactory to the Administrator, and (2) the institution of any litigation, arbitration proceeding or governmental proceeding against Kelly or any of Kelly's Subsidiaries which, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect; and (B) the entry of any judgment or decree or the institution of any litigation, arbitration proceeding or governmental proceeding against the Seller.

(iii) Representations and Warranties. The failure of any representation or warranty to be true (when made or at any time thereafter) with respect to the Receivables included in the Receivables Pool.

(iv) Notice of Purchase and Sale Termination Event. The occurrence of a Purchase and Sale Termination Event or an Unmatured Purchase and Sale Termination Event.

(v) Notices under Sale Agreement. Copies of all notices delivered under the Sale Agreement.

(vi) Adverse Claim. (A) Any Person shall obtain an Adverse Claim upon the Pool Receivables or Collections with respect thereto, (B) any Person other than the Seller, the Servicer or the Administrator shall obtain any rights or direct any action with respect to any Lock-Box Account (or related lock-box or post office box) or (C) any Obligor shall receive any change in payment instructions with respect to Pool Receivable(s) from a Person other than the Servicer or the Administrator.

(vii) ERISA and Other Claims. Promptly after the filing or receiving thereof, copies of all reports and notices that the Seller or any ERISA Affiliate files under ERISA with the Internal Revenue Service, the Pension Benefit Guaranty Corporation or the U.S. Department of Labor or that the Seller or any Affiliate receives from any of the foregoing or from any multiemployer plan (within the meaning of Section 4001(a)(3) of ERISA) to

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which the Seller or any of its Affiliates is or was, within the preceding five years, a contributing employer, in each case in respect of any Reportable Event (as defined in ERISA) that could, in the aggregate, result in the imposition of material liability on the Seller and/or any such Affiliate.

(viii) Name Changes. At least thirty (30) days before any change in the Seller's name or any other change requiring the amendment of UCC financing statements, a notice setting forth such changes and the effective date thereof.

(ix) Material Adverse Effect. Promptly after the occurrence thereof, notice of a Material Adverse Effect in respect of the Seller, the Servicer, Kelly or any of their respective Subsidiaries.

(x) Beneficial Ownership Regulation. Promptly, (x) such other information respecting the business, properties, operations or condition, financial or otherwise, of the Seller or any of their respective Subsidiaries as any Purchaser Agent or the Administrator may from time to time reasonably request and (y) information and documentation reasonably requested by the Administrator or any Purchaser Agent for

purposes of compliance with applicable “know your customer” and anti-money laundering rules and regulations, including the PATRIOT Act and the Beneficial Ownership Regulation.

(c) Conduct of Business. The Seller will carry on and conduct its business in substantially the same manner and in substantially the same fields of enterprise as it is presently conducted and will do all things necessary to remain duly organized, validly existing and in good standing as an entity in its jurisdiction of organization and maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted if the failure to have such authority could reasonably be expected to have a Material Adverse Effect.

(d) Compliance with Laws. The Seller will comply with all laws, rules, regulations, orders, writs, judgments, injunctions, decrees or awards to which it may be subject if the failure to comply could reasonably be expected to have a Material Adverse Effect.

(e) Furnishing of Information and Inspection of Receivables. The Seller will furnish to the Administrator and each Purchaser Agent from time to time such information with respect to the Pool Receivables as the Administrator or such Purchaser Agent may reasonably request. The Seller will, at the Seller’s expense, at any time during regular business hours with prior written notice (i) permit the Administrator or any Purchaser Agent, or their respective agents or representatives, (A) to examine and make copies of and abstracts from all books and records relating to the Pool Receivables or other Pool Assets and (B) to visit the offices and properties of the Seller for the purpose of examining such books and records, and to discuss matters relating to the Pool Receivables, other Pool Assets or the Seller’s performance hereunder or under the other Transaction Documents to which it is a party with any of the officers, directors, employees or independent public accountants of the Seller (provided that representatives of the Seller are present during such discussions) having knowledge of such matters; provided, that so long as no Termination Event has occurred and is continuing such examinations and visits shall not exceed

one (1) per year and (ii) without limiting the provisions of clause (i) above, from time to time during regular business hours, at the Seller's expense, upon reasonable prior written notice from the Administrator and the Purchaser Agents, permit certified public accountants or other auditors acceptable to the Administrator to conduct a review of its books and records with respect to the Pool Receivables; provided, that so long as no Termination Event has occurred and is continuing, the Seller shall be required to reimburse the Administrator and Purchaser Agents for only one (1) such audit per year. For the avoidance of doubt, the Administrator may require examinations and audits in addition to the examinations and audits specified in clause (i) and clause (ii) above, but the expense of any such additional examination or audit shall be borne by the Administrator and not the Seller.

(f) Payments on Receivables, Accounts. The Seller will, and will cause each Originator to, at all times instruct all Obligor to deliver payments on the Pool Receivables to a Lock-Box Account. If any such payments or other Collections are received by the Seller or an Originator, it shall hold such payments in trust for the benefit of the Administrator and the Purchasers and promptly (but in any event within two (2) Business Days after receipt) remit such funds into a Lock-Box Account. The Seller will cause each Lock-Box Bank to comply with the terms of each applicable Lock-Box Agreement. The Seller will not permit the funds other than Collections on Pool Receivables and other Pool Assets to be deposited into any Lock-Box Account. If such funds are nevertheless deposited into any Lock-Box Account, the Seller will promptly identify such funds for segregation. The Seller will not, and will not permit the Servicer, any Originator or other Person to, commingle Collections or other funds to which the Administrator, any Purchaser Agent or any Purchaser is entitled with any other funds. The Seller shall only add or replace, and shall only permit an Originator to add or replace, a Lock-Box Bank (or the related lock-box or post office box), or Lock-Box Account to those listed on Schedule II to this Agreement, if the Administrator has received notice of such addition or replacement, a copy of any new Lock-Box Agreement and an executed and acknowledged copy of a Lock-Box Agreement in form and substance acceptable to the Administrator from any such new Lock-Box Bank. The Seller shall only terminate a Lock-Box Bank or close a Lock-Box Account (or the related lock-box or post office box), upon 30 days' prior notice to and with the prior written consent of the Administrator.

(g) Sales, Liens, etc. Except as otherwise provided herein, the Seller will not sell, assign (by operation of law or otherwise) or otherwise dispose of, or create or suffer to exist any Adverse Claim upon (including, without limitation, the filing of any financing statement) or with respect to, any Pool Receivable or other Pool Asset, or assign any right to receive income in respect thereof.

(h) Extension or Amendment of Pool Receivables. Except as otherwise permitted in Section 4.2(a) of this Agreement, the Seller will not extend, amend or otherwise modify the terms of any Pool Receivable in any material respect, or amend, modify or waive, in any material respect, the provisions of any Contract related thereto, without the prior written consent of the Administrator. The Seller shall at its expense, timely and fully perform and comply with all material provisions, covenants and other promises required to be observed by it under the Contracts related to the Pool Receivables, and timely and fully comply in all material respects with the Credit and Collection Policy with regard to each Receivable and the related Contract.

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(i) Change in Business. The Seller will not (i) make any material change in the

character of its business, which change would impair the collectability of any Pool Receivable or (ii) make any change in any Credit and Collection Policy that could reasonably be expected to materially adversely affect the collectability of the Pool Receivables, the credit quality of any Pool Receivable, the enforceability of any related Contract or its ability to perform its obligations under the related Contract or the Transaction Documents, in the case of either clause (i) or (ii) above, without the prior written consent of the Administrator. The Seller shall not make any change in any Credit and Collection Policy without giving written notice thereof to the Administrator prior to the last day of each Fiscal Quarter in which such change in or amendment to any Credit and Collection Policy occurs.

