



IT ALL STARTS WITH A HANDSHAKE



COMPANY:	ADDRESS:	
DATE:	CITY:	
ATTENTION:	STATE:	ZIP:

SERVICE AGREEMENT

Labor Systems is a privately owned and operated temporary staffing provider. We are pleased to present this requested quote for services and terms of agreement. We look forward to your consideration and partnership. First, we'll tell you how Labor Systems has been delivering custom labor solutions with the strength and trust of a firm handshake since 1985.

- ▶ It starts with a handshake: We still believe in doing business the old-fashioned way: with trust. We offer instant credit, no contracts and easy temp-to-hire.
- ▶ We provide trusted delivery: We offer custom labor strategies and match the right people to the right roles. Employees are provided with relevant equipment, and our satisfaction guarantee means you can make a change if it's not a match.
- ▶ We are consistently flexible: Our policies ensure consistent flexibility so you can get the help you need quickly. Many of our offices open at 5 am to accommodate last-minute placements, or reach us by phone 24/7 (877-TEMP-LBR).

Bottom line, Labor Systems is a provider of dependable temporary labor in a variety of industries. Our dedicated team is committed to giving you a quick response, a fair price and an employee who will help you survive the day (or beyond) with the proper skills and tools to maintain productivity.

SERVICES & RATES:

COMPANY

Labor Systems has evaluated the information provided by [redacted] (Referenced below as the CLIENT) and has determined the following roles are needed at this time. Pricing information and policies can be found below.

JOB TITLE	W/C CODE	HOURLY BILL RATE*	TEMP TO HIRE PERIOD	BACKGROUND CHECK REQUIRED**		DRUG SCREENING REQUIRED**	
				YES	NO	YES	NO
.....	YES	NO	YES	NO
.....	YES	NO	YES	NO
.....	YES	NO	YES	NO
.....	YES	NO	YES	NO
.....	YES	NO	YES	NO

*Labor Systems reserves the right, at any time, to adjust the hourly bill rate for the cost of imposed government mandates such as sick leave, healthcare and/or state or federal minimum wage increases. An additional ACA Surcharge of ____% and a Paid Sick Leave Surcharge of ____% (as mandated by AZ, OR, WA, or other states or localities as applicable) will be added to each invoice. Surcharges are subject to change annually.

**Additional fees may apply.

4 hour minimum per employee

PLEASE INITIAL



SERVICE POLICIES:

Labor Systems has developed the following policies over its 30+ years to help ensure efficiency for both parties.

WORK ORDERS: Work Orders require a signature by an authorized representative of your company. Supervision of employees is required and employees may be requested to work overtime, weekends, and holidays by contacting Labor Systems.

TEMP-TO-HIRE: Labor Systems offers a flexible temp-to-hire policy with no additional fees or buyouts.

WORKWEEK, OVERTIME AND PAY INCREASES: Overtime is paid and billed at time and one-half after completing 40 hours worked within the same work week or as otherwise mandated by state and federal laws. Labor Systems' workweek begins on Saturday and ends on Friday. It is possible to increase a temporary employee's rate of pay by signing a Pay Authorization Form. The bill rate will be adjusted accordingly. Weekend time cards should be signed AFTER the hours are worked.

EQUIPMENT: Labor Systems requests that you NOT "loan" a temporary employee ANY PERSONAL ITEMS i.e. Tools, Equipment, Vehicles or Cash – for any reason. Temporary Employees are NOT AUTHORIZED to operate vehicles without a signed indemnity agreement. Labor Systems can provide safety equipment which includes: Safety Glasses, Hard Hats, Work Boots, Vests, Gloves, Back Supports, Brooms, Rakes, and Shovels.

LEGAL COMPLIANCE: Labor Systems is responsible for providing workers' compensation as mandated by state law, ACA, FICA, federal and state taxes and other payroll related expenses. All temporary employees have completed the Form I-9, Employment Eligibility Verification. Labor Systems participates in the E-Verify program.

ADDITIONAL CHARGES: A TRIP CHARGE may apply if any work site is over 20 miles from any of our offices.

CREDIT TERMS: Invoices are generated weekly and due upon receipt unless other arrangements are agreed upon.

