
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **March 31, 2017**

GEE GROUP, INC.

(Exact name of registrant as specified in its charter)

<u>Illinois</u> (State or other jurisdiction of incorporation or organization)	<u>1-05707</u> (Commission File Number)	<u>36-6097429</u> (I.R.S. Employer Identification Number)
<u>184 Shuman Blvd., Ste. 420, Naperville, Illinois</u> (Address of principal executive offices)		<u>60563</u> (Zip Code)

Registrant's telephone number, including area code: **(630) 954-0400**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement

GEE Group, Inc., (the “Company”) entered into an Agreement and Plan of Merger dated as of March 31, 2017 (the “Merger Agreement”) by and among the Company, GEE Group Portfolio, Inc., a Delaware corporation and a wholly owned subsidiary of the Company, (the “GEE Portfolio”), SNI Holdco Inc., a Delaware corporation (“SNI Holdco”), Smith Holdings, LLC a Delaware limited liability company, Thrivent Financial for Lutherans, a Wisconsin corporation, organized as a fraternal benefits society (“Thrivent”), Madison Capital Funding, LLC, a Delaware limited liability company (“Madison”) and Ronald R. Smith, in his capacity as a stockholder (“Mr. Smith” and collectively with Smith Holdings, LLC, Thrivent and Madison, the “Principal Stockholders”) and Ronald R. Smith in his capacity as the representative of the SNIH Stockholders (“Stockholders’ Representative”). The Merger Agreement provided for the merger subject to the terms and conditions set forth in the Merger Agreement of SNI Holdco with and into GEE Portfolio pursuant to which GEE Portfolio would be the surviving corporation (the “Merger”). The Merger was consummated on April 3, 2017. As a result of the merger, GEE Portfolio became the owner 100% of the outstanding capital stock of SNI Companies, Inc., a Delaware corporation and a wholly-owned subsidiary of SNI Holdco (“SNI Companies” and collectively with SNI Holdco, the “Acquired Companies”).

The aggregate consideration paid for the shares of SNI Holdco (the “Merger Consideration”) was \$86 million minus the \$20,220,710.88 of Long Term Debt (as defined in the Merger Agreement) of the Acquired Companies immediately before closing plus or minus the “NWC Adjustment Amount” or the difference in the book value of the Closing Net Working Capital (as defined in Merger Agreement) of the Acquired Companies as compared to the Benchmark Net Working Capital (as defined in the Merger Agreement) of the Acquired Companies of \$9.2 million.

On the Closing Date, the Company made the following payments:

- *Cash Payment to Stockholders of SNI Holdco (the “SNIH Stockholders”).* At the Closing, the Company paid an aggregate of \$18,549,996 in cash to the SNIH Stockholders (the “Closing Cash Payment”).
- *Cash Payment to Participant’s in the Management Incentive Plan (the “MIP”) of the Acquired Companies .* At the Closing, the Company paid an aggregate of \$1,302,784 representing a portion of the payments due to the participants in the MIP of the Acquired Companies as a result of the Merger.
- *Cash Payment to UMB Bank, N.A., as Escrow Agent under the Escrow Agreement (as hereinafter defined) on behalf of MIP Participants.* At the Closing the Company paid an aggregate of \$157,896 of the amount otherwise payable to MIP participants to the Escrow Agent to be held for 18 months to reimburse, if necessary, certain other SNIH Stockholders as a result of certain indemnity claims made by the Company under the Merger Agreement.
- *Cash Payment to Escrow Agent on behalf of Certain SNIH Stockholders.* At the Closing, the Company paid an aggregate of \$82,355 of the amount otherwise payable to the unaccredited investors who were SNIH Stockholders to the Escrow Agent to be held for 18 months to reimburse, if necessary, certain other SNIH Stockholders as a result of indemnity claims made by the Company under the Merger Agreement.
- *Cash Payment to Escrow Agent to Cover Certain Expenses.* At the Closing, the Company paid an aggregate of \$500,000 to the Escrow Agent to fund the Stockholders’ Representative expense account.
- *Cash Payment to Cover Certain Seller Expenses.* At the Closing the Company paid an aggregate of \$2,391,307 to cover any expenses owed by the Acquired Companies for services rendered related to the Merger that were not paid prior to Closing.
- *Cash Payment to Reimburse for Certain Withholding Obligations.* At the Closing, the Company paid an aggregate of \$619,584 to SNI Holdco (to reimburse the Acquired Companies for withholding obligations incurred in making certain payments to employees as part of the Closing) which amount shall be included as an asset of the Acquired Companies in calculating the Closing Net Working Capital
- *Issuance of 9.5% Convertible Subordinated Notes.* At the Closing, the Company issued and paid to certain SNIH Stockholders an aggregate of \$12,5 million in aggregate principal amount of its 9.5% Convertible Subordinated Notes (the “9.5% Notes”). A description of the 9.5% Notes is set forth in Item 2.03 of this Form and is incorporated by reference into this Item 1.01.

