

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form S-8**REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933****KELLY SERVICES, INC.***(Exact name of registrant as specified in its charter)*

Delaware **38-1510762**
(State or other jurisdiction of incorporation or *(I.R.S. Employer Identification No.)*
organization)

**999 West Big Beaver Road
Troy, Michigan 48084**
(Address of registrant's principal executive offices)

**Kelly Services, Inc.
1999 Non-Employee Directors Stock Option Plan
and
Kelly Services, Inc.
Non-Employee Director Stock Award Plan**
(Full title of the Plans)

**Dan Lis
Kelly Services, Inc.
999 West Big Beaver Road
Troy, Michigan 48084
(248) 362-4444**
*(Name, address, including zip code, and telephone number,
including area code, of agent for service)*

CALCULATION OF REGISTRATION FEE

Title of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Class A Common Stock of Kelly Services, Inc., par value \$1.00 per share	100,000	\$31.74*	\$3,174,000	\$402.15

* Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457 and is based upon the average of the high and low sale prices for the registrant's Class A Common Stock as reported by The Nasdaq Stock Market, Inc. for April 23, 2004.

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PART I.

INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

The documents containing information specified by Part I of this Form S-8 Registration Statement (the "Registration Statement") have been or will be sent or given to participants in the plan listed on the cover of this Registration Statement (the "Plan") as specified in Rule 428(b)(1) promulgated by the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"). Such documents are not being filed with the Commission but constitute (along with the documents incorporated by reference into the Registration Statement pursuant to Item 3 of Part II hereof) a prospectus which meets the requirements of Section 10(a) of the Securities Act.

PART II.

INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. *Incorporation of Documents by Reference*

The following documents filed with the Securities and Exchange Commission are incorporated in this Registration Statement by reference:

1. Annual Report on Form 10-K of Kelly Services, Inc. (the "Company") for the fiscal year ended December 28, 2003;
2. Quarterly Reports on Form 10-Q of the Company for the fiscal quarters ended March 30, 2003; June 29, 2003, and September 28, 2003.
3. Current Reports on Form 8-K of the Company filed with the Commission of January 22, 2003, March 21, 2003 and April 23, 2003; July 22, 2003, September 3, 2003, October 21, 2003, January 21, 2004 and April 20, 2004.
4. Description of the Class A Common Stock of the Company included in the Company's Proxy Statement dated June 14, 1984, including any amendments or reports filed for the purpose of updating such description.

All documents subsequently filed by the Company pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), prior to the filing of a post-effective amendment which indicates that all securities offered hereunder have been sold or which deregisters all securities then remaining unsold, shall be deemed incorporated in this Registration Statement by reference and to be a part hereof from the date of the filing of such documents.

Item 4. *Description of Securities*

Not applicable.

Item 5. *Interests of Named Experts and Counsel*

Not applicable.

Item 6. *Indemnification of Directors and Officers*

Section 145 of the General Corporation Law of the State of Delaware provides that a corporation may indemnify any person who was or is a party to or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceedings, had no reasonable cause to believe his conduct was unlawful; provided, however, in a suit by or in the right of the corporation no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery of the State of Delaware or the court in which such action or suit was brought has determined upon application that, despite the adjudication of liability but in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnity or such expenses deemed proper by the court.

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The Company's Bylaws provide that the Company will indemnify its directors, officers, employees and agents to the fullest extent permitted by Delaware law. The Company's Bylaws additionally require the Company to advance expenses incurred by its directors, officers, employees and agents to the fullest extent permitted by Delaware law in connection with any matter with respect to which such persons may be entitled to seek indemnification.

The Company's Certificate of Incorporation provides that, to the fullest extent permitted by Delaware law, the Company's directors will not be liable for monetary damages for breach of the directors' fiduciary duty of care to the Company and its stockholders. This provision does not eliminate the duty of care and, in appropriate circumstances, equitable remedies such as an injunction or other forms of non-monetary relief will remain available under Delaware law. Each director will also continue to be subject to liability for breach of the director's duty of loyalty to the Company or its stockholders, for acts or omissions not in good faith or involving intentional misconduct or a knowing violation of law, for unlawful distributions to stockholders and for any transaction from which the director derives an improper personal benefit. In addition, this provision does not affect a director's responsibilities under any other laws, such as the federal securities laws or state or federal environmental laws.

The Company has purchased an insurance policy which purports to insure the officers and directors of the Company against certain liabilities incurred by them in the discharge of their functions as officers and directors, except for liabilities resulting from their own malfeasance. The insurance policy provides coverage in the amount of \$75,000,000 for annual aggregate claims.

Item 7. Exemption from Registration Claimed

Not applicable.