SAFETY AGREEMENT

We at Labor Systems value our temporary employees and know how important safety is to the success of our mutual businesses. Each of our temporary workers has the right to a safe and healthy workplace. Labor Systems (the staffing agency) and Client (the host employer) are joint employers of temporary workers, therefore, we have a shared responsibility for providing and maintaining a safe and healthy work environment. We have developed a safety partnership agreement, because we are committed to

keeping our temporary employees safe and work diligently to make sure they work safely, in safe conditions. This partnership is a key component to keeping workers safe. By agreeing to a safety partnership with us, we can work together to continually improve safety and reduce worker injuries. For the full breakdown of safety responsibilities please see our Safety Partnership Agreement. If you have any questions or want to discuss further, please contact our Risk department.

CLIENT TERMS OF AGREEMENT

The CLIENT, identified on page one of this agreement, has contracted with LABOR SYSTEMS, likewise identified. Both parties to this agreement accept the provisions as defined below:

LABOR SYSTEMS DUTIES AND RESPONSIBILITIES

1. LABOR SYSTEMS' responsibilities are to recruit, screen, interview, hire, and assign its qualified employees (Assigned Employees) to work under CLIENT's supervision.
2. To pay Assigned Employees their wages and provide the benefits that LABOR SYSTEMS offers to them (including unemployment insurance and workers' compensation as mandated by state law).
3. To maintain their personnel and payroll records; and to pay, withhold and remit payroll taxes and other legislatively mandated charges related to Assigned Employees.
4. Inquire about the working conditions to which Assigned Employees will be exposed at CLIENT's worksite, provide general safety education and training to Assigned Employees in a language the Assigned Employees understand.
5. Provide CLIENT, upon request, applicable injury information necessary for CLIENT to complete their OSHA form 300 and 300A.
6. Comply with federal, state and local labor and employment laws applicable to Assigned Employees, including the Immigration Reform and Control Act of 1986; the Internal Revenue Code ("Code"); the Employee Retirement Income Security Act ("ERISA"); the Health Insurance Portability and Accountability Act ("HIPAA"); the Family Medical Leave Act; Title VII of the Civil Rights Act of 1964; the Americans with Disabilities Act; the Fair Labor Standards Act; the Consolidated Omnibus Budget Reconciliation Act ("COBRA"); the Uniformed Services Employment and Reemployment Rights Act of 1994; the Patient Protection and Affordable Care Act (ACA); and the Occupational Safety and Health Act of 1970.
7. Comply with all provisions of the ACA applicable to Assigned Employees, including the employer shared responsibility provisions relating to the offer of "minimum essential coverage" to "full-time" employees (as those terms are defined in Code §4980H and related regulations) and the applicable employer information reporting provisions under Code §6055 and §6056 and related regulations.



CLIENT DUTIES AND RESPONSIBILITIES

1. CLIENT's responsibilities are to properly supervise, inform, educate and train Assigned Employees in the same manner as its own employees, be responsible for and safeguard all aspects of its business appropriately; provide safe working conditions and appropriate information, training and safety equipment with respect to any hazardous substances and/or conditions to which Assigned Employees may be exposed to at the CLIENT worksite, and exclude Assigned Employees from its benefit plans and non-safety and health related policies and practices.
2. The CLIENT agrees it will not change Assigned Employees' job duties or worksite location without LABOR SYSTEMS' express prior written approval.
3. The CLIENT agrees it will not assign LABOR SYSTEMS Assigned Employees to machinery, equipment or vehicles not covered by the CLIENT's liability and property damage insurance or to place LABOR SYSTEMS Assigned Employees in hazardous work conditions where sufficient protection is not provided.
4. The CLIENT agrees to properly supervise, control and safeguard its premises, processes, or systems and not permit Assigned Employees to operate any vehicle or mobile equipment, or entrust them with unattended premises, cash, checks, keys, credit cards, merchandise, confidential or trade secret information, negotiable instruments or other valuables without LABOR SYSTEMS express prior written approval or as strictly required by the job description provided to LABOR SYSTEMS.
5. The CLIENT has a responsibility to observe all laws and ordinances relating to safety and health and will provide a safe worksite and safe working conditions that comply with federal OSHA and applicable state and local laws and regulations, as well as maintain safety and health programs and processes, including accident prevention and all programs and processes applicable under the Occupational Safety and Health Act of 1970. The CLIENT shall indemnify LABOR SYSTEMS for any claims, penalties and damages resulting from the CLIENT's violations of OSHA regulations or other state laws with respect to the workplace or the equipment to which it assigns LABOR SYSTEMS Assigned Employees. The CLIENT shall, at a minimum:
 - a. Agree to provide whatever safety devices and equipment are necessary (including but not limited to guarding, engineering controls, and PPE) for the work to be performed safely and ensure Assigned Employees are both trained and properly using such safety devices and equipment.
 - b. Certify hazard analyses have been completed on applicable tasks the Assigned Employees will be performing. CLIENT should be able to identify, upon request, the manner in which related hazards were properly addressed, including, but not limited to, necessary PPE, guarding, engineering controls, training and education of Assigned Employees.
 - c. Ensure appropriate PPE (under OSHA) is properly used and maintained with proper information, training and education, including, at a minimum, when, what and why PPE is necessary, how to properly don, doff, adjust and wear applicable PPE, the limitations of the PPE and the proper care, maintenance, useful life and disposal of the applicable PPE. Proper maintenance includes, but is not limited to, cleaning, inspecting and decontaminating PPE as well as sanitizing shared PPE.
 - d. Provide appropriate site-specific and task specific job safety education and training to certify, qualify, evaluate, inform, instruct, remind and/or orientate all Assigned Employees in safety, injury, illness and prevention programs in the same manner the CLIENT would inform, train and educate its own employees.