(j) Fundamental Changes. The Seller shall not, without the prior written consent of the Administrator and the Majority Purchaser Agents, permit itself (i) to enter into a plan of division, merge or consolidate with or into, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to, any Person or (ii) to be owned by any Person other than Kelly and thereby cause Kelly's percentage of ownership or control of the Seller to be reduced. The Seller shall provide the Administrator and each Purchaser Agent with at least 30 days' prior written notice before making any change in the Seller's name, location or making any other change in the Seller's identity or corporate structure that could impair or otherwise render any UCC financing statement filed in connection with this Agreement "seriously misleading" as such term (or similar term) is used in the applicable UCC; each notice to the Administrator and the Purchaser Agents pursuant to this sentence shall set forth the applicable change and the proposed effective date thereof and at least ten (10) days prior to such change, deliver to the Administrator all financing statements, instruments and other documents requested by the Administrator in connection with such change or relocation. The Seller will also maintain and implement (or cause the Servicer to maintain and implement) administrative and operating procedures (including an ability to recreate records evidencing Pool Receivables and related Contracts in the event of the destruction of the originals thereof), and keep and maintain (or cause the Servicer to keep and maintain) all documents, books, records, computer tapes and disks and other information reasonably necessary or advisable for the collection of all Pool Receivables (including records adequate to permit the daily identification of each Pool Receivable and all Collections of and adjustments to each existing Pool Receivable).

(k) Ownership Interest, Etc. The Seller shall (and shall cause the Servicer to), at its expense, take all action necessary or desirable to establish and maintain a valid and enforceable undivided percentage ownership or security interest, to the extent of the Purchased Interest, in the Pool Receivables, the Related Security and Collections with respect thereto, and a first priority perfected security interest in the Pool Assets, in each case free and clear of any Adverse Claim, in favor of the Administrator (on behalf of the Purchasers), including taking such action to perfect, protect or more fully evidence the interest of the Administrator (on behalf of the Purchasers) as the Administrator or any Purchaser Agent may reasonably request.

(l) Certain Agreements. Without the prior written consent of the Administrator and the Majority Purchaser Agents, the Seller will not amend, modify, waive, revoke or terminate any Transaction Document to which it is a party or any provision of the Seller's organizational

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documents which requires the consent of the "Independent Manager".

(m) Restricted Payments. (i) Except pursuant to clause (ii) below, the Seller will not: (A) purchase or redeem any shares of its membership interests, (B) declare or pay any dividend or set aside any funds for any such purpose, (C) prepay, purchase or redeem any Debt, (D) lend or advance any funds or (E) repay any loans or advances to, for or from any of its Affiliates (the amounts described in clauses (A) through (E) being referred to as "Restricted Payments").

(ii) Subject to the limitations set forth in clause (iii) below, the Seller may make Restricted Payments so long as such Restricted Payments are made only in one or more of

restricted payments so long as such restricted payments are made only in one or more of the following ways: (A) the Seller may make cash payments (including prepayments) on the Company Notes in accordance with their respective terms, and (B) if no amounts are then outstanding under any Company Note, the Seller may declare and pay dividends.

(iii) The Seller may make Restricted Payments only out of the funds, if any, it receives pursuant to Sections 1.4(b)(ii) and (iv) and 1.4(d) of this Agreement or out of the proceeds of any Purchase. Furthermore, the Seller shall not pay, make or declare: (A) any dividend if, after giving effect thereto, the Tangible Net Worth of the Seller would be less than \$15,000,000, or (B) any Restricted Payment (including any dividend) if, after giving effect thereto, any Termination Event or Unmatured Termination Event shall have occurred and be continuing.

(n) Other Business. The Seller will not: (i) engage in any business other than the transactions contemplated by the Transaction Documents, (ii) create, incur or permit to exist any Debt of any kind (or cause or permit to be issued for its account any letters of credit or bankers' acceptances) other than pursuant to this Agreement or the Company Notes, or (iii) form any Subsidiary or make any investments in any other Person; provided, that the Seller shall be permitted to incur minimal obligations to the extent necessary for the day-to-day operations of the Seller (such as expenses for stationery, audits, maintenance of legal status, etc.).

(o) Use of Seller's Share of Collections. The Seller shall apply the Seller's Share of Collections to make payments in the following order of priority: (i) the payment of its expenses (including all obligations payable to the Purchasers, the Purchaser Agents and the Administrator under this Agreement and under the Purchaser Group Fee Letters), (ii) the payment of accrued and unpaid interest on the Company Note and (iii) other legal and valid corporate purposes.

(p) Tangible Net Worth. The Seller will not permit its Tangible Net Worth, at any time, to be less than \$15,000,000.

(q) Further Assurances. The Seller hereby authorizes and hereby agrees from time to time, at its own expense, promptly to execute (if necessary) and deliver all further instruments and documents, and to take all further actions, that may be necessary or reasonably desirable, or that the Administrator or the Purchaser Agents may reasonably request, to perfect, protect or more fully evidence the purchases or issuances made under this Agreement and/or security interest granted pursuant to this Agreement or any other Transaction Document, or to enable the Administrator or the Purchaser Agents to exercise and enforce their respective rights and remedies

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under this Agreement or any other Transaction Document. Without limiting the foregoing, the Seller hereby authorizes, and will, upon the request of the Administrator or the Purchaser Agents, at its own expense, execute (if necessary) and file such financing or continuation statements, or amendments thereto, and such other instruments and documents, that may be necessary or desirable, or that the Administrator or the Purchaser Agents may reasonably request, to perfect, protect or evidence any of the foregoing. The Seller authorizes the Administrator to file financing or continuation statements, and amendments thereto and assignments thereof, relating to the Receivables and the Related Security, the related Contracts and the Collections with respect thereto and the other collateral subject to a lien under any Transaction Document without the signature of the Seller. A photocopy or other reproduction of this Agreement shall be sufficient as a financing statement where permitted by law.

(r) Sanctions; Anti-Corruption Laws. The Seller shall: (i) promptly notify the Administrator, the LC Bank, and each of the Purchasers in writing upon the occurrence of a Reportable Compliance Event; (ii) promptly remove (and if necessary to comply with the terms and provisions of this Agreement provide substitute Pool Assets to the Administrator) if, at any time, any Pool Asset becomes Blocked Property; and (iii) conduct its business in compliance with the Anti-Corruption Laws, Anti-Money Laundering Laws and International Trade Laws

applicable to the Seller and maintain in effect policies and procedures reasonably designed to promote and achieve compliance with all Anti-Corruption Laws, Anti-Money Laundering Laws and International Trade Laws applicable to the Seller by the Seller and its Subsidiaries, and the directors, officers, and employees of the Seller or of any of its Subsidiaries. The Seller shall not and, for as long as any Purchaser has any Commitment or outstanding Capital hereunder, the Seller shall not knowingly permit its directors, officers or employees, nor the Seller's Subsidiaries to become a Sanctioned Person. The Seller shall not knowingly (x) directly or indirectly, provide, use, or make available the proceeds of any Funded Purchase hereunder (1) to fund any activities or business of, with, or for the benefit of any Person that, at the time of such funding or facilitation, is a Sanctioned Person, (2) to fund or facilitate any activities or business of or in any Sanctioned Jurisdiction other than as permitted by applicable Law, or (3) in any manner that could result in a violation of any Anti-Corruption Law, Anti-Money Laundering, or International Trade Laws applicable to the Seller; (y) satisfy its Reimbursement Obligation to the LC Bank with Blocked Property or funds derived from any unlawful activity; or (z) permit any Pool Asset to become Blocked Property.

