

Provision	Section in Franchise Agreement	Summary
s. Modification of the agreement	§§ 22 and 28 of Franchise Agreement	We may make system-wide changes applied on a uniform and consistent basis to each franchisee, and we must notify you of the change. We must give you at least 60 days prior written notice for the adoption or discontinuance of any line of business, trademark, service mark or trade name. Any other modification must be made by written agreement signed by you and us.
t. Integration/merger clause	§ 28 of Franchise Agreement	Only terms of Franchise Agreement and other related written agreement are binding (subject to applicable state law). No other representations or promises will be binding. Nothing in the Franchise Agreement or in any other related written agreement is intended to disclaim representations made in the Franchise Disclosure Document.
u. Dispute resolution by arbitration or mediation	§ 27 of Franchise Agreement	Non-binding mediation required before litigation (with limited exceptions).
v. Choice of forum	§ 27 of Franchise Agreement	Mediation in the state in which we have our principal place of business, and litigation in the federal district where we have our principal place of business, subject to state law.
w. Choice of law	§ 27 of Franchise Agreement	Georgia, subject to state law.

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

Spherion believes it will be helpful for a prospective franchisee to know the average Gross Profit Percentage, the average per Franchise Agreement Sales, and the average per Franchise Agreement Gross Profit of its franchises in Fiscal Year 2024. The first set of below charts presents that data for franchisees grouped by the number of years that they have been operating, followed by a chart that combines the information for all of the represented franchisees. "Gross Profit" ("GP" in the below table) and "Sales" have the meanings given them in the Franchise Agreement. As used in this Item 19, "Gross Profit Percentage" ("GP %" in the below table) means the percent determined by dividing Gross Profit by Sales.

The following figures are for our Spherion General Staffing franchises (many of which have the right to provide Professional Services through the Professional Services Addendum) for Fiscal Year 2024:

1-5 Years

	Sales	Gross Profit	Gross Profit %
Average	\$2,266,757	\$509,362	26.2%
Median	\$1,054,773	\$293,004	22.2%
Max	\$9,823,691	\$2,027,676	67.2%
Min	\$113,722	\$25,149	13.9%

6-10 Years

	Sales	Gross Profit	Gross Profit %
Average	\$4,673,580	\$930,403	20.7%
Median	\$3,275,051	\$692,068	21.03%
Max	\$20,781,769	\$3,884,766	24.3%
Min	\$330,832	\$73,753	16.8%

10+ Years

	Sales	Gross Profit	Gross Profit %
Average	\$7,940,865	\$1,682,839	22.3%
Median	\$4,277,655	\$857,792	21.2%
Max	\$46,397,126	\$8,327,447	37.0%
Min	\$566,943	\$69,864	12.3%

All Franchisees (At Least 1 Year)

	Sales	Gross Profit	Gross Profit %
Average	\$5,643,748	\$1,193,314	23.2%
Median	\$2,870,331	\$690,869	21.5%
Max	\$46,397,126	\$8,327,447	37.0%
Min	\$113,722	\$25,149	12.3%

Some outlets have earned these amounts. Your individual results may differ. There is no assurance that you'll earn as much.

In order to be included in the above information, the Spherion franchise must have been in operation for the entire fiscal year. The information for Sales and Gross Profits is on a per franchisee basis. That is, if a franchisee has more than one Franchise Agreement with us, then the numbers achieved under each Franchise Agreement are combined. If a franchisee has more than one office under the same Franchise Agreement, these offices are aggregated to determine the Sales and Gross Profit numbers for that Franchise Agreement. The above charts exclude six existing franchisees as of December 31, 2024 because they were not open and operating for the entire 2024 calendar year.

In FY 2024, seven of the nineteen (36.8%) franchisees with tenure of 1-5 years under contract surpassed the average Gross Profit Percentage stated above. Seven of the nineteen General Staffing franchisees (36.8%) surpassed the average annual Sales stated above, and seven of the nineteen General Staffing franchisees (36.8%) surpassed the average annual Gross Profit stated above.

