Eastridge WORKFORCE SOLUTIONS | An Employee Owned Company

EASTRIDGE WORKFORCE RECRUITMENT GENERAL TERMS & CONDITIONS

These Terms and Conditions, the attached Statements of Work ("SOWs"), and all Exhibits ("Exhibits"), (collectively this "Agreement"), are entered into by and between TEG Staffing, Inc. dba Eastridge Workforce Recruitment ("Eastridge"), with offices located at 2385 Northside Drive Suite 250, San Diego, CA 92108, and client listed on this invoice and/or timecard, as applicable, ("Client") for the provision of services as indicated herein ("Services"). Eastridge and Client are hereinafter referred to jointly as the "Parties" and each as a "Party."

1. **CONFIDENTIALITY.** In the course of the performance of services pursuant to this Agreement, Client or Eastridge (each, a "Recipient") may learn Confidential Information of the other Party (each, an "Discloser"). Recipient agrees to disclose such information to its employees or agents only on a need-to-know basis and agrees not to disclose such information to third parties unless legally required by judicial process. "Confidential Information" means information, including hard copy or electronic form, written or oral, which a person would reasonably consider to be confidential in nature, or has been marked "confidential" or "proprietary" or other similar markings. Confidential Information does not include information that (1) becomes public through no breach of Recipient; (2) Recipient rightfully receives from a third party without restriction; (3) Recipient develops independently or already had knowledge of such information prior to disclosure by Discloser as evidenced by Recipient's records; (4) Discloser gives to any third party without confidentiality limitations; (5) is in the Recipient's possession at the time of disclosure without restriction otherwise than as a result of the Recipient's breach of a legal obligation; or (6) is required to be disclosed by the Recipient to comply with applicable laws or governmental regulations, provided that the Recipient provides prior written notice of such disclosure to the Discloser so that Discloser has a reasonable opportunity to contest and/or seek a protective order, and takes reasonable and lawful actions to avoid and/or minimize the extent of such disclosure. Recipient shall only use the Confidential Information for the purposes of this Agreement and in no event shall Recipient use the Discloser's Confidential Information to reverse engineer or otherwise develop products or services functionally equivalent to the products or services of the Discloser. In addition to any other remedies that may be available to the Discloser at law, in equity or otherwise, Discloser will be entitled to seek injunctive relief against any threatened breach of this Section or the continuation of any such breach. The Parties' obligations under this Section will survive the termination of this Agreement.

2. **DATA PROTECTION.** Eastridge represents and warrants that, to its actual knowledge, any information provided via Eastridge's API does not contain any virus, worm, Trojan Horse, time bombs, trap door or back door, drop-dead device, or other devices developed to disable or to erase, damage or corrupt software, hardware or data (collectively "Viruses"). Eastridge further represents and warrants that it will make reasonable efforts and utilize industry standard practices to ensure that any information provided via Eastridge's API does not contain any such Viruses. Except as otherwise set forth herein, in no event shall Eastridge be liable to Client for any Viruses. Client agrees to hold Eastridge harmless from any and all third party claims, losses, damages, costs, or expenses (including without limitation, penalties and interest, reasonable attorneys' fees, and court costs) arising from such Viruses except to the extent the Viruses are a direct result of Eastridge's gross negligence, willful misconduct, and/or or violations of applicable law.

   To the extent the Services require Eastridge to receive personal data or personal information from Client, Eastridge may process any personal data or personal information, as those terms are defined in applicable privacy laws, in accordance with the requirements of the applicable privacy law relevant to the processing in providing the Services hereunder. Applicable privacy laws may include any local, state, federal, or international laws, standards, guidelines, policies, or regulations governing the collection, use, disclosure, sharing, or other processing of personal data or personal information with which Eastridge or its clients must comply. Such privacy laws may include (i) the EU General Data Protection Regulation 2016/679 (GDPR); (ii) the California Consumer Privacy Act of 2018 (CCPA); (iii) the California Privacy Rights Act ("CPRA") effective December 16, 2020, but set to become operative on January 1, 2023 and/or (iv) other laws regulating marketing communications, requiring security breach notification, imposing minimum security requirements, requiring the secure disposal of records, and other similar requirements applicable to the processing of personal data or personal information. Eastridge is acting as a Service Provider/Data Processor in relation to Client personal data and personal information, as

those terms are defined respectively under the GDPR/CCPA. Client is responsible for notifying Eastridge of any data privacy laws the data provided to Eastridge is subject to, and Client represents and warrants it has all necessary authority (including any legally required consent from data subjects) to transfer such information and authorize Eastridge to process such information in connection with the Services described herein.