It is acknowledged and agreed that the covenant given in this Section 1(r) is only sought and given to the extent that to do so would be permissible pursuant to any applicable anti-boycott statute such as (A) Council Regulation (EC) 2271/96 and/or (B) any associated and applicable national law, instrument or regulation in the European Union or the United Kingdom related thereto and/or (C) any similar law, instrument or regulation.

2. Covenants of the Servicer. At all times from the date hereof until the latest of the Facility Termination Date, the date on which no Capital of or Discount in respect of the Purchased Interest shall be outstanding, the date on which an amount equal to 100% of the LC Participation Amount has been deposited in the LC Collateral Account or all Letters of Credit have expired or

the date all other amounts owed by the Seller or the Servicer under this Agreement to any Purchaser, any Purchaser Agent, the Administrator and any other Indemnified Party or Affected Person shall be paid in full:

(a) Financial Reporting. The Servicer will maintain a system of accounting established and administered in accordance with GAAP as in effect in the appropriate jurisdiction, and the Servicer shall furnish or cause to be furnished to the Administrator and each Purchaser Agent or, in the case of any of clauses (i) or (ii) below, make publicly available:

(i) Annual Reporting. Promptly upon completion and in no event later than 120 days after the close of each Fiscal Year of Kelly, annual audited financial statements of Kelly and its consolidated subsidiaries certified by independent certified public accountants selected by Kelly but reasonably acceptable to the Administrator and each such Purchaser Agent, prepared in accordance with GAAP, including consolidated balance sheets as of the end of such period, and the related consolidated statements of income or operations, shareholders' (or members') equity and cash flows for such Fiscal Year, setting forth, in each case, in comparative form, the figures for the previous Fiscal Year.

(ii) Quarterly Reporting. Promptly upon completion and in no event later than 60 days after the close of each Fiscal Quarter of Kelly, unaudited financial statements of Kelly certified by a designated financial officer of Kelly prepared in accordance with GAAP, including consolidated balance sheets of Kelly as of the end of such period, and the related consolidated statements of income or operations, shareholders' (or members') equity and cash flows for such Fiscal Quarter.

(iii) Compliance Certificates. Together with the annual report required above, a compliance certificate in form and substance acceptable to the Administrator and each Purchaser Agent signed by its chief accounting officer or treasurer solely in their capacities as officers of Kelly stating that no Termination Event or Unmatured Termination Event exists, or if any Termination Event or Unmatured Termination Event exists, stating the nature and status thereof.

(iv) Information Packages. As soon as available and in any event not later than two (2) Business Days prior to the Settlement Date, an Information Package as of the last day of the most recently completed Fiscal Month.

(v) Delivery of Financial Information. Promptly upon the filing thereof, copies of all registration statements and annual, quarterly, monthly or other regular reports which the Seller, Kelly or any of their respective Affiliates files with the SEC.

(vi) Copies of Notices. Promptly upon its receipt of any notice, request for consent, financial statements, certification, report or other communication under or in connection with any Transaction Document from any Person other than the Administrator or any Purchaser Agent, copies of the same.

to the effectiveness of any change in or amendment to any Credit and Collection Policy as set forth in the first sentence of Section 2(g) of Exhibit IV, notice of such change or amendment.

(viii) Other Information. Such other information (including non-financial information) as the Administrator or any Purchaser Agent may from time to time reasonably request, within a reasonable time after such request is received.

(ix) Public Reports. Documents required to be delivered pursuant to this Section 2(a) (to the extent such documents are included otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which Kelly post such documents, or provides a link thereto on Kelly's website on the Internet at kellyservices.com; or (ii) on which such documents are posted on Kelly's behalf on an Internet or intranet website, if any, to which the Administrator, any Purchaser Agents or any Purchaser has access (whether a commercial, third party website or whether sponsored by the Administrator); provided, that (i) Kelly shall deliver paper copies of such documents to the Administrator, any Purchaser Agents or any Purchaser that requests in writing that Kelly deliver such paper copies until a written request to cease delivering such paper copies is given by the Administrator, any Purchaser Agents or such Purchaser and (ii) Kelly shall notify the Administrator (by telecopier or electronic mail) of the posting of any such documents and provide to the Administrator by electronic mail electronic versions (i.e., soft copies) of such documents. Notwithstanding anything contained herein to the contrary, the Servicer shall be required to provide paper copies of Information Packages and Officer's Certificates required by Sections 2(a)(iii) and 2(a)(iv), respectively.

(b) Notices. The Servicer will notify the Administrator and each Purchaser Agent in writing of any of the following events promptly upon (but in no event later than three (3) Business Days after) a financial or other officer learning of the occurrence thereof, with such notice describing the same, and if applicable, the steps being taken by the Person(s) affected with respect thereto:

(i) Notice of Termination Events or Unmatured Termination Events. A statement of the chief financial officer or chief accounting officer of the Servicer setting forth details of any Termination Event or Unmatured Termination Event.

(ii) Judgments and Proceedings. (A) (1) The entry of any judgment or decree against Kelly or any of Kelly's Subsidiaries if the aggregate amount of all judgments and decrees then outstanding against such Person and its Subsidiaries, as the case may be, exceeds \$25,000,000 after deducting (I) the amount with respect to which such Person or any such Subsidiary, as the case may be, is insured and with respect to which the insurer has assumed responsibility in writing, and (II) the amount for which such Person or any such Subsidiary, as the case may be, is otherwise indemnified if the terms of such indemnification are reasonably satisfactory to the Administrator, and (2) the institution of any litigation, arbitration proceeding or governmental proceeding against

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Kelly or any of Kelly's Subsidiaries which, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect; and (B) the entry of any judgment or decree or the institution of any litigation, arbitration proceeding or governmental proceeding against the Seller.

(iii) Representations and Warranties. The failure of any representation or warranty to be true (when made or at any time thereafter) with respect to the Receivables included in the Receivables Pool.

(iv) Notice of Purchase and Sale Termination Event. The occurrence of

(iv) Notice of Purchase and Sale Termination Event. The occurrence of a Purchase and Sale Termination Event or an Unmatured Purchase and Sale Termination Event.

(v) Notices under Sale Agreement. Copies of all notices delivered under the Sale Agreement.

(vi) Adverse Claim. (A) Any Person shall obtain an Adverse Claim upon the Pool Receivables or Collections with respect thereto, (B) any Person other than the Seller, the Servicer or the Administrator shall obtain any rights or direct any action with respect to any Lock-Box Account (or related lock-box or post office box) or (C) any Obligor shall receive any change in payment instructions with respect to Pool Receivable(s) from a Person other than the Servicer or the Administrator.

(vii) ERISA and Other Claims. Promptly after the filing or receiving thereof, copies of all reports and notices that Kelly or any ERISA Affiliate files under ERISA with the Internal Revenue Service, the Pension Benefit Guaranty Corporation or the U.S. Department of Labor or that Kelly or any Affiliate receives from any of the foregoing or from any multiemployer plan (within the meaning of Section 4001(a)(3) of ERISA) to which Kelly or any of its Affiliates is or was, within the preceding five years, a contributing employer, in each case in respect of any Reportable Event (as defined in ERISA) that could, in the aggregate, result in the imposition of material liability on Kelly and/or any such Affiliate.