Item 8. Exhibits

5.1	—	Opinion of George M. Reardon.
23.1	—	Consent of PricewaterhouseCoopers LLP.
23.2	—	Consent of George M. Reardon (contained in his opinion filed as Exhibit 5.1 to this Registration Statement).
99.1	—	Kelly Services, Inc. 1999 Non-Employee Directors Stock Option Plan.
99.2	—	Kelly Services, Inc. Non-Employee Director Stock Award Plan.

Item 9. Undertakings

A. Subsequent Disclosure.

The Company hereby undertakes:

(1) To file, during any period in which offers or sales are being made of the securities registered hereby, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of this Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this Registration Statement;

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(iii) To include any material information with respect to the plan of distribution not previously disclosed in this Registration Statement or any material change to such information in this Registration Statement;

provided however, that the undertakings set forth in paragraphs (i) and (ii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed or furnished to the Commission by the Company pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in this Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new Registration Statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

B. Incorporation by Reference.

The Company hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Company's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in this Registration Statement shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

C. Transmit Certain Material.

The Company hereby undertakes to deliver or cause to be delivered with the prospectus to each employee to whom the prospectus is sent or given a copy of the Company's annual report to stockholders for its last fiscal year, unless such employee otherwise has received a copy of such report in which case the Company shall state in the prospectus that it will promptly furnish, without charge, a copy of such report on written request of the employee. If the last fiscal year of the Company has ended within 120 days prior to the use of the prospectus, the annual report for the preceding year may be so delivered, but within such 120 day period the annual report for the last fiscal year will be furnished to each such employee.

D. Indemnification.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Company pursuant to the foregoing provisions, or otherwise, the Company has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Company of expenses incurred or paid by a director, officer or controlling person of the Company in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Company will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Troy, State of Michigan, on April 26, 2004.

KELLY SERVICES, INC.

By /s/ Terence E. Adderley

Terence E. Adderley
Chairman and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed below by the following persons on behalf of the Company in the capacities indicated on April 26, 2004.

Signature	Title
_____ /s/ Terence E. Adderley	Chairman of the Board and Chief Executive Officer (principal executive officer)
_____ Terence E. Adderley /s/ William K. Gerber	Executive Vice President and Chief Financial Officer (principal financial officer and principal accounting officer)
_____ William K. Gerber /s/ Carl Camden	Director
_____ Carl Camden /s/ Jane E. Dutton	Director
_____ Jane E. Dutton /s/ Maureen A. Fay	Director
_____ Maureen A. Fay /s/ Cedric V. Fricke	Director
_____ Cedric V. Fricke /s/ Verne G. Istock	Director
_____ Verne G. Istock /s/ Joseph White	Director
_____ Joseph White	

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
EX-5.1	Opinion of George M. Reardon
EX-23.1	Consent of PricewaterhouseCoopers LLP
EX-99.1	Kelly Services, Inc. 1999 Non-Employee Directors Stock Option Plan
EX-99.2	Kelly Services, Inc. Non-Employee Director Stock Award Plan

April 26, 2004

Kelly Services, Inc.
999 Big Beaver Road
Troy, Michigan 48084

Re: Registration Statement on Form S-8.

Ladies and Gentlemen:

I am the General Counsel of Kelly Services, Inc., a Delaware corporation (the "Company"). I am issuing this opinion in connection with the preparation of a registration statement on Form S-8 (the "Registration Statement") being filed on the date hereof with the Securities and Exchange Commission (the "SEC") under the Securities Act of 1933, as amended (the "Act") relating to the offering from time to time of up to 100,000 shares of the Company's Class A Common Stock, par value \$1.00 per share (the "Shares"), pursuant to the Kelly Services, Inc. 1999 Non-Employee Directors Stock Option Plan (the "Plan") and Kelly Services, Inc. Non-Employee Director Stock Award Plan.

In my capacity as counsel to the Company, I have examined copies of the Plans and such corporate proceedings, documents, records and matters of law as I have deemed necessary to enable me to render this opinion.

For purposes of this opinion, I have assumed the authenticity of all documents submitted to me as originals, the conformity to the originals of all documents submitted to me as copies and the authenticity of the originals of all documents submitted to me as copies. I have also assumed the legal capacity of all natural persons, the genuineness of the signatures of persons signing all documents in connection with which this opinion is rendered, the authority of such persons signing on behalf of the parties thereto other than the Company and the due authorization, execution and delivery of all documents by the parties thereto other than the Company. As to any facts material to the opinions expressed herein, I have relied upon the statements and representations of officers and other representatives of the Company.

