

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

**FORM 8-K**

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

Date of Report (Date of earliest event reported): November 6, 2006

KELLY SERVICES, INC.

(Exact name of Registrant as specified in its charter)

<u>DELAWARE</u>	<u>0-1088</u>	<u>38-1510762</u>
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification Number)

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)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 1.01 Entry into a Material Definitive Agreement.**

On November 6, 2006 the Board of Directors of Kelly Services, Inc. (the "Company"), upon the recommendation of its Compensation Committee, approved amendments to the Company's Performance Incentive Plan, Equity Incentive Plan, Non-Employee Director Stock Award Plan and 1999 Non-Employee Directors Stock Option Plan (the "Plans").

The definition of "Fair Market Value" as it appears in the Equity Incentive Plan, the Non-Employee Director Stock Award Plan and the 1999 Non-Employee Directors Stock Option Plan was amended to provide that the price of share-based awards under the aforementioned Plans will be based on the closing market price on the grant date instead of an average of the high and low trading prices on the grant date.

The Company's Performance Incentive Plan, under which new awards are not being made but prior awards remain outstanding, the current Equity Incentive Plan and the 1999 Non-Employee Directors Stock Option Plan were also amended to clarify that certain adjustments in capitalization, such as a stock split or stock dividend, require a proportionate adjustment in outstanding awards under the Plans. The sole purpose of the Plan amendments is to clarify that these adjustments in capitalization will require a mandatory adjustment in share-based awards previously granted and outstanding, whether vested or unvested.

**Item 9.01. Financial Statements and Exhibits****(d) Exhibits**

- 10.1 Form of Amendment to Performance Incentive Plan.
- 10.2 Form of Amendments to Equity Incentive Plan.
- 10.3 Form of Amendment to Non-Employee Director Stock Award Plan.
- 10.4 Form of Amendments to 1999 Non-Employee Directors Stock Option Plan.

**SIGNATURE**

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

KELLY SERVICES, INC.

Date: November 9, 2006

/s/ Daniel T. Lis  
Daniel T. Lis

Senior Vice President,  
General Counsel and  
Corporate Secretary

**EXHIBIT INDEX**

<b><u>Exhibit No.</u></b>	<b><u>Description</u></b>
10.1	Form of Amendment to Performance Incentive Plan.
10.2	Form of Amendments to Equity Incentive Plan.
10.3	Form of Amendment to Non-Employee Director Stock Award Plan.
10.4	Form of Amendments to 1999 Non-Employee Directors Stock Option Plan.

## Exhibit 10.1. Performance Incentive Plan

Section 13 –Adjustments upon Changes in Capitalization of the Performance Incentive Plan is amended in its entirety to read as follows:

“In the event of a stock split, stock dividend, reverse stock split, combination of shares or conversion or exchange of voting shares for non-voting shares, the Board shall make a proportionate adjustment to the number and kind of shares available for issuance in the aggregate and to any individual under and pursuant to the Plan (including the settlement of ISOs), the number and kind of shares covered by outstanding Options and the per share exercise price of such Options, the numbers of outstanding SARs and Share Units and the terms of Foreign Awards. In the event of a reorganization or recapitalization, merger, consolidation or similar transaction involving the Company, a rights offering or any other change in the corporate or capital structure of the Company (other than as provided in the immediately preceding sentence), the Board shall make such adjustments as it may deem appropriate in the number and kind of shares available for issuance in the aggregate and to any individual under and pursuant to the Plan (including in settlement of ISOs), the number and kind of shares covered by outstanding Options and the per share exercise price of such Options, the numbers of outstanding SARs and Share Units and the terms of Foreign Awards. Any adjustment with respect to an ISO in connection with a transaction to which Section 424(a) of the Code (or its successor) applies shall be made in accordance therewith unless the Board specifically determines otherwise.”

## Exhibit 10.2. Equity Incentive Plan

Section 2 – Definitions and Rules of Construction of the Equity Incentive Plan was amended to read as follows:

“Fair Market Value: means, for any given date, the closing market price for a share of Company Stock as a Nasdaq Stock Market LLC security reported by the National Association of Securities Dealers, Inc. Automated Quotation System (“Nasdaq”) for that date (or, if no such prices are so reported for such date, for the latest preceding date on which such sale prices were so reported). If the Fair Market Value for a given date cannot be determined by reference to Nasdaq, it shall be determined in good faith by the Committee.”