Eastridge has established information security related operational requirements that support the achievement of information security commitments, relevant information security related laws and regulations, and other information security related system requirements. Such requirements are communicated in Eastridge's policies and procedures, system design documentation, and contracts with customers/clients. Information security policies have been implemented that define how systems and data are protected. Client is responsible for providing timely written notification to Eastridge of any additions, changes, or removals of access for Client to Eastridge provided systems or applications. If Client becomes aware of any known or suspected information security or privacy related incidents or breaches related to this agreement, Client should timely notify Eastridge via email at privacy@eastridge.com. Eastridge does not treat de-identified data or aggregate consumer information as personal data or personal information, and it reserve the right to convert Client personal data or personal information into de-identified data or aggregate consumer information for its own purposes.

3. **RESERVATION OF RIGHT TO MODIFY PRICING.** Eastridge reserves the right to increase the rates set forth in this Agreement to reflect increases in Eastridge's costs of doing business, including but not limited to increases due to mandatory benefits for employees under the Affordable Care Act, sick leave and/or paid time off laws, statutes and ordinances, minimum wage/exempt salary or computer professional hourly wage increases, statutory training requirements or similar legislation. Notwithstanding the foregoing, to cover annual increases in the cost of doing business, the rates set forth in this Agreement will be increased by 0.50% on the first payroll week of January of each calendar year, beginning on January 1 of the calendar year following the Effective Date of this Agreement. This adjustment is intended to primarily cover the cost of staff salary increases from year-to-year.

4. **INDEMNIFICATION.** Each Party (each, an "Indemnitor") will defend, indemnify, and hold harmless the other Party, (each, an "Indemnitee") from and against any and all third party claims, losses, damages, costs, or expenses (including without limitation, penalties and interest, reasonable attorneys' fees, and court costs), arising out of (i) the Indemnitor's performance or non-performance of any obligations, representations, warranties, covenants, or duties contained in this Agreement or any SOW; (ii) any actual or alleged negligent act or omission or intentional misconduct on the part of the Indemnitor; or (iii) any actual or alleged violation of applicable law on the part of Indemnitor.

5. **LIMITATION OF LIABILITY.** IN NO EVENT WILL EITHER PARTY BE LIABLE FOR ANY INDIRECT, PUNITIVE, SPECIAL, INCIDENTAL, EXEMPLARY, OR CONSEQUENTIAL DAMAGES OF ANY KIND (UNDER ANY THEORY OF LIABILITY, WHETHER BASED IN CONTRACT, TORT, OR OTHERWISE) IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, ANY LOST PROFITS, DATA, OR BUSINESS INTERRUPTION, EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

6. **DISPUTE RESOLUTION.** The Parties agree to meet and confer in good faith on all matters of common interest or all controversies, claims, or disputes ("Disputes") which materially affect the performance of either Party under this Agreement. Once one Party notifies the other of a Dispute, the Parties' designated account representatives will make all reasonable efforts to reach a resolution within two (2) weeks after receipt of such notice. If the Dispute cannot be resolved between the Parties' account representatives, the Parties will escalate the matters to their respective executive management, who will make all reasonable efforts to reach a resolution within two (2) additional weeks after such escalation. If the Dispute is not resolved by the Parties' respective executive management each Party shall be free to pursue litigation or any other recourse available to it under law and/or equity. All actions or proceedings arising in connection with this Agreement or the breach thereof shall be submitted to JAMS ("JAMS") for binding arbitration under its Comprehensive Arbitration Rules and Procedures if the matter in dispute is over $250,000, or under JAMS' Streamlined Arbitration Rules and Procedures if the matter in dispute is $250,000 or less (as applicable, the "Rules") to be held solely in San Diego, California, in the English

language in accordance with the provisions below. In the event of any arbitration or litigation between the Parties hereto with respect to this Agreement, the prevailing Party (the Party entitled to recover the costs of suit, at such time as all appeals have been exhausted or at the time for taking such appeals has expired) shall be entitled to recover reasonable attorneys' fees in addition to such other relief as the tribunal may award.