My opinion expressed below is subject to the qualifications that I express no opinion as to the applicability of, compliance with, or effect of (i) any bankruptcy, insolvency, reorganization, fraudulent transfer, fraudulent conveyance, moratorium or other similar law affecting the enforcement of creditors' rights generally, (ii) general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law), (iii) public policy considerations which may limit the rights of parties to obtain certain remedies and (iv) any laws except the Delaware General Corporation Law.

Based upon and subject to the foregoing qualifications, assumptions and limitations and the further limitations set forth below, I hereby advise you that in my opinion, the Shares have been duly authorized by all necessary corporate action on the part of the Company, have been validly issued and are fully paid and nonassessable.

I hereby consent to the filing of this opinion with the SEC as Exhibit 5.1 to the Registration Statement. In giving this consent, I do not hereby admit that I am in the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the SEC.

I do not find it necessary for the purposes of this opinion, and accordingly I do not purport to cover herein, the application of the securities or “Blue Sky” laws of the various states to the issuance and sale of the Shares.

This opinion is limited to the specific issues addressed herein, and no opinion may be inferred or implied beyond that expressly stated herein. I assume no obligation to revise or supplement this opinion should the Delaware General Corporation Law be changed by legislative action, judicial decision or otherwise.

This opinion is furnished to you in connection with the filing of the Registration Statement and is not to be used, circulated, quoted or otherwise relied upon for any other purpose.

Very truly yours,

/s/ George M. Reardon
George M. Reardon
General Counsel

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in this Registration Statement on Form S-8 of our report dated January 20, 2004 relating to the financial statements, which appears in the 2003 Annual Report to Shareholders of Kelly Services, Inc. (the "Company"), which is incorporated by reference in the Company's Annual Report on Form 10-K for the year ended December 28, 2003. We also consent to the incorporation by reference of our report dated January 20, 2004 relating to the financial statement schedules, which appears in such Annual Report on Form 10-K.

PricewaterhouseCoopers L.L.P

Detroit, Michigan
April 26, 2004

KELLY SERVICES, INC
1999 NON-EMPLOYEE DIRECTORS STOCK OPTION PLAN

Section I — Purposes

The purposes of this 1999 Non-Employee Directors Stock Option plan are to assist the Company in attracting and retaining individuals of exceptional ability to serve as its directors and to more closely align their interests with those of the Company's shareholders.

Section 2 — Certain Definitions

The following terms have the following respective meanings under the Plan:

“Affiliated Entity” means any corporation, partnership, or other business enterprise in which the Company directly or indirectly has a significant equity interest under generally accepted accounting principles.

“Board” means the Board of Directors of the Company.

“Company” means Kelly Services, Inc.

“Fair Market Value” means, for any given date: (i) if the Shares are then listed for trading on one or more national securities exchanges (including for this purpose the NASDAQ “National Market”), the average of the high and low sale prices for a Share on the principal such exchange on the date in question (or, if no Share traded on such exchange on such date, the next preceding date on which such trading occurred); (ii) if (i) is then inapplicable but bid and asked prices for Shares are quoted through NASDAQ, the average of the highest bid and lowest asked prices so quoted for a Share on the date in question (or, if no prices for Shares were quoted on that date, the next preceding date on which they were quoted); and (iii) if both (i) and (ii) are inapplicable, the fair market value of a Share on the date in question as determined in good faith by the Board.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“NASDAQ” means the National Association of Securities Dealers, Inc. Automated Quotation System.

“Non-Employee Director” means a member of the Board who is not an employee of the Company or any Affiliated Entity.

“Option” means an option to purchase Shares granted under the Plan.

“Plan” means this 1999 Non-Employee Directors Stock Option Plan.

“Rule 16b-3” means Securities and Exchange Commission Rule 16b-3 (or any successor rule or regulation), as in effect and applicable to the Company at a given time.

“Shares” means shares of the Company’s Class A common stock, par value \$1.00 per share, or such other securities or other property as may become subject to an Option pursuant to an adjustment made under Section 6 hereof.

Section 3 — Administration

3.1 The Plan shall be administered by the Board, which shall have full power and authority to prescribe and amend the forms of option agreements, notices, and all other documents or instruments required under or determined by the Board to be advisable with respect to the Plan, to establish, revise, suspend, and waive such rules and procedures and appoint such agents as it deems appropriate for the administration or operation of the Plan, to construe and interpret the Plan, any option agreement, and any other instrument or document relating to the plan or any Option, to decide any question and settle any dispute which may arise in connection with the Plan or any Option, and to make any other determination, and take any other action that the Board deems necessary or desirable for the administration or operation of the Plan. All interpretations, determinations, or other decisions of the Board concerning the Plan or any Option shall be conclusive and binding upon all interested parties.