In FY 2024, seven of the twelve (58.3%) franchisees with tenure of 6-10 years under contract surpassed the average Gross Profit Percentage stated above. Five of the twelve General Staffing franchisees (41.7%) surpassed the average annual Sales stated above, and six of the twelve General Staffing franchisees (50.0%) surpassed the average annual Gross Profit stated above.

In FY 2024, fourteen of the thirty-three (42.4%) franchisees with tenure of 10+ years under contract surpassed the average Gross Profit Percentage stated above. Twelve of the thirty-three General Staffing franchisees (36.4%) surpassed the average annual Sales stated above, and eleven of the thirty-three General Staffing franchisees (33.3%) surpassed the average annual Gross Profit stated above.

In FY 2024, nineteen of the sixty-four (29.7%) franchisees of at least 1 year tenure under contract surpassed the average Gross Profit Percentage stated above. Twenty of the sixty-four franchisees (31.3%) surpassed the average annual Sales stated above, and twenty-two of the sixty-four General Staffing franchisees (34.4%) surpassed the average annual Gross Profit stated above

The information in this Item 19 includes franchisees operating mature offices, and a number of franchisees who bought existing offices, either from us or from a franchisee, as opposed to starting a new office. The information is for all of our Spherion branded franchised operations. However, the information does not include any of the “Area-Based Franchise Agreement” program franchises, described further in Item 1, which operate under a fundamentally different relationship and agreement.

The financial performance representations above do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenues or gross sales figures to obtain your net income or profit. As stated below, you should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees listed in the Disclosure Document may be one source of information. To help you analyze what your expenses might be on a monthly basis, we have listed below what we believe to be your normal monthly expense items.

Salaries and Wages
Commission/bonus accrual
Employee Benefits (including payroll taxes and health, life and disability insurance)
Franchise Data Processing Allocation (Franchise Support Fee - Section 8 of the Franchise Agreement)
Insurance (for example, see the required insurances in Section 7(q) of the Franchise Agreement)
SEM (Search Engine Marketing)
SEO (Search Engine Optimization)
Internet/online and social media advertising
Email & text/SMS marketing
Out-of-home/billboard advertising
TV/Cable/YouTube video advertising
Radio advertising
Grass roots marketing (flyers, posters and other traditional & digital collateral)
Meetings/seminars/courses/conventions
Office supplies
Equipment/software repair/maintenance
Bank/credit card fees
Rent (premises lease)

Rent (equipment)
 Repairs and maintenance
 Depreciation and amortization expense
 Utilities
 Interest Expense (includes interest on AR over 60 days charged by Spherion)
 Professional fees
 Telecommunications
 Automobile & parking
 Other Travel
 Customer relations/development
 Bad debt expense
 Taxes & franchises
 Miscellaneous

This expense listing may not be a complete listing for you, and we do not make any representations to you as to what the actual expenses in each category will be. The answers to those questions will depend on your market and how you set up your business. You should consult with your financial advisor, as well as discuss the list and the expenses involved with our other franchisees, and former franchisees, which are listed at Exhibit I to this Disclosure Document.

Written substantiation of the data used in the preparation of this Item 19 will be made available to you upon reasonable request.

Other than the above financial performance representations, we do not make any representations about a franchisee's future financial performance or the past financial performance of any company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Kathy George at 3625 Cumberland Blvd., Suite 500, Atlanta, GA 30339, (888) 218-4417, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 **OUTLETS AND FRANCHISEE INFORMATION**

All year-end numbers appearing in the tables below are as of December 31.

Item 20 Table No. 1 **System Wide Outlet Summary** **For Years 2022 to 2024**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised*	2022	208	215	7
	2023	215	210	-5
	2024	210	189	-21
Company-Owned	2022	0	0	0
	2023	0	2**	2
	2024	2	3***	1