- *Issuance of Series B Convertible Preferred Stock.* At the Closing, the Company agreed to issue to certain SNIH Stockholders upon receipt of duly executed letters of transmittal an aggregate of approximately 5,926,000 shares of its Series B Convertible Preferred Stock (with a value of \$28,800,000 based on the average daily VWAP of the Common Stock for the 20 trading days immediately prior to the closing date of the Merger). A description of the Series B Convertible Preferred Stock is set forth in Item 3.02 of this Form and is incorporated by reference into this Item 1.01.
- *Working Capital Reserve Fund.* At the Closing, \$1.5 million of the cash of the Merger Consideration was retained by the Company (the “Working Capital Reserve Fund”) and is subject to payment and adjustment as follows. The Merger Consideration will be adjusted (positively or negatively) based upon the difference in the book value of the Closing Net Working Capital (as defined in the Merger Agreement) as compared to the Benchmark Net Working Capital (as defined in the Merger Agreement) of \$9.2 million (such difference to be called the “NWC Adjustment Amount”). If the NWC Adjustment Amount is positive, the Merger Consideration will be increased by the NWC Adjustment Amount. If the NWC Adjustment Amount is negative, the Merger Consideration will be decreased by the NWC Adjustment Amount. If the Merger Consideration increases, then Company will pay the Stockholders’ Representative account for payment to SNIH Stockholders the amount of the increase plus the Working Capital Reserve Fund in immediately available funds within three (3) business days of a final determination thereof. If the Merger Consideration decreases, then SNIH Stockholders will pay the amount of the decrease to the Company within three (3) business days of a final determination thereof, which first shall be funded from the Working Capital Reserve Fund (which shall be credited to the SNIH Stockholders). If the amount of the Merger Consideration decrease exceeds the Working Capital Reserve Fund, then the SNIH Stockholders, will pay the difference to the Company, severally, not jointly, in accordance with their SNIH Ownership Proportion (as defined in the Merger Agreement), in immediately available funds within twenty (20) days of a final determination. If the Working Capital Reserve Fund exceeds the payment due from SNIH Stockholders then the remaining balance of those funds after the payment to the Company shall be paid to the Stockholders’ Representative’s account for payment to the SNIH Stockholders in immediately available funds.
- *Cash Payment to Senior Lender of Acquired Companies.* At the Closing, the Company paid \$20,220,710.88 to Monroe Capital, the senior lender to the Acquired Companies to repay in full the indebtedness owed by the Acquired Companies to Monroe Capital as of the date of the Closing.
- *Cash Payment to Former Senior Lender of the Company.* At the Closing, the Company paid \$7,630,697 to ACF FINCO, LLP, the Company’s former senior lender to repay in full the indebtedness owed by the Company to ACF FINCO, LLP as of the date of the Closing.
- *Working Capital Reserve Fund.* At the Closing, \$1.5 million of the cash of the Merger Consideration was retained by the Company (the “Working Capital Reserve Fund”) and is subject to payment and adjustment as follows. The Merger Consideration will be adjusted (positively or negatively) based upon the difference in the book value of the Closing Net Working Capital (as defined in the Merger Agreement) as compared to the Benchmark Net Working Capital (as defined in the Merger Agreement) of \$9.2 million (such difference to be called the “NWC Adjustment Amount”). If the NWC Adjustment Amount is positive, the Merger Consideration will be increased by the NWC Adjustment Amount. If the NWC Adjustment Amount is negative, the Merger Consideration will be decreased by the NWC Adjustment Amount. If the Merger Consideration increases, then Company will pay the Stockholders’ Representative account for payment to SNIH Stockholders the amount of the increase plus the Working Capital Reserve Fund in immediately available funds within three (3) business days of a final determination thereof. If the Merger Consideration decreases, then SNIH Stockholders will pay the amount of the decrease to the Company within three (3) business days of a final determination thereof, which first shall be funded from the Working Capital Reserve Fund (which shall be credited to the SNIH Stockholders). If the amount of the Merger Consideration decrease exceeds the Working Capital Reserve Fund, then the SNIH Stockholders, will pay the difference to the Company, severally, not jointly, in accordance with their SNIH Ownership Proportion (as defined in the Merger Agreement), in immediately available funds within twenty (20) days of a final determination. If the Working Capital Reserve Fund exceeds the payment due from SNIH Stockholders then the remaining balance of those funds after the payment to the Company shall be paid to the Stockholders’ Representative’s account for payment to the SNIH Stockholders in immediately available funds.