3.2 Notwithstanding the foregoing or any other provision of the Plan to the contrary, however, it being the intention that all Options shall satisfy all then applicable criteria under Rule 16b-3, the Board shall have no authority or discretion at any time to make any determination or take any other action which would cause any Option then outstanding or which thereafter may be granted to fail to meet such criteria.

Section 4 — Eligibility

The only persons who shall be granted Options are those individuals who at time of grant are Non-Employee Directors.

Section 5 — Available Shares

Subject to adjustment as provided in Section 7, the aggregate maximum number of Shares available for settlement of Options is 100,000, which Shares

may be either authorized and issued Shares acquired by the Company and held in its treasury (“treasury shares”) or authorized and unissued Shares. There shall be reserved at all times for issuance under the Plan a number of Shares equal to the aggregate maximum number of Shares that may be issued in settlement of Options then outstanding and which thereafter may be granted under the Plan, less the number of treasury shares then reserved for Options. If an Option terminates or expires for any reason without having been exercised in full, the Shares subject to the Option immediately prior to such expiration or termination shall again become available for grants under the Plan.

Section 6 — Option Terms

6.1 Each Option shall be evidenced by a written option agreement in form approved by the Board, which agreement shall identify the Option as one granted under the Plan, the name of the grantee, and the date of grant, set forth the number of Shares subject to the Option, the exercise price per Share (which shall be the Fair Market Value of a Share on the grant date, or higher), and, either expressly or by reference to the Plan, the other terms and conditions of the Option; provided that, in the event of any inconsistency between the Plan and the agreement, the terms of the Plan shall govern.

6.2 The number of Shares subject to an Option, the time at which the Option or any portion thereof first becomes exercisable (which may be the date of grant) and the latest date on which the Option may be exercised (the “expiration date”) shall be as specified at the time of grant; provided, however, that the expiration date of an Option shall be no later than ten (10) years after the date of grant. Each Option shall terminate in its entirety at the earlier of (i) the third anniversary of the date on which the grantee ceased to be a Company director; (ii) the date on which written notice of termination of the Option is given to the former director or such later date as is specified in that notice; or (iii) the expiration date of the Option. Each Option shall be non-transferable except by will or the laws of descent and distribution, and during the lifetime of the grantee may be exercised only by the grantee.

6.3 To the extent then exercisable, an Option may be exercised, in whole or in part, by delivery to the Secretary of the Company (or any such other Company officers or employees as the Board from time to time may designate) of a written notice of exercise in form acceptable to the Board and payment in full in cash of the aggregate exercise price for the number of shares for which the Option is being exercised; provided, however, an Option may not be exercised in whole or in part during the thirty (30) day period following the date the grantee ceases to be a Company director.

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 such adjustments as it may deem appropriate in 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.

Section 8 — Miscellaneous

8.1 The Board may at any time and from time to time amend, modify, suspend or terminate the Plan, with or without the approval of shareholders of the Company, except that: (i) no amendment or modification of the Plan shall be effective without shareholder approval at any time at which such approval is required, either by the applicable rules of any securities exchange (including the NASDAQ National Market) on which Company stock is then principally traded, or by Rule 16b-3; and (ii) none of the foregoing actions by the Board shall adversely affect any then outstanding Option without the holder's consent.

8.2 The Plan has been adopted by the Board subject to shareholder approval by the holders of the Company's Class B common stock. All Options granted prior to such shareholder approval shall be subject to such approval.

8.3 If at any time the Board shall determine that the listing, registration, or qualification of any Shares upon any national securities exchange or under any federal, state, local or foreign law, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of, or in connection with, the issuance or delivery of Shares pursuant to the Plan, then, notwithstanding any other provision of the Plan to the contrary, no Shares shall be issued or delivered unless and until such listing, registration, qualification, consent, or approval shall have been effected or obtained, or otherwise provided for, free of any conditions not acceptable to the Board.

8.4 Neither the grantee of an Option, nor any other person to whom the Option or the grantee's rights thereunder may pass, shall be, or have any rights or privileges of, a holder of Shares in respect of any Shares subject to such Option, unless and until it has been duly exercised and certificates representing such Shares have been issued in the name of such grantee or other person.

8.5 The Company shall have the right to require the holder of an Option to make payments in cash upon the exercise of the Option, in connection with any obligation of the Company to withhold taxes upon such exercise. Any such required payment shall be a condition precedent to settlement of such Option.