(viii) Name Changes. At least thirty (30) days before any change in Kelly's name or any other change requiring the amendment of UCC financing statements, a notice setting forth such changes and the effective date thereof.

(ix) Material Adverse Effect. Promptly after the occurrence thereof, notice of a Material Adverse Effect in respect of the Seller, the Servicer, Kelly or any of their respective Subsidiaries.

(c) Conduct of Business. The Servicer will carry on and conduct its business in substantially the same manner and in substantially the same fields of enterprise as it is presently conducted and will do all things necessary to remain duly organized, validly existing and in good standing as an entity in its jurisdiction of organization and maintain all requisite authority to conduct its business in each jurisdiction in which its business is conducted if the failure to have

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such authority could reasonably be expected to have a Material Adverse Effect.

(d) Compliance with Laws. The Servicer will comply with all laws, rules, regulations, orders, writs, judgments, injunctions, decrees or awards to which it may be subject if the failure to comply could reasonably be expected to have a Material Adverse Effect.

(e) Furnishing of Information and Inspection of Receivables. The Servicer will furnish to the Administrator and each Purchaser Agent from time to time such information with respect to the Pool Receivables as the Administrator or such Purchaser Agent may reasonably request. The Servicer will, at the Servicer's expense, at any time during regular business hours with prior written notice (i) permit the Administrator or any Purchaser Agent, or their respective agents or representatives, (A) to examine and make copies of and abstracts from all books and records relating to the Pool Receivables or other Pool Assets and (B) to visit the offices and properties of the Servicer for the purpose of examining such books and records, and to discuss matters relating to the Pool Receivables, other Pool Assets or the Servicer's performance hereunder or under the other Transaction Documents to which it is a party with any of the officers, directors, employees or independent public accountants of the Servicer (provided that representatives of the Servicer are present during such discussions) having knowledge of such matters; provided, that so long as no

Termination Event has occurred and is continuing such examinations and visits shall not exceed one (1) per year and (ii) without limiting the provisions of clause (i) above, during regular business hours, at the Servicer's expense, upon reasonable prior written notice from the Administrator, permit certified public accountants or other auditors acceptable to the Administrator and the Purchaser Agents to conduct, a review of its books and records with respect to the Pool Receivables; provided, that so long as no Termination Event has occurred and is continuing, the Servicer shall be required to reimburse the Administrator and Purchaser Agents for only one (1) such audit per year. For the avoidance of doubt, the Administrator may require examinations and audits in addition to the examinations and audits specified in clause (i) and clause (ii) above, but the expense of any such additional examination or audit shall be borne by the Administrator and not the Servicer.

(f) Payments on Receivables, Accounts. The Servicer will at all times instruct all Obligor to deliver payments on the Pool Receivables to a Lock-Box Account. If any such payments or other Collections are received by the Servicer, it shall hold such payments in trust for the benefit of the Administrator and the Purchasers and promptly (but in any event within two (2) Business Days after receipt) remit such funds into a Lock-Box Account. The Servicer will cause each Lock-Box Bank to comply with the terms of each applicable Lock-Box Agreement. The Servicer will not permit the funds other than Collections on Pool Receivables and other Pool Assets to be deposited into any Lock-Box Account. If such funds are nevertheless deposited into any Lock-Box Account, the Servicer will promptly identify such funds for segregation. The Servicer will not commingle Collections or other funds to which the Administrator, any Purchaser Agent or any Purchaser is entitled with any other funds. The Servicer shall only add or replace, a Lock-Box Bank (or the related lock-box or post office box), or Lock-Box Account to those listed on Schedule II to this Agreement, if the Administrator has received notice of such addition or replacement, a copy of any new Lock-Box Agreement and an executed and acknowledged copy of a Lock-Box Agreement in form and substance acceptable to the Administrator from any such new Lock-Box Bank. The Servicer shall only terminate a Lock-Box Bank or close a Lock-Box

Account (or the related lock-box or post office box), upon 30 days' prior notice to and with the prior written consent of the Administrator.

(g) Extension or Amendment of Pool Receivables. Except as otherwise permitted in Section 4.2(a) of this Agreement, the Servicer will not extend, amend or otherwise modify the terms of any Pool Receivable in any material respect, or amend, modify or waive, in any material respect, the provisions of any Contract related thereto, without the prior written consent of the Administrator. The Servicer shall at its expense, timely and fully perform and comply with all material provisions, covenants and other promises required to be observed by it under the Contracts related to the Pool Receivables, and timely and fully comply in all material respects with the Credit and Collection Policy with regard to each Pool Receivable and the related Contract.

(h) Change in Business. The Servicer will not (i) make any material change in the character of its business, which change would impair the collectability of any Pool Receivable or (ii) make any change in any Credit and Collection Policy that could reasonably be expected to adversely affect the collectability of the Pool Receivables, the credit quality of any Pool Receivable, the enforceability of any related Contract or its ability to perform its obligations under the related Contract or the Transaction Documents, in the case of either clause (i) or (ii) above, without the prior written consent of the Administrator. The Servicer shall not make any change in any Credit and Collection Policy without giving written notice thereof to the Administrator prior to the last day of each Fiscal Quarter in which such change in or amendment to any Credit and Collection Policy occurs.

(i) Records. The Servicer will maintain, implement and keep (i) administrative and operating procedures (including an ability to recreate records evidencing Pool Receivables and related Contracts if originals are destroyed), (ii) adequate facilities, personnel and equipment and (iii) all documents, books, records, computer tapes and disks and other information reasonably necessary or advisable for the collection of all Pool Receivables (including records adequate to permit the daily identification of each new Pool Receivable and all Collections of, and adjustments to, each existing Pool Receivable). The Servicer will give the Administrator prior notice of any change in such administrative and operating procedures that causes them to be materially different from the procedures described to Administrator on or before the date hereof as the Servicer's then existing or planned administrative and operating procedures for collecting Receivables.

(j) Ownership Interest, Etc. The Servicer shall, at its expense, take all action necessary or desirable to establish and maintain a valid and enforceable undivided percentage ownership or security interest, to the extent of the Purchased Interest, in the Pool Receivables, the Related Security and Collections with respect thereto, and a first priority perfected security interest in the Pool Assets, in each case free and clear of any Adverse Claim in favor of the Administrator (on behalf of the Purchasers), including taking such action to perfect, protect or more fully evidence the interest of the Administrator (on behalf of the Purchasers) as the Administrator or any Purchaser Agent may reasonably request.

(k) Sanctions; Anti-Corruption Laws. The Servicer shall: (i) promptly notify the Administrator, the LC Bank, and each of the Purchasers in writing upon the occurrence of a Reportable Compliance Event; (ii) promptly remove (and if necessary to comply with the terms

time, any Pool Asset becomes Blocked Property; and (iii) conduct its business in compliance with the Anti-Corruption Laws, Anti-Money Laundering Laws and International Trade Laws applicable to the Servicer and maintain in effect policies and procedures reasonably designed to promote and achieve compliance with all Anti-Corruption Laws, Anti-Money Laundering Laws and International Trade Laws applicable to the Servicer by the Servicer and its Subsidiaries, and the directors, officers, and employees of the Servicer or of any of its Subsidiaries. The Servicer shall not and, for as long as any Purchaser has any Commitment or outstanding Capital hereunder, the Servicer shall not knowingly permit its directors, officers or employees, nor the Servicer's Subsidiaries to become a Sanctioned Person. The Servicer shall not knowingly (x) directly or indirectly, provide, use, or make available the proceeds of any Funded Purchase hereunder (1) to fund any activities or business of, with, or for the benefit of any Person that, at the time of such funding or facilitation, is a Sanctioned Person, (2) to fund or facilitate any activities or business of or in any Sanctioned Jurisdiction other than as permitted by applicable Law, or (3) in any manner that could result in a violation of any Anti-Corruption Law, Anti-Money Laundering, or International Trade Laws applicable to the Servicer; (y) satisfy its Reimbursement Obligation to the LC Bank with Blocked Property or funds derived from any unlawful activity; or (z) permit any Pool Asset to become Blocked Property.