- Training and education may include, but not limited to, such topics as injury reporting, bloodborne pathogens, hearing conservation, machine guarding, hazard communication, ergonomics, PPE, ladders, fall protection, lockout/tagout, silica awareness, confined space, materials handling, respiratory protection, powered industrial vehicles, control of hazardous energy, emergency action plan (including egress routes), excavation, heat stress, heat exhaustion and how to safely and properly perform job specific tasks. Training and education shall be in a language Assigned Employees understand. The minimum training provided shall include any required by law or CLIENT policies, including, but not limited to, all applicable federal OSHA and any other state safety requirements, guidelines and standards. This includes providing adequate notice, training and education to Assigned Employees and LABOR SYSTEMS of any unsafe conditions or potentially unsafe conditions and hazards at the workplace.
- e. Maintain documentation that verifies Assigned Employees were given site-specific job safety and task training and education. This documentation shall be kept for a period of no less than three years and shall include what subject matters were covered. CLIENT also agrees to send LABOR SYSTEMS a copy of such documentation upon request.
 - f. Maintain and record on CLIENT's OSHA form 300 and 300A any recordable injuries and illnesses of Assigned Employees in compliance with OSHA recordkeeping regulations, including the proper notification to OSHA of any OSHA reportable incidents within OSHA's required time limits.
 - g. Maintain any and all Safety Data Sheet documentation and retention of applicable documents required by the Occupational Safety and Health Act of 1970, as well as proper training and education compliant with OSHA and the Global Harmonization System under the United Nations; and refrain from exposing Assigned Employees to any hazardous chemicals (as defined by the OSHA Hazard Communication Standard and applicable state/local "right to know" law) under normal operating conditions or any foreseeable emergencies without proper training and required PPE.
 - h. Respond within a reasonable time to LABOR SYSTEMS' inquiries regarding working conditions at CLIENT's worksite and make CLIENT's worksite and records available for LABOR SYSTEMS' audits prior to and during Assigned Employees' assignments.
 - i. Notify LABOR SYSTEMS immediately of any Assigned Employee accidents or incidents, whether or not resulting in injury or illness, and provide LABOR SYSTEMS (within twenty-four (24) hours of any such accident or incident occurring) with applicable information and the right to conduct a post-incident site investigation and cooperate in any post-incident investigation, including making witnesses and records available.
 - j. Notify LABOR SYSTEMS immediately of any OSHA inspections, investigations, violations, consultations, complaints or requests for information and provide LABOR SYSTEMS with details on topics discussed in regards to above mentioned visits/requests, as well as any applicable plans and timelines for addressing/abating any violations, issues or concerns that were discussed.

PAYMENT TERMS, BILLABLE HOURS AND FEES

1. CLIENT's signature on time sheet/work order certifies that the reported hours are correct. CLIENT will pay LABOR SYSTEMS for the hours at the documented rates upon receipt of LABOR SYSTEMS' invoices. If an Assigned Employee works time defined by law as overtime or premium time, CLIENT will pay the same multiple of the regular bill rate as LABOR SYSTEMS is required to apply to the pay rate as mandated by state and federal laws, for such time.

PLEASE INITIAL



2. In the event that the CLIENT involves LABOR SYSTEMS Assigned Employees in work which is under government contract, the CLIENT must notify LABOR SYSTEMS immediately and pay whatever different rate may be mandated by the contract specifications.