Section 14 –Adjustments upon Changes in Capitalization of the Equity Incentive Plan was amended in its entirety to read as follows:

“In the event of a stock split, stock dividend, reverse stock split, combination of shares or conversion or exchange of voting shares for non-voting shares, the Board shall make a proportionate adjustment to the number and kind of shares available for issuance in the aggregate and to any individual under and pursuant to the Plan (including the settlement of ISOs), the number and kind of shares covered by outstanding Options and the per share exercise price of such Options, the numbers of outstanding SARs and Share Units and the terms of Foreign Awards. In the event of a reorganization or recapitalization, merger, consolidation or similar transaction involving the Company, a rights offering or any other change in the corporate or capital structure of the Company (other than as provided in the immediately preceding sentence), the Board shall make such adjustments as it may deem appropriate in the number and kind of shares available for issuance in the aggregate and to any individual under and pursuant to the Plan (including in settlement of ISOs), the number and kind of shares covered by outstanding Options and the per share exercise price of such Options, the numbers of outstanding SARs and Share Units and the terms of Foreign Awards. Any adjustment with respect to an ISO in connection with a transaction to which Section 424(a) of the Code (or its successor) applies shall be made in accordance therewith unless the Board specifically determines otherwise.”

## Exhibit 10.3. Non-Employee Director Stock Award Plan

Section 6. Grants of Class A Common Stock Awards of the Non-Employee Director Stock Award Plan was amended in its entirety to read as follows:

“Grants of Class A Common Stock. On the business day next following the date of the Annual Meeting of the Stockholders of Kelly held during each year during which the Plan is in effect (the “Date of Grant”), each Non-employee Director who was elected at that meeting or whose term continued thereafter as a Director at such meeting shall be granted a number of shares of Class A common stock which has a fair market value on the Date of Grant equal to 100% of the Non-employee Director’s annual retainer fee then in effect, exclusive of meeting or committee fees. Fair Market Value: means, for any given date, the closing market price for a share of Company Stock as a Nasdaq Stock Market LLC security reported by the National Association of Securities Dealers, Inc. Automated Quotation System (“Nasdaq”) for that date (or, if no such prices are so reported for such date, for the latest preceding date on which such sale prices were so reported). If the Fair Market Value for a given date cannot be determined by reference to Nasdaq, it shall be determined in good faith by the Committee. Fractional shares resulting from this formula shall be rounded, up or down, to the nearest whole share. The shares granted pursuant to this Plan shall be in addition to, and not in lieu of, the Non-employee Director’s annual retainer fee, meeting fees, or other compensation payable to each Non-employee Director as a result of his or her service on Kelly’s Board of Directors.”

#### Exhibit 10.4. 1999 Non-Employee Directors Stock Option Plan

Section 2 – Certain Definitions of the 1999 Non- Employee Directors Stock Option Plan was amended to read as follows:

“Fair Market Value: means, for any given date, the closing market price for a share of Company Stock as a Nasdaq Stock Market LLC security reported by the National Association of Securities Dealers, Inc. Automated Quotation System (“Nasdaq”) for that date (or, if no such prices are so reported for such date, for the latest preceding date on which such sale prices were so reported). If the Fair Market Value for a given date cannot be determined by reference to Nasdaq, it shall be determined in good faith by the Committee.”

Section 7 – Adjustments of the 1999 Non-Employee Directors Stock Option Plan was amended to read as follows:

##### SECTION 7 – Adjustments

In the event of a reorganization or recapitalization, merger, consolidation or similar transaction involving the Company, a stock-on-stock dividend or split, spin-off, reverse split or combination of the Company’s Class A common stock, a rights offering, or any other change in the corporate or capital structure of the Company affecting the Class A common stock, the Board shall make proportionate adjustments to the number and kind of shares which thereafter may be made subject to Options and in the numbers and kind of shares covered by outstanding Options and the per share exercise price of such Options. In the event of a merger, consolidation, or combination in which the consideration issued with respect to Shares is a combination of different types of property, the Board may designate the property or combination of property to be received upon the exercise of each such outstanding Option.