It is acknowledged and agreed that the covenant given in this Section 2(k) is only sought and given to the extent that to do so would be permissible pursuant to any applicable anti-boycott statute such as (A) Counsel Regulation (EC) 2271/96 and/or (B) any associated and applicable national law, instrument or regulation in the European Union or the United Kingdom related thereto and/or (C) any similar law, instrument or regulation.

3. Separate Existence. Each of the Seller and the Servicer hereby acknowledges that the Purchasers and the Administrator are entering into the transactions contemplated by this Agreement and the other Transaction Documents in reliance upon the Seller's identity as a legal entity separate from Kelly, the Originators and their respective Affiliates. Therefore, from and after the date hereof, each of the Seller and the Servicer shall take all steps specifically required by this Agreement or reasonably required by the Administrator or any Purchaser Agent to continue the Seller's identity as a separate legal entity and to make it apparent to third Persons that the Seller is an entity with assets and liabilities distinct from those of Kelly, any Originator and any other Person, and is not a division of Kelly, any Originator or any other Person. Without limiting the generality of the foregoing and in addition to and consistent with the other covenants set forth herein, each of the Seller and the Servicer shall take such actions as shall be required in order that:

(a) The Seller will be a limited liability company whose primary activities are restricted in its operating agreement to: (i) purchasing or otherwise acquiring from the Originators, owning, holding, granting security interests or selling interests in Pool Assets, (ii) entering into agreements for the selling and servicing of the Receivables Pool, and (iii) conducting such other activities as it deems necessary or appropriate to carry out its primary activities;

(b) The Seller shall not engage in any business or activity, or incur any indebtedness or

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liability (including, without limitation, any assumption or guaranty of any obligation of Kelly, any Originator or any Affiliate thereof), other than as expressly permitted by the Transaction Documents;

(c) At all times have a Board of Managers and not less than one member of Seller's Board of Managers shall be an individual who (A) has (1) prior experience as an Independent Director or Independent Manager for a corporation or limited liability company whose charter documents required the unanimous consent of all Independent Directors or Independent Managers thereof before such corporation or limited liability company could consent to the institution of bankruptcy or insolvency proceedings against it or could file a petition seeking relief under any

bankruptcy or insolvency proceedings against it or could file a petition seeking relief under any applicable federal or state law relating to bankruptcy and (2) at least three years of employment experience with one or more entities that provide, in the ordinary course of their respective businesses, advisory, management or placement services to issuers of securitization or structured finance instruments, agreements or securities, (B) is reasonably acceptable to the Administrator as evidenced in a writing executed by the Administrator (it being understood and agreed that any equity owner, manager or employee of Global Securitization Services, LLC or Lord Securities Corporation is hereby consented to by the Administrator), (C) is not, and has not been for a period of five years prior to his or her appointment as an Independent Manager of the Seller: (1) a stockholder (whether direct, indirect or beneficial), customer, advisor or supplier of Kelly or any of its respective Affiliates, (2) a director, officer, employee, partner, attorney or consultant of Kelly or any of its Affiliates (Kelly and its Affiliates other than the Seller being hereinafter referred to as the “Parent Group”), (3) a person related to any person referred to in clauses (1) or (2) above, (4) a person or other entity controlling or under common control with any such stockholder, partner, customer, supplier, employee, officer or director or (5) a trustee, conservator or receiver for any member of the Parent Group and (D) shall not at any time serve as a trustee in bankruptcy for the Seller, Kelly or any Affiliate thereof (such an individual meeting the requirements set forth above, the “Independent Manager”) and causing its limited liability company agreement to provide that (w) at least one member of the Seller’s Board of Managers shall be an Independent Manager, (x) the Seller’s Board of Managers shall not approve, or take any other action to cause the filing of, a voluntary bankruptcy petition with respect to the Seller unless a unanimous vote of the Seller’s Board of Managers (which vote shall include the affirmative vote of all Independent Managers) shall approve the taking of such action in writing prior to the taking of such action, (y) the Seller’s Board of Managers shall not vote on any matter requiring the vote of its Independent Managers under its certificate of incorporation unless and until at least one Independent Manager is then serving on the Seller’s Board of Managers and (z) the provisions requiring an Independent Manager and the provision described in clauses (x) and (y) of this paragraph (c) cannot be amended without the prior written consent of each Independent Manager (it being understood that, as used in this paragraph (c), “control” means the possession directly or indirectly of the power to direct or cause the direction of management policies or activities of a person or entity whether through ownership of voting securities, by contract or otherwise);

(d) The Independent Manager shall not at any time serve as a trustee in bankruptcy for the Seller, Kelly, any Originator or any of their respective Affiliates;

(e) The Seller shall conduct its affairs strictly in accordance with its organizational documents and observe all necessary, appropriate and customary company formalities, including,

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but not limited to, holding all regular and special members’ and board of managers’ meetings appropriate to authorize all limited liability company action, keeping separate and accurate minutes of its meetings, passing all resolutions or consents necessary to authorize actions taken or to be taken, and maintaining accurate and separate books, records and accounts, including, but not limited to, payroll and intercompany transaction accounts;

(f) Any employee, consultant or agent of the Seller will be compensated from the Seller’s funds for services provided to the Seller, and to the extent that Seller shares the same officers or other employees as Kelly or any Originator (or any other Affiliate thereof), the salaries and expenses relating to providing benefits to such officers and other employees shall be fairly allocated among such entities, and each such entity shall bear its fair share of the salary and benefit costs associated with such common officers and employees. The Seller will not engage any agents other than its attorneys, auditors and other professionals, and a servicer and any other agent contemplated by the Transaction Documents for the Receivables Pool, which servicer will be fully compensated for its services by payment of the Servicing Fee, and a manager, which manager will be fully compensated from the Seller’s funds;

(g) The Seller will contract with the Servicer to perform for the Seller all operations

required on a daily basis to service the Receivables Pool. The Seller will pay the Servicer the Servicing Fee pursuant hereto. Except as otherwise permitted by this Agreement, the Seller will not incur any material indirect or overhead expenses for items shared with Kelly or any Originator (or any other Affiliate thereof) that are not reflected in the Servicing Fee. To the extent, if any, that the Seller (or any Affiliate thereof) shares items of expenses not reflected in the Servicing Fee or the manager's fee, such as legal, auditing and other professional services, such expenses will be allocated to the extent practical on the basis of actual use or the value of services rendered, and otherwise on a basis reasonably related to the actual use or the value of services rendered; it being understood that Kelly, in its capacity as Servicer, shall pay all expenses relating to the preparation, negotiation, execution and delivery of the Transaction Documents, including legal, agency and other fees;

(h) The Seller's operating expenses will not be paid by Kelly or any Originator or any Affiliate thereof;