8.6 The Plan and all actions taken under it shall be governed by the internal laws of the State of Delaware.

**KELLY SERVICES, INC.
NON-EMPLOYEE DIRECTOR
STOCK AWARD PLAN**

1. **Establishment.** Kelly Services, Inc. (“Kelly”) hereby establishes the Kelly Services, Inc. Non-employee Director Stock Award Plan (the “Plan”), as set forth in this document.

2. **Purpose.** The purpose of the Plan is to enhance Kelly’s ability to attract and retain the services of well-qualified directors who are not officers or employees of Kelly or any of its subsidiaries (“Non-employee Directors”) by providing them with an opportunity to participate in the growth of Kelly and to align the personal interests of Non-employee Directors with those of Kelly’s stockholders.

3. **Duration of the Plan.** The Plan shall become effective upon approval of Kelly’s Board of Directors, subject to ratification by Kelly’s Class B common stockholders by an affirmative vote of a majority of Class B common stock voting at that meeting, so long as a quorum is present, within one year of the Board of Director’s approval. The Plan shall remain in effect until terminated by action of the Board of Directors.

4. **Shares Issuable Under the Plan.** Subject to adjustment as provided in Paragraph 5, the total number of shares of Kelly Class A common stock, par value \$1.00 (“Class A common stock”) which may be granted under the Plan in each year during which the Plan is in effect shall be the aggregate number of shares payable to the Non-employee Directors under the formula set forth in Paragraph 6 of the Plan, not to exceed one-quarter of one percent of the total number of outstanding Class A common stock as of the first day of that year. Shares to be issued under the Plan may be authorized and unissued shares or authorized and issued shares of Class A common stock which have been reacquired by Kelly and held as treasury shares.

5. **Capital Adjustments.** The aggregate number and class of shares subject to and authorized by the Plan shall be proportionately adjusted for any increase or decrease in the number of issued shares of Class A common stock resulting from the payment of a stock dividend, stock split, recapitalization, merger, consolidation, reorganization of shares or any similar capital adjustment or other increase or decrease in the number of outstanding Class A common stock effected without receipt of consideration by Kelly.

6. **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. The fair market value of the stock shall be determined using the mean between the highest and lowest sales prices of a share of Class A common stock as reported on the National Association of Securities Dealers Automated Quotation System ("NASDAQ") on the Date of Grant. If NASDAQ is not open on the Date of Grant, the shares will be valued at their fair market value as of the next preceding day on which NASDAQ is open. 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.

7. **Transferability.** The shares of Class A common stock granted to each Non-employee Director are not transferable by the Non-employee Director for a period of six months after the Date of Grant, except in the event of the death of the recipient.

8. **Rights of the Stockholder.** A Non-employee Director shall have no rights as a stockholder with respect to any shares of Class A common stock granted under the terms of this Plan until the Non-employee Director shall have become the holder of record of any such shares, and no adjustment shall be made for dividends in cash or other property or distribution of other rights with respect to any such shares of Class A common stock for which the record date is prior to the date on which the Non-employee Director shall have become the holder of record of any such shares.

9. **Termination of Service as a Non-employee Director.** In the event a Non-employee Director ceases to serve on the Board of Directors, all rights to receive Class A common stock hereunder shall terminate immediately.

10. **Amendment of Plan.** The Board of Directors may terminate, amend or modify the Plan at any time and from time to time; provided, however, that the provisions set forth in the Plan regarding the amount, price or timing of the grants of Class A common stock to Non-employee Directors may not be amended more than once every six months, other

than to comport with changes in the Internal Revenue Code, the Employee Retirement Income Security Act or the rules thereunder. Further, the Board of Directors shall not, without the requisite affirmative approval of stockholders of Kelly, make any amendment which requires stockholder approval under any applicable law, including Rule 16b-3 under the Securities Exchange Act of 1934, unless such compliance, if discretionary, is no longer desired.

11. **Compliance with Rule 16b-3.** It is intended that the Plan be applied and administered in compliance with Rule 16b-3 under the Securities and Exchange Act of 1934. If any provision of the Plan would be in violation of Rule 16b-3 if applied as written, such provision shall not have effect as written and shall be given effect so as to comply with Rule 16b-3, as determined by the Board of Directors.

12. **Securities Law Restrictions.** Kelly may impose such other restrictions on any shares of Class A common stock granted pursuant to this Plan as it may deem advisable including, but not limited to, restrictions intended to achieve compliance with the Securities Act of 1933, as amended, with the requirements of any stock exchange upon which the Class A common stock is then listed, and with any Blue Sky or state securities law applicable to such Class A common stock.

13. **Governing Law.** All determinations made and actions taken pursuant to the Plan shall be governed by the laws of the State of Delaware and construed in accordance therewith to the extent not preempted by the laws of the United States.