The SNIH Stockholders have agreed to indemnify the Company with respect to the breach of the representations and warranties set forth in the Merger Agreement. The relative responsibility and Indemnification Ceiling of each SNIH Stockholder is determined as set forth in the Merger Agreement. In addition, the indemnification obligations of the SNIH Stockholders are subject to certain overall baskets, deductibles and ceilings as set forth in the Merger Agreement. The Company is entitled to seek 'set off' or 'recoupment' for indemnification with respect to a respective SNIH Stockholder's 9.5% Notes or stock or other property, as may be owned by that SNIH Stockholder and held in escrow. \$8.6 million in aggregate principal amount of the 9.5% Notes will be held in escrow by the Escrow Agent against which the Company may seek set-off in the event of certain indemnification obligations of the SNIH Stockholders. These 9.5% Notes will be released from escrow after a period of eighteen months if there are no outstanding claims for indemnification, but not if there are outstanding claims for indemnification.

The Company has agreed to prepare and file with the Securities and Exchange Commission a proxy statement for the purpose of convening a meeting of its stockholders to obtain Requisite Shareholder Consent (as defined below) to approve the conversion of shares of Series B Convertible Preferred Stock and 9.5% Notes into Common Stock and the payment of interest on the 9.5% Notes in shares of Common Stock in excess of the Conversion Limit (as defined below).

The Company has agreed to provide the SNIH Stockholders with certain piggyback and demand registration rights with respect to the shares of Common Stock that are issuable upon the conversion of the Series B Convertible Preferred Stock and the 9.5% Notes.

The transaction has been unanimously approved by the board of directors of the Company and GEE Portfolio, by the Company as sole stockholder of GEE Portfolio and by each of the Acquired Companies.

The Company utilized \$52,336,000 of the proceeds from its Senior Credit Agreement (as defined below) to finance the Closing Cash Payment to the SNIH Stockholders as well as the other cash payments described above and made at the Closing.

SNI Companies, led by co-founder and current Chairman and CEO Ron Smith, is a premier provider of recruitment and staffing services specializing in administrative, finance, accounting, banking, technology, and legal professions. Through its Staffing Now®, Accounting Now®, SNI Technology®, SNI Financial®, Legal Now®, SNI Energy® and SNI Certes® divisions, SNI Companies delivers staffing solutions on a temporary/contract, temp/contract-to hire, full time and direct hire basis, across a wide range of disciplines and industries including finance, accounting, banking, technical, software, tax, human resources, legal, engineering, construction, manufacturing, natural resources, energy and administrative professional. SNI Companies has offices in Colorado, Connecticut, Washington DC, Georgia, Illinois, Iowa, Louisiana, Maryland, Massachusetts, Minnesota, New Jersey, Pennsylvania, Texas and Virginia.