7. **GOVERNING LAW; JURISDICTION.** The laws of the State of California shall govern the validity and interpretation of this Agreement, the performance by the Parties of their respective obligations hereunder, and all other causes of action (whether sounding in contract or in tort) arising out of or relating to this Agreement or the termination of this Agreement without regard to its conflict of laws rules.

8. **NOTICES.** All written notices required by this Agreement must be delivered in person or by means evidenced by a delivery receipt and will be effective upon receipt. All notices shall be in English. Notices shall be sent to the set forth above or to such other address as may be designated by a Party from time to time in accordance with this Section.

9. **INDEPENDENT CONTRACTOR.** The Parties acknowledge and agree that the Parties are, and at all times shall act as, an independent contractor and not as an employee, partner, joint venturer or agent of the other Party. The Parties further acknowledge and agree that, unless otherwise instructed in writing, the Parties shall not represent themselves as the agent or legal representative of the other Party for any purpose whatsoever.

10. **NON-SOLICITATION.** The services that Eastridge renders are made possible only by a substantial investment in advertising, recruiting, and training a large staff of personnel. As such, except as otherwise prohibited by law, during the term of this Agreement and for a period of twelve (12) months thereafter, Client agrees that it shall not solicit or induce, either directly or indirectly, any Eastridge internal staff employee providing services on-site at Client for employment opportunities outside of Eastridge, including through any other staffing services provider, payroll provider or employer. This provision likewise applies if Client solicits the services of the Eastridge internal staff employee that is on-site at Client as a consultant or independent contractor. The foregoing shall not apply if the Eastridge internal staff employee independently respond to Client's general advertisement or posting in the ordinary course of business where such advertisement or posting is not directly aimed at the Eastridge internal staff employee. If Client breaches this provision, Client agrees to pay Eastridge damages in the amount equal to one (1) year's compensation offered to the internal staff employee hired. Client's payment of the damages is Eastridge 's exclusive remedy for Client's breach of this provision. The Parties intend that these damages constitute compensation, and not a penalty.

11. **ASSIGNMENT.** The Parties agree that this Agreement and any obligations hereunder may not be assigned or delegated by either Party without the prior written consent of the other Party, which shall not be unreasonably withheld.

12. **WAIVER.** Either Party's waiver of any breach or failure to enforce any of the terms and conditions of this Agreement at any time shall not in any way affect, limit or waive such Party's right thereafter to enforce and compel strict compliance with every term and condition thereof.

13. **CONSTRUCTION; SEVERABILITY**. All section captions and headings are for reference only and shall not be considered in interpreting or construing this Agreement. This Agreement will be fairly interpreted in accordance with its terms, without any strict construction in favor of or against either Party. English shall be the governing language of this Agreement. In the event any provision of this Agreement is held to be invalid, illegal, or unenforceable, then the invalid, illegal, or unenforceable provision shall be replaced by a revised provision, which, being valid, legal, and enforceable, comes closest to the intention of the Parties underlying the invalid, illegal, or unenforceable provision, and the remainder of this Agreement will remain binding and in full force and effect.

14. **COMPLETE AGREEMENT.** No modification to the Agreement will be binding, unless in writing and signed by an authorized representative of each party. Except as otherwise provided herein, this Agreement, including its

SOWS and Exhibits, which are incorporated herein by this reference, is the Parties' entire Agreement relating to its subject matter and supersedes all prior or contemporaneous oral or written communications, proposals, conditions, representations, and warranties and prevails over any conflicting or additional terms of any quote, order, acknowledgment, or other communication between the parties relating to its subject matter. Notwithstanding the foregoing, if Eastridge and Client have entered into a specific contractual document and there is a conflict between this Agreement and that specific contractual document, the specific contractual document shall supersede and control. No party is relying on any representations other than those expressly set forth herein and therein. If there is a conflict between this Agreement and any SOW (or Exhibits to SOWs), the SOW terms shall control first, then the Exhibits to the SOW shall control, and thereafter, this Agreement.