(i) The Seller's books and records will be maintained separately from those of Kelly, each Originator and any other Affiliate thereof and in a manner such that it will not be difficult or costly to segregate, ascertain or otherwise identify the assets and liabilities of Seller;

(j) All financial statements of Kelly or any Originator or any Affiliate thereof that are consolidated to include Seller will disclose that (i) the Seller's sole business consists of the purchase or acceptance through capital contributions of the Receivables and Related Rights from the Originators and the subsequent retransfer of or granting of a security interest in such Receivables and Related Rights to certain purchasers party to this Agreement, (ii) the Seller is a separate legal entity with its own separate creditors who will be entitled, upon its liquidation, to be satisfied out of the Seller's assets prior to any assets or value in the Seller becoming available to the Seller's equity holders and (iii) the assets of the Seller are not available to pay creditors of Kelly or the Originators or any other Affiliates of Kelly or the Originators;

(k) The Seller's assets will be maintained in a manner that facilitates their identification and segregation from those of Kelly, the Originators or any Affiliates thereof;

(l) The Seller will strictly observe corporate formalities in its dealings with Kelly, the Originators or any Affiliates thereof, and funds or other assets of the Seller will not be commingled with those of Kelly, the Originators or any Affiliates thereof except as permitted by this Agreement in connection with servicing the Pool Receivables. The Seller shall not maintain joint bank accounts or other depository accounts to which Kelly or any Affiliate thereof (other than Kelly in its capacity as the Servicer) has independent access. The Seller is not named, and has not entered into any agreement to be named, directly or indirectly, as a direct or contingent beneficiary or loss payee on any insurance policy with respect to any loss relating to the property of Kelly, the Originators or any Subsidiaries or other Affiliates thereof. The Seller will pay to the appropriate Affiliate the marginal increase or, in the absence of such increase, the market amount of its portion of the premium payable with respect to any insurance policy that covers the Seller and such Affiliate;

(m) The Seller will maintain arm's-length relationships with Kelly, the Originators (and any Affiliates thereof). Any Person that renders or otherwise furnishes services to the Seller will be compensated by the Seller at market rates for such services it renders or otherwise furnishes to the Seller. Neither the Seller on the one hand, nor Kelly or any Originator, on the other hand, will be or will hold itself out to be responsible for the debts of the other or the decisions or actions respecting the daily business and affairs of the other. The Seller, Kelly and the Originators will immediately correct any known misrepresentation with respect to the foregoing, and they will not operate or purport to operate as an integrated single economic unit with respect to each other or in their dealing with any other entity;

(n) The Seller shall have a separate area from Kelly and each Originator for its business (which may be located at the same address as such entities) and to the extent that any other such entity has offices in the same location, there shall be a fair and appropriate allocation of overhead costs between them, and each shall bear its fair share of such expenses; and

(o) To the extent not already covered in paragraphs (a) through (p) above, Seller shall comply and/or act in accordance with the provisions of Section 6.4 of the Sale Agreement.

TERMINATION EVENTS

Each of the following shall be a "Termination Event":

(a) (i) the Seller, Kelly, any Originator or the Servicer shall fail to perform or observe any term, covenant or agreement under this Agreement or any other Transaction Document to which it is a party and, except as otherwise provided herein, such failure shall, solely to the extent capable of cure, continue for ten (10) days after the earlier of any such Person's actual knowledge or notice thereof or (ii) the Seller or the Servicer shall fail to make when due any payment or deposit to be made by it under this Agreement or any other Transaction Document and such failure shall remain unremedied for two (2) Business Days;

(b) Kelly (or any Affiliate thereof) shall fail to transfer to any successor Servicer, when required, any rights pursuant to this Agreement that Kelly (or such Affiliate) then has as Servicer;

(c) any representation or warranty made or deemed made by the Seller, the Servicer or any Originator (or any of their respective officers) under or in connection with this Agreement or any other Transaction Document to which it is a party, or any information or report delivered by the Seller, the Servicer or any Originator pursuant to this Agreement or any other Transaction Document to which it is a party, shall prove to have been incorrect or untrue in any material respect when made or deemed made or delivered and, if the representation or warranty is of a type that is capable of being cured, shall remain incorrect or untrue for ten (10) days after the earlier of such Person's actual knowledge or notice thereof;

(d) the Seller or the Servicer shall fail to deliver any Information Package when due pursuant to this Agreement, and such failure shall remain unremedied for two (2) Business Days;

(e) this Agreement (and each Lock-Box Agreement, as applicable) or any Purchase pursuant to this Agreement shall for any reason: (i) cease to create, or the Purchased Interest shall for any reason cease to be, a valid and enforceable first priority perfected undivided percentage ownership or security interest to the extent of the Purchased Interest in each Pool Receivable, the Related Security and Collections with respect thereto, free and clear of any Adverse Claim, or (ii) cease to create with respect to the Pool Assets, or the interest of the Administrator (for the benefit of the Purchasers) with respect to such Pool Assets shall cease to be, a valid and enforceable first priority perfected security interest, free and clear of any Adverse Claim;

(f) the Seller, Kelly, the Servicer or any Originator shall generally not pay its debts as such debts become due, shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against the Seller, Kelly, the Servicer or any Originator seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it), either such proceeding shall

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remain undismissed or unstayed for a period of 60 days, or any of the actions sought in such proceeding (including the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its property) shall occur; or the Seller, Kelly, the Servicer or any Originator shall take any corporate action to authorize any of the actions set forth above in this paragraph;

(g) (i) the (A) Default Ratio shall exceed 4.0%, or (B) Delinquency Ratio shall exceed 10.0%, (ii) the average for three consecutive Fiscal Months of: (A) the Default Ratio shall exceed 3.5%, (B) the Delinquency Ratio shall exceed 8.0%, or (C) the Dilution Ratio shall exceed 6.0% or (iii) the Default Sales Outstanding exceeds 70 days;

0.0% or (iii) the Days Sales Outstanding exceeds 70 days;

(h) a Change in Control shall occur;

(i) the Purchased Interest (determined in accordance with Section 1.4(b)(ii)) shall exceed 100% for two (2) Business Days;

(j) a "Default" (as such term is defined in the Credit Agreement) pursuant to Section 7.5 of the Credit Agreement shall occur (without giving effect to any amendment, supplement, modification or waiver as such Section 7.5 (or any defined term used in such Section 7.5) to which the Administrator, the LC Bank and each of the Majority LC Participants and Majority Purchaser Agents have not consented), provided, however, that if PNC is no longer a lender thereunder, at the request of the Administrator or any Purchaser Agent, the Termination Event set forth in this clause (j) shall be amended in a form and substance acceptable to the Administrator, the Purchaser Agents and the Seller, within thirty (30) days of PNC no longer being a lender under the Credit Agreement; or

(k) either the Internal Revenue Service or the Pension Benefit Guaranty Corporation shall have filed one or more notices of lien asserting a claim or claims pursuant to the Internal Revenue Code, or ERISA, as applicable, against the assets of Seller, any Originator, Kelly or any ERISA Affiliate.

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EXHIBIT VI

CLOSING MEMORANDUM

See attached.