3. LABOR SYSTEMS expects and the CLIENT agrees to pay the net amount of its invoice immediately upon receipt of the same.

a. Late Fees: To the extent permitted by law, CLIENT agrees to pay a late fee in an amount not to exceed 1.5% per month (18% per year) of any payment that is more than thirty (30) days late. The imposition and payment of the late fee shall not constitute a waiver of LABOR SYSTEMS' rights with respect to the default.

b. Additional Fees or Charges. CLIENT agrees if there are insufficient funds ("NSF") to cover a requested payment, or if CLIENT's bank rejects a debit for any reason or an ACH or check payment is returned, a fee not to exceed \$20 for each returned item will be charged. Invoice is not considered paid until the payment clears the bank and late fees will apply until funds are received. To the extent that LABOR SYSTEMS has paid or may pay a chargeback fee for legitimate transactions, a pre-lien fee for filling an Intent to Lien Notice, and any collection fees, attorney fees or court costs in the collection process because of CLIENT's failure to pay all invoiced amounts, CLIENT is obligated to reimburse LABOR SYSTEMS for any such sum paid and for related fees.

c. Billing Dispute. CLIENT must notify LABOR SYSTEMS of any alleged errors in the invoice within 30 days following the invoice date. If CLIENT does not notify LABOR SYSTEMS of an alleged error within this 30-day time period, CLIENT may not in the future contest the amount of the invoice or seek reimbursement for the alleged error in such invoice.

4. CLIENT agrees not to directly or indirectly cause or permit any Assigned Employee of LABOR SYSTEMS assigned to them pursuant to this agreement, to transfer to another entity's payroll, or to perform services while on the payroll of any person or firm other than LABOR SYSTEMS during the term of this agreement and for a period of 30 days after such Assigned Employee's assignment at CLIENT's locations ends. If CLIENT violates the

intent and or meaning of this paragraph, then CLIENT shall pay to LABOR SYSTEMS a fee in the amount of 20% of the Assigned Employee's annualized compensation, or \$1,000, whichever figure is higher.

5. CLIENT agrees that a fee of 4.0% on the invoice transaction amount will be added to the amount due for each invoice paid with a credit card. This fee does not apply if paid by Automated Clearing House (ACH) electronic payment system or check.

MISCELLANEOUS

1. The CLIENT agrees that LABOR SYSTEMS does not insure the CLIENT for damages to CLIENT owned, leased, borrowed or rented vehicles, machinery or equipment and materials to which LABOR SYSTEMS Assigned Employees may be assigned. The CLIENT indemnifies LABOR SYSTEMS against claims against bodily injury resulting from incidents involving such vehicles, machinery, equipment and materials.

2. In the event that the CLIENT contests the terms outlined above, it assumes liability for the cost of such a challenge.

3. Any action or proceeding arising out of or related to this agreement, including but not limited to, any action to collect amounts owed to LABOR SYSTEMS, shall be brought exclusively in the courts located in Maricopa County, Arizona. THE PARTIES HEREBY CONSENT TO THE VENUE AND TO THE JURISDICTION OF THE COURTS IN MARICOPA COUNTY, ARIZONA. In the event that any action or proceeding arising out of or related to this agreement is brought, the prevailing party shall be entitled to recover its attorney fees, costs and expenses.

4. BECAUSE LABOR SYSTEMS IS NEITHER A CONTRACTOR NOR A SUBCONTRACTOR, AND LABOR SYSTEMS IS NOT ON YOUR JOBSITE AND DOES NOT SUPERVISE, LABOR SYSTEMS OFFERS NO GUARANTEE AT ALL FOR THE RESULTS OF ANY JOB.

5. To the extent permitted by law, CLIENT will defend, indemnify and hold LABOR SYSTEMS and its subsidiaries, directors, officers, agents, representatives and employees harmless from all claims, losses and liabilities (including reasonable attorneys' fees) to the extent caused by CLIENT's breach of the agreement, its failure to discharge its duties and responsibilities set forth in this agreement, or the negligence, gross negligence or willful misconduct of CLIENT or CLIENT's officers, employees or authorized agents in the discharge of those duties and responsibilities. The above constitutes the entire agreement between parties.

By signing below, you hereby acknowledge and accept the conditions contained within this document as comprehensive terms of agreement for the scope of services outlined above.

<p>COMPANY:</p> <p>BY:</p> <p>PRINTED NAME:</p> <p>TITLE:</p> <p>DATE:</p>	<p>LABOR SYSTEMS TEMPORARY SERVICES</p> <p>BY:</p> <p>PRINTED NAME:</p> <p>TITLE:</p> <p>DATE:</p>
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Please send fully executed agreement to or