15. **EQUAL OPPORTUNITY EMPLOYER.** Eastridge is an Equal Opportunity Employer and complies with all federal and state equal opportunity and anti-discrimination laws. As an Equal Opportunity Employer, Eastridge has an ongoing commitment to present the best and most qualified individuals possible, without regard to perceived or actual race (including traits associated with race such as hairstyle and hair texture), sex (including pregnancy, childbirth, breastfeeding, and medical conditions related to pregnancy, childbirth, or breastfeeding), reproductive health choices, gender, gender identity, gender expression, genetic information, color, religion, religious creed (including religious dress and grooming practices), age (as prohibited by law), ancestry, national origin (including language use restrictions, cultural characteristics, and traits associated with national origin such as height and weight), marital status, status as a disabled veteran or veteran of the Vietnam era, military and veteran status, service in the uniformed services, expunged juvenile record, mental or physical disability (including HIV and AIDS), medical condition (including cancer and genetic characteristics), sexual orientation, denial of family and medical care leave, crime victim status, or any other basis proscribed by federal, state, or local law. Client agrees to likewise comply with all federal and state equal opportunity and anti-discrimination laws.

EXHIBIT 1
STATEMENT OF WORK: TEMPORARY STAFFING SERVICES

This Statement of Work: Temporary Staffing Services ("Temporary Staffing SOW" or "Exhibit 1") is entered into by and between TEG Staffing, Inc. dba Eastridge Workforce Recruitment ("EWR") and Client and governs the placement of temporary employees sourced by EWR and placed on assignment with Client (the "Assigned Employees"), as such services are more fully described below. EWR and Client are hereinafter referred to jointly as the "Parties" and each as a "Party."

EWR and Client agree that in the event of a conflict between any term or condition in the Agreement and any term or condition in this Temporary Staffing SOW, the terms and conditions set forth in this Temporary Staffing SOW shall supersede and control.

TIMEKEEPING PROCEDURES. Client's approval ("Approval") of hours worked by Assigned Employees certifies that the hours reported are correct and that the work was performed satisfactorily. Client's Approval may be communicated via email, timecard, web-based time approval portal or any other mutually agreed upon method. Client's Approval must be made on a weekly basis. Should Client fail to timely provide its Approval or dispute Assigned Employees' hours worked, the hours will be deemed accepted and an Approval by Client. Client will be sent a weekly itemized invoice for hours worked based on hours shown on the Assigned Employees' time cards or other approved time tracking method. Overtime shall be paid to the Assigned Employees in accordance with State and Federal law and billed with the applicable mark-up.

MARK-UP/BILLING RATE. Client will be billed at the applicable bill rates (or at a mark-up over the pay rate to the Assigned Employee) for all compensable time on an assignment, including, to the extent applicable, reporting time pay (as defined by applicable law), bonuses, stipends, mandated sick leave (including any mandated COVID paid leave), holiday pay, any legally mandated and/or mandatory training time (including any mandatory anti-harassment training), and/or any other compensation or payments made to Assigned Employees. To the extent applicable, any legally mandated and/or mandatory training time will count as hours worked for purposes of

overtime compensation. The mark-ups/bill rates are set forth in the Position Verifications attached to this Temporary Staffing SOW. Position Verifications will be provided for each type of assignment setting forth the job description and mark-up/bill rate for each position.

BUSINESS EXPENSES. Any business expenses incurred by Assigned Employees during their assignments with Client (including any telecommuting work arrangements with Client) shall be reimbursed and billed to Client as a direct pass through cost (unless paid as a bonus, stipend, and/or any other taxable income payment to Assigned Employees in which case the above detailed Mark-Up and Bill Rates would apply).

CONVERSION TERMS. If Client, including any affiliated entity or division of Client, wishes to hire an Assigned Employee either during the assignment or within a 12-month period following the date of the last day worked on assignment, Client may acquire the Assigned Employee as a regular member of Client's staff and convert the Assigned Employee to Client's payroll in accordance with the Conversion Fee Schedule set forth below. EWR reserves the right in its sole and absolute discretion to determine which positions are designated as professional, administrative and commercial. Further, Client agrees that Client may not convert more than 10% of the Assigned Employees in any given month unless otherwise authorized by EWR in writing. Breaks in service by the Assigned Employee of 30 calendar days or more will reset hours worked to zero for purposes of determining the Conversion Fee. Credit for hours worked will not apply if the Client is in breach of EWR's payment terms.