SCHEDULE I
CREDIT AND COLLECTION POLICY
(Attached)

Schedule I-1

SCHEDULE II

LOCK-BOX BANKS AND LOCK-BOX ACCOUNTS

<u>BANK</u>	<u>LOCK-BOX ADDRESS AND NO.</u>	<u>BANK ACCOUNT NO.</u>
JPMorgan Chase Bank, N.A.	Baton Rouge, LA	1277733
PNC Bank, National Association	530437	10-1156-5263
	P.O. Box 530437	
	Atlanta, GA 30353-0437	
	771212	10-1156-5263
	771212 Solutions Center	
	Chicago, IL 60677-1002	
	31001	10-1156-5263
	P.O. Box 31001-0422	
	Pasadena, CA	
	91110-0422	
	820405	10-1156-5263
	P.O. Box 820405	
	Philadelphia, PA	
	19182-0405	
	500 First Ave	10-6997-3585
	Pittsburgh, PA 15219	

Schedule II-1

SCHEDULE III

[Reserved.]

Schedule III-1

SCHEDULE IV
ACTIONS AND PROCEEDINGS

NONE

Schedule IV-1

SCHEDULE V
FISCAL CALENDAR
(Attached)

Schedule V-1

FORM OF INFORMATION PACKAGE

(Attached)

Annex A-1

Kelly Receivables Funding LLC
Trade Receivable Securitization
Monthly Information Package



Cut-off Date:	
Purchase Limit	
Maximum Potential Capital	
Borrowing Base	
LC Participation Amount	
Amount on deposit in LC Collateral Account	
LC Funding Exposure	
Aggregate Capital	
Aggregate Facility Usage	
Required Paydown	
Optional Purchase Availability	

I. Settlement Period Activity:
Beginning Accounts Receivable
Collections

Kelly Services, Inc.

Gross New Receivables
Secondary Supplier
Net Bad Debt Charge-Offs
Billing Adjustments
Cash Discounts
Returns

Ending Billed Balance

Unbilled Receivables

Total Ending Balance

II. Aging Statistics

Days Past Due

Kelly Services, Inc.

Percent of
Total Receivables

Unbilled

Current

1-30 days

31-60 days

61-90 days

91-120 days

121-150 days

151-180 days

181-364 days

364+ days

Total Receivables

III. Aging Reconciliation to Rollforward

Beginning Aging Balance

Canada Reclass

Secondary Supplier

Temporary Employee Receivables

Revenue Accruals

Other

Total Rollforward Balance

Check

IV. Excess Concentrations

Largest 10 Obligor

Group

Balance

% of Eligible

Maximum %

Excess Amt

1

2

3

4

5

6

7

8

9

10

Excess Concentrations

Kelly Receivables Funding LLC

Trade Receivable Securitization

Monthly Information Package



V. Calculation of Net Receivables Pool Balance

Kelly Services, Inc.

Ending Accounts Receivable

Less Ineligibles:

Delinquent Receivables (61+)

Intercompany (<61 DPD)

Foreign (<61 DPD)

Bankrupt or Insolvent (<61 DPD)

Terms > 125 Days (<61 DPD)

Obligors with Balances > 50% Defaulted

Unearned

Cash In-Transit

Secondary Supplier

Reconciliation Adjustment

Other

Total Ineligible Receivables

Eligible Receivables

Less: Excess Concentrations

Less: Excess Government Obligors (>6% of Eligible)

Less: Excess Extended Terms 91-125 days (>15% of Eligible)

Less: Excess Unbilled Receivables (>20% of Eligible)

Less: Specifically Reserved Dilution Amount

Net Receivables Pool Balance ("NRPB")

VI. Calculation of Reserves

Loss Reserve

Loss Reserve Percentage ("LRP")

Loss Reserve Percentage ("LRP"):	
Loss Reserve {Usage * LRP/(1-LRP)}	
<u>Dilution Reserve</u>	
Dilution Reserve Percentage ("DRP"):	
Dilution Reserve {Usage * DRP/(1-DRP)}	
<u>Concentration Reserve</u>	
Concentration Reserve Percentage ("CRP"):	
greatest of (a) Largest 1 Group A obligor	
or (b) Largest 2 Group B obligor	
or (c) Largest 3 Group C obligors	
or (d) Largest 5 Group D obligors	
Concentration Reserve {Usage * CRP/(1-CRP)}	
<u>Minimum Dilution Reserve</u>	
Minimum Dilution Reserve Percentage ("MDRP")	
Minimum Dilution Reserve {Usage * MDRP/(1-MDRP)}	
<u>Yield Reserve</u>	
Base Rate ("BR")	
Servicer's Fee Rate ("SFR")	1.00%
Days Sales Outstanding ("DSO")	
Yield Reserve Percentage {[(PY + SFR) / 360] * (1.5 * DSO)}	
Yield Reserve {Usage * YRP/(1-YRP)}	
A. Loss Reserve + Dilution Reserve + Yield Reserve	
B. Concentration Reserve + Minimum Dilution Reserve + Yield Reserve	
Total Reserves (Greater of A or B)	

VII. Calculation of Purchased Interest

A. Aggregate Capital + Adjusted LC Participation Amount	
B. <u>Total Reserves</u>	
C. Total (A + B)	
Divided by	
D. Net Receivables Pool Balance	
Equals	
Purchased Interest (C / D)	

VIII. Calculation of Key Ratios

	<u>Actual</u>	<u>Trigger</u>	<u>Complies</u>
(1) Current Delinquency Ratio		10.00%	
(2) 3-Month Rolling Average Delinquency Ratio		8.00%	
(3) Current Default Ratio		4.00%	
(4) 3-Month Rolling Average Default Ratio		3.50%	
(5) 3-Month Rolling Average Dilution Ratio		6.00%	
(6) DSO (days)		70.0	
(7) Purchaser's Interest $\{(\text{Capital} + \text{Adjusted LC Participation} + \text{Total Reserves}) / (\text{NRPB})\}$		100.00%	
(8) Purchase Limit $\{\text{Capital} + \text{Adjusted LC Participation Amount} / \text{Facility Amount}\}$		100.00%	
(9) Seller's Tangible Net Worth		15,000,000	

IX Signature

The undersigned hereby represents and warrants that the foregoing and attachments represent true and accurate information as of the Cut-Off Date shown above and is in accordance with the First Amended and Restated Receivables Purchase Agreement, dated as of December 5, 2016, by and among KELLY RECEIVABLES FUNDING, LLC, a Delaware limited liability company, as seller (the "Seller"), KELLY SERVICES, INC., a Delaware corporation ("Kelly"), as initial servicer (in such capacity, together with its successors and permitted assigns in such capacity, the "Servicer"), THE VARIOUS PURCHASERS AND PURCHASER AGENTS FROM TIME TO TIME PARTY HERETO, and PNC BANK, NATIONAL ASSOCIATION, as Administrator for each Purchaser Group (in such capacity, the "Administrator").

Kelly Services Inc., as Servicer

Signature: _____

Date: _____

Printed Name: _____

Title: _____

FORM OF PURCHASE NOTICE

(Attached)

Annex B-1

ANNEX C

FORM OF ASSUMPTION AGREEMENT

Dated as of [_____, 20__]

THIS ASSUMPTION AGREEMENT (this “AGREEMENT”), dated as of [_____,

____], is among KELLY RECEIVABLES FUNDING, LLC (the “Seller”), _____, as purchaser (the “[_____] Conduit Purchaser”), _____, as the related committed purchaser (the “[_____] Related Committed Purchaser”), _____, as related LC participant (the “[_____] LC Participant” and together with the Conduit Purchaser and the Related Committed Purchaser, the “[_____] Purchasers”), and _____, as agent for the _____ Purchasers (the “[_____] Purchaser Agent” and together with the _____ Purchasers, the “[_____] Purchaser Group”).