The assets acquired primarily consist of accounts receivable, unbilled revenue, deposit, leases, customer contracts, fixed assets and other current assets. In addition, the purchase price for the Acquired Companies includes value derived from goodwill and the talented sales and recruiting personnel employed by the Acquired Companies.

A copy of the Merger Agreement is attached hereto as Exhibit 10.1. The description of the Merger Agreement contained in this Current Report on the Form 8-K is qualified in its entirety by referenced to Exhibit 10.1.

On April 3, 2017, the Company and Thrivent entered into an Agreement which restricts Thrivent from converting all or any portion of its shares of Series B Convertible Preferred Stock to the extent that after giving effect to such conversion as set forth in a written election to GEE to convert the Preferred Stock, Thrivent (together with Thrivent's Affiliates, and any other person or entity acting as a group together with Thrivent or any of Thrivent's Affiliates), would beneficially own Common Stock in excess of 4.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon conversion of Thrivent's Series B Convertible Preferred Stock (the "Beneficial Ownership Limitation"). The Beneficial Ownership Limitation may be waived by Thrivent, upon not less than 61 days' prior notice to the Company that Thrivent would like to waive the Beneficial Ownership Limitation with regard to any or all shares of Common Stock issuable upon conversion of the Series B Convertible Preferred Stock.

A copy of this Agreement is attached hereto as Exhibit 10.7. The description of this Agreement contained in this Current Report is qualified in its entirety by reference to Exhibit 10.7.

The Company will file with the Securities and Exchange Commission (the "SEC") the financial statements and pro forma financial information required to be filed pursuant to Rule 8-04 of Regulation S-X and Article 11 of Regulation S-X within 71 days after the date on which this Current Report on Form 8-K was required to be filed with the SEC.

Item 2.01 Completion of Acquisition of Disposition of Assets.

The information contained in Item 1.01 of this Form is hereby incorporated by referenced into this Item 2.01.

Item 2.03 Creation of a Direct Financial Obligation.

On April 3, 2017, the Company issued and paid to certain SNIH Stockholders as part of the Merger Consideration an aggregate of \$12.5 million in aggregate principal amount of its 9.5% Notes. The 9.5% Notes mature on October 3, 2021 (the "Maturity Date"). The 9.5% Notes are convertible into shares of the Company's Common Stock at a conversion price equal to \$5.83 per share (subject to adjustment as provided in the 9.5% Note upon any stock dividend, stock combination or stock split or upon the consummation of certain fundamental transactions) (the "Conversion Price") ; provided, however, that unless and until such time as the Company has received Requisite Stockholder Approval (as hereinafter defined) the Company shall not be permitted to make any interest payment in shares of Common Stock to the extent that such issuance would cause the Company to exceed the Conversion Limit. Interest on the 9.5% Notes accrues at the rate of 9.5% per annum and shall be paid quarterly in arrears on June 30, September 30, December 31 and March 31, beginning on June 30, 2017, on each conversion date with respect to the 9.5% Notes (as to that principal amount then being converted), and on the Maturity Date (each such date, an "Interest Payment Date"). At the option of the Company, interest may be paid on an Interest Payment Date either in cash or in shares of Common Stock of the Company, which Common Stock shall be valued at the average daily VWAP of the Common Stock for the 20 trading days immediately prior to such Interest Payment Date provided, however, that unless and until such time as the Company has received Requisite Stockholder Approval the Company shall not be permitted to make any interest payment in shares of Common Stock to the extent that such issuance would cause the Company to exceed the Conversion Limit. For purposes of the 9.5% Notes and the Company's Series B Convertible Preferred Stock, the term "Requisite Stockholder Approval" means approval by the stockholders of the Company in compliance with Section 712 of the NYSE MKT Company Guide and Regulation 14A under the Securities Exchange Act of 1934, as amended, of the issuance of shares of Common Stock that would constitute more than 19.99% of the Common Stock outstanding immediately prior to the closing date of the Merger (the "Conversion Limit") upon (i) the conversion of the Company's