Professional and Administrative Positions

Hours on Assignment	**Conversion Fee (as a percentage of total annual compensation)**
0 – 720	25%
721 – 1040	15%
1041 +	10%

Commercial: Manufacturing & Distribution and Construction Positions

Hours on Assignment	**Conversion Fee (as a percentage of total annual compensation)**
0 – 240	20%
241 – 480	10%
481 – 720	5%
721 +	2.5%

NON-SOLICITATION. The services that EWR renders are made possible only by a substantial investment in advertising, recruiting, and training a large staff of personnel. As such, except as otherwise provided above with respect to the Conversions Terms, and except as otherwise prohibited by law, during the term of this Temporary Staffing SOW and for a period of twelve (12) months thereafter, Client agrees that it shall not solicit or induce, either directly or indirectly, any Assigned Employee or referred candidate for employment opportunities outside of EWR, including through any other staffing services provider, payroll provider or employer. This provision likewise applies if Client solicits the services of the Assigned Employee or referred candidate as a consultant or independent contractor. The foregoing shall not apply if the Assigned Employee or referred candidate independently respond to Client's general advertisement or posting in the ordinary course of business where such advertisement or posting is not directly aimed at the Assigned Employee or referred candidate. If Client breaches this provision, Client agrees that actual damages will be difficult to assess and that it shall pay EWR damages for any violation of this provision in the amount of $5,000 for non-professional positions and $10,000 for professional positions. Client's payment of the damages is EWR's exclusive remedy for Client's breach of this provision. The Parties intend that these damages constitute compensation, and not a penalty.

BILLING TERMS. Client will be sent a weekly itemized invoice for services provided by Assigned Employees, which is due and payable net 30 calendar days from the date of invoice. Please note that EWR does not operate on a paid-

when-paid basis. If applicable, Client will be billed for reporting time pay regardless of hours worked once an Assigned Employee reports for work in accordance with applicable law. Overtime shall be paid to the Assigned Employee in accordance with State and Federal law and billed with the applicable mark-up/ bill rate. In the event Client disputes any charge, Client must notify EWR in writing within 72 hours of receipt of invoice specifying the disputed charges and the reason for the dispute. Should Client fail to notify EWR of the dispute within 72 hours, such invoices will be deemed accepted and approved by Client and Client agrees to pay the invoices in accordance with this Section. Interest at 1% per calendar month (12% Annual Percentage Rate) will be assessed on undisputed amounts 30 calendar days or more past due. If full payment of undisputed amounts has not been received by EWR within 90 calendar days of the invoice date, a service charge of 25% may be imposed on all past due amounts. In the event Client is in breach of EWR's payment terms, EWR shall have the immediate right to terminate this Temporary Staffing SOW and all assignments.

JOB DESCRIPTION. Client agrees that the job description set forth in each Position Verification form is an accurate representation of the position to be filled by Assigned Employee(s). Client agrees that it will notify EWR in writing, and EWR must approve in writing, of any changes to the job description that result in the Assigned Employee performing materially different job functions from those stated in the Position Verification. Client understands and agrees that any injury to the Assigned Employee which results from modification of the job functions without written approval by EWR, will require Client to indemnify, defend and hold EWR harmless for all Workers' Compensation and other related costs EWR incurs as a result of such injury, and may result in a subrogation action to enforce such rights.

FINANCIAL MATERIALS/TRANSACTIONS. EWR does not ordinarily accept assignments that would require Assigned Employees to handle or come into contact with cash, checks, negotiables, bank information, tax returns or other valuables, including credit card information (collectively, "Financial Materials"). As a special accommodation to Client, however, EWR has agreed to allow its Assigned Employees to have access to Financial Materials in connection with the performance of their duties while on assignment with Client, as applicable. Client is responsible for providing appropriate supervision for Assigned Employees and for maintaining adequate security measures. Client hereby agrees that EWR assumes no liability for any loss, claim or damage that may arise as a result of Assigned Employees being entrusted with Financial Materials in the course of their assignment, if applicable. Client understands that insurance and bonding are Client's responsibility, as applicable.

BACKGROUND CHECKS: Client shall notify EWR in writing if it desires EWR to perform background checks on Assigned Employees. If Client elects EWR to perform background checks on Assigned Employees prior to starting on assignment with Client, Client may select from the following packages:

- ☐ BASIC + FEDERAL CRIMINAL W/INTL
- ☐ BASIC + FEDERAL CRIMINAL + EDU W/INTL
- ☐ BASIC + FEDERAL CRIMINAL + 5 PANEL eCUP W/INTL
- ☐ BASIC + FEDERAL CRIMINAL + SON + 10 PANEL xCUP W/INTL
- ☐ OTHER

Client understands and agrees that EWR adjudicates background checks based on EWR's evaluation criteria in compliance with applicable state and federal law. Should Client have its own adjudication guidelines, Client is responsible for providing EWR with Client's legally compliant adjudication guidelines in advance. The cost of background checks is included in the mark-up/bill rate.