BACKGROUND

The Seller and various others are parties to that certain First Amended and Restated Receivables Purchase Agreement dated as of December 5, 2016 (as amended, restated, supplemented or otherwise modified through the date hereof, the “Receivables Purchase Agreement”). Capitalized terms used and not otherwise defined herein have the respective meaning assigned to such terms in the Receivables Purchase Agreement.

NOW, THEREFORE, the parties hereto hereby agree as follows:

SECTION 1. This letter constitutes an Assumption Agreement pursuant to Section 1.2(f) of the Receivables Purchase Agreement. The Seller desires [the _____ Purchasers] [the _____ Related Committed Purchaser][_____] related LC Participant] to [become Purchasers under] [increase its existing Commitment under] the Receivables Purchase Agreement and upon the terms and subject to the conditions set forth in the Receivables Purchase Agreement, the _____ Purchasers agree to [become Purchasers thereunder] [increase its Commitment in an amount equal to the amount set forth as the “Commitment” under the signature of such _____ Related Committed Purchaser hereto] [increase its Commitment in an amount equal to the amount set forth as the “Commitment” under the signature of such _____ related LC Participant hereto].

Seller hereby represents and warrants to the _____ Purchasers as of the date hereof, as follows:

(i) the representations and warranties of the Seller contained in Exhibit III of the Receivables Purchase Agreement are true and correct in all material respects on and as the date of such purchase or reinvestment as though made on and as of such date (except for representations and warranties which apply as to an earlier date, in which case such representations and warranties shall be true and correct as of such earlier date);

(ii) no event has occurred and is continuing, or would result from such Purchase, that constitutes a Termination Event or an Unmatured Termination Event; and

Annex C-1

(iii) the Facility Termination Date has not occurred.

SECTION 2. Upon execution and delivery of this Agreement by the Seller and each member of the _____ Purchaser Group, satisfaction of the other conditions to assignment specified in Section 1.2(f) of the Receivables Purchase Agreement (including the written consent of the Administrator and each Purchaser Agent) and receipt by the Administrator and Seller of counterparts of this Agreement (whether by email communication or otherwise) executed by each of the parties hereto, [the _____ Purchasers shall become a party to, and have the rights and obligations of Purchasers under, the Receivables Purchase Agreement][the _____ Related Committed Purchaser shall increase its Commitment in the amount set forth as the “Commitment” under the signature of the _____ Related Committed Purchaser hereto][the _____ related LC Participant shall increase its Commitment in the amount set forth as the “Commitment” under the signature of the _____ related LC Participant hereto].

SECTION 3. Each party hereto hereby covenants and agrees that it will not institute against, or join any other Person in instituting against, any Conduit Purchaser, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding, or other proceeding under any federal or state bankruptcy or similar law, for one year and one day after the latest maturing Note

issued by such Conduit Purchaser is paid in full. The covenant contained in this paragraph shall survive any termination of the Receivables Purchase Agreement.

SECTION 4. THIS AGREEMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW YORK (INCLUDING FOR SUCH PURPOSE SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK) EXCEPT TO THE EXTENT THAT THE PERFECTION OF A SECURITY INTEREST OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR COLLATERAL ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK.

SECTION 5. This Agreement may not be amended, supplemented or waived except pursuant to a writing signed by the party to be charged. This Agreement may be executed in counterparts, and by the different parties on different counterparts, each of which shall constitute an original, but all together shall constitute one and the same agreement.

(signatures commence on following page)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers as of the date first above written.

[____], as a Conduit Purchaser

By: _____

Name: _____

Title: _____

[Address]

[____], as a Related Committed Purchaser

By: _____

Name: _____

Title: _____

[Address]

[Commitment]

[____], as a related LC Participant

By: _____

Name: _____

Title: _____

[Address]

[Commitment]

[____], as Purchaser Agent for [_____]

By: _____

Name: _____

Title: _____

[Address]

Annex C-3

By: _____
Name: _____
Title: _____

Consented and Agreed:

PNC BANK, NATIONAL ASSOCIATION, as Administrator

By: _____
Name: _____
Title: _____

Address: PNC Bank, National Association
The Tower at PNC Plaza
300 Fifth Avenue
Pittsburgh, PA 15222
Attention: Robyn Reeher
Email: ABFAdmin@pnc.com
robyn.reeher@pnc.com

PNC BANK, NATIONAL ASSOCIATION, as LC Bank

By: _____
Name: _____
Title: _____

Address: PNC Bank, National Association
The Tower at PNC Plaza
300 Fifth Avenue
Pittsburgh, PA 15222
Attention: Robyn Reeher
Email: ABFAdmin@pnc.com
robyn.reeher@pnc.com

[THE PURCHASER AGENTS]

By: _____
Name: _____
Title: _____

Annex C-4

[Address]

Annex C-5

ANNEX D

FORM OF TRANSFER SUPPLEMENT

Dated as of [_____, 20__]

Section 1.

Commitment assigned:	\$ _____
Assignor's remaining Commitment:	\$ _____
Capital allocable to Commitment assigned:	\$ _____
Assignor's remaining Capital:	\$ _____
Discount (if any) allocable to	
Capital assigned:	\$ _____
Discount(if any) allocable to Assignor's	
remaining Capital:	\$ _____

Section 2.

Effective Date of this Transfer Supplement: [_____]

Upon execution and delivery of this Transfer Supplement by transferee and transferor and the satisfaction of the other conditions to assignment specified in Section 6.3(c) of the Receivables Purchase Agreement (as defined below), from and after the effective date specified above, the transferee shall become a party to, and have the rights and obligations of a Related Committed Purchaser under, the First Amended and Restated Receivables Purchase Agreement, dated as of December 5, 2016 (as amended, restated, supplemented or otherwise modified through the date hereof, the “Receivables Purchase Agreement”), among KELLY RECEIVABLES FUNDING, LLC, as Seller, KELLY SERVICES, INC., as initial Servicer, the various Purchasers, Purchaser Agents and LC Participants from time to time party thereto, and PNC Bank, National Association, as Administrator and as LC Bank.

Annex D-1

ASSIGNOR: [____], as a Related Committed Purchaser

By: _____
Name: _____
Title: _____

ASSIGNEE: [____], as a Purchasing Related Committed Purchaser

By: _____
Name: _____
Title: _____

[Address]

Accepted as of date first above
written:

[____], as Purchaser Agent for
the [____] Purchaser Group

By: _____
Name: _____
Title: _____

Annex D-2

FORM OF PAYDOWN NOTICE

(Attached)

Annex E-1

ANNEX F

FORM OF LETTER OF CREDIT APPLICATION

(Attached)

Annex F-1

CERTIFICATIONS

I, Christopher D. Layden, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kelly Services, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2026

/s/ Christopher D. Layden
Christopher D. Layden
President and
Chief Executive Officer

CERTIFICATIONS

I, Troy R. Anderson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kelly Services, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2026

/s/ Troy R. Anderson
Troy R. Anderson
Executive Vice President and
Chief Financial Officer

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Kelly Services, Inc. (the "Company") on Form 10-Q for the period ended June 28, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Christopher D. Layden, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 6, 2026

/s/ Christopher D. Layden
Christopher D. Layden
President and
Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to Kelly Services, Inc. and will be retained by Kelly Services, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Kelly Services, Inc. (the "Company") on Form 10-Q for the period ended June 28, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Troy R. Anderson, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 6, 2026

/s/ Troy R. Anderson
Troy R. Anderson
Executive Vice President and
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Kelly Services, Inc. and will be retained by Kelly Services, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.