CLIENT COMMITMENT. Client is responsible for the supervision, direction, and control of the work performed by Assigned Employees. Likewise, Client is responsible for compliance with all applicable federal, state and local laws related to the supervision, direction, and control of the Assigned Employees, including but not limited to wage and hour laws, such as meal and rest period regulations, reporting time, off the clock work prohibitions, hours and days of work. If Client requires Assigned Employees to use a timekeeping system other than EWR's web-based portal, Client is responsible for compliance with applicable federal and state wage and hours related to accurately capturing, recording and maintaining all timekeeping information, including but not limited to, accurately capturing the exact time and duration of all meal periods provided (e.g., no use of rounding for

recording meal periods), conducting regular audits to ensure compliance with rest and meal period regulations, and providing a mechanism for Assigned Employees to correct time capture errors and/or discrepancies and, further, Client agrees to provide prompt access to all timekeeping data for Assigned Employees to EWR upon request. Client also is responsible for the provision of a work environment that is free from unlawful harassment, discrimination and retaliation; and coordination with EWR regarding leaves (including paid sick leave) and accommodations under the Family and Medical Leave Act, the American's With Disabilities Act, or any other federal, state or local provision. All work is to be performed on Client's premises, unless otherwise authorized by EWR in writing. EWR assumes no liability for loss or damage caused by operation of Client's machinery, equipment, or any Vehicles (as defined below) by Assigned Employees. Client agrees that EWR is not responsible for loss of, breach of, or damage to any property (including physical or intellectual property), financial, proprietary, confidential, personnel, business, marketing, or any other Client data and information (whether in hardcopy or electronic format) or equipment that Client entrusts to Assigned Employees. Client agrees that Assigned Employees shall not be permitted to operate any type of motorized vehicle, including automobiles, forklifts, or other motorized vehicles, without the express written permission of EWR. Assigned Employees shall not be permitted to be exposed to gas, fumes or chemicals, as part of or during the course and scope of their assignment with Client, unless otherwise authorized by EWR in writing. Client is responsible for maintaining a safe work environment and for providing site- and job-specific safety training for each position, including providing personal protective equipment and instruction on its use. As Client retains day to day direction, supervision and control over Assigned Employees, Client agrees that it shall record any injuries to Assigned Employees on Client's own injury and illness log ("OSHA Log"), in accordance with 29 CFR 1904.31(b)(4). Client agrees to promptly communicate to EWR any (1) alleged violation of health or safety requirements; (2) accidents and/or injuries; (3) alleged violations of wage and hour law; and (4) claims of harassment, discrimination, or retaliation involving Assigned Employees. Client agrees to allow EWR representatives access to Client's premises to investigate accidents, injuries, or other safety concerns. Client agrees to indemnify, defend, and hold EWR and its affiliated entities, divisions, and employees harmless from and against any and all resulting claims and costs (including attorneys' fees), losses, damages, demands and property damage arising out of or resulting from the actual or alleged acts and/or omissions of, willful misconduct of and violations of applicable law by Assigned Employees on assignment with Client, and the actual or alleged acts and/or omissions of, willful misconduct of and violations of applicable law and/or breaches of obligations arising under this Agreement by Client.

OPERATION OF MOTOR VEHICLES. As a special accommodation to Client, EWR will permit Assigned Employees placed on assignment with Client in the positions expressly identified in a separate Position Verification Form and approved in writing by EWR, to occasionally operate motor vehicles (including forklifts) (collectively "Vehicles"), in connection with Assigned Employees' assignments with Client, provided the following requirements are met.

Client agrees to the following:

- For Forklifts Driving Positions Only: Client agrees that Assigned Employees are prohibited from driving forklifts on any public roads, whether such roads are state roads, city roads or local roads. Client further understands and agrees that the Assigned Employees will only be allowed to drive the forklifts in Client designated work locations. Client is solely responsible for all applicable training and certification of the Assigned Employees on proper usage of forklifts, at Client's sole cost and expense. Client agrees to provide to EWR proof of such training and certification of the Assigned Employees.
- Client shall carry liability insurance coverage in the amount of $1 Million each occurrence, $3 Million in the general aggregate and shall name EWR as an additional insured on such insurance policy. Client's insurance shall be primary and not contributory to EWR's insurance and shall provide a Waiver of Subrogation Endorsement in favor of EWR. Client will provide proof of the foregoing in the form of a Certificate of Insurance. Client further agrees to cooperate in all respects with EWR regarding any and all claims and causes of action and defenses of same, including support to EWR's insurance companies for any claims of subrogation against any responsible third party.

EXHIBIT 2
STATEMENT OF WORK: DIRECT HIRE STAFFING SERVICES

Eastridge WORKFORCE SOLUTIONS | An Employee Owned Company

This Statement of Work: Direct Hire Staffing Services ("Direct Hire SOW" or "Exhibit 2") is entered into by and between TEG Staffing, Inc. dba Eastridge Workforce Recruitment ("EWR") and Client and governs the placement of direct hire candidates with Client as referred by EWR (the "Candidates"), as such services are more fully described below. EWR and Client are hereinafter referred to jointly as the "Parties" and each as a "Party".

EWR and Client agree that in the event of a conflict between any term or condition in the Agreement and any term or condition in this Direct Hire SOW, the terms and conditions set forth in this Direct Hire SOW shall supersede and control.

PLACEMENT FEE. The placement fee is payable on a contingency basis, only if Client hires a Candidate through EWR's referral. The standard placement fee is a percentage of the agreed upon total first-year compensation for the Candidate hired. Provided that the placement fee is paid in full in accordance with the Billing Terms set forth below, EWR offers the following guarantee:

90-DAY GUARANTEE. If the Candidate hired resigns or is terminated for misconduct or other good cause within 90 days from the Candidate's start date, EWR will apply the placement fee already paid to a replacement search for that position. If the replacement search results in the placement of a second Candidate with a total first-year compensation greater than the first Candidate placed, EWR will bill Client an additional placement fee based on the increased total first-year compensation for such Candidate. Any days remaining on the 90-day replacement guarantee will be credited to the second placement only, with a minimum 30-day replacement guarantee. For example, if the first Candidate terminates after 40 days, a 50-day replacement guarantee will apply to the second placement; if the first Candidate terminates after 80 days, a minimum 30-day replacement guarantee will apply to the second placement. The replacement will be honored for six months from the last day of employment. There are no guarantees on replacement Candidates made after the second placement. This guarantee will not apply if the termination is the result of a lay-off, restructuring or downsizing, elimination of the position, Client's bankruptcy, or other reasons beyond the Candidate's control (including Client's negligence or unlawful acts). Client must notify EWR of the termination of employment within five (5) business days so EWR can begin the replacement search.

This guarantee constitutes the exclusive remedy provided by EWR and is in lieu of any other warranties, express or implied. This guarantee applies only if the placement fee is paid in full in accordance with the Billing Terms set forth below.

BILLING TERMS. The placement fee is determined when an EWR Candidate accepts a job offer from Client and the first-year compensation has been confirmed. Billing of the placement fee is sent upon the Candidate's start date, and payment is due net 15 days from the invoice date. If full payment of the placement fee has not been received by EWR within 30 days of the invoice date, interest at the rate of 1% per calendar month (12% Annual Percentage Rate) will be assessed. A service charge of up to 25% of the placement fee may be imposed on accounts with balances due over 90 days past the invoice date.

CLIENT COMMITMENT. Client agrees to give EWR its full cooperation, including providing a complete job description and a summary of the education and experience requirements for the position. If Client hires any Candidate presented by EWR within 12 months from the date the Candidate was presented, Client will be responsible for payment of the full placement fee. This provision applies if the Candidate is hired for any position (whether as an employee, temporary worker, consultant or independent contractor) by Client or any of its divisions, subsidiaries or affiliates, or by any other employer or payroll provider to whom Client refers the Candidate. In the event the Candidate EWR has presented has been entered in Clients records from another source, EWR's fee is earned if EWR's presentation caused the action leading to the eventual hire. Information about Candidates presented by EWR is confidential and not to be shared with others outside of Client. EWR undertakes its best efforts to ensure that Candidates presented meet Client's minimum qualifications. However, Client, as the ultimate employer, is solely responsible to satisfy itself as to the Candidate's expertise, qualifications, background, character, integrity, and suitability to provide the specific services Client requires. EWR will not be liable for any compensatory or other damages resulting from disqualification from employment, employment, and/or separation of employment of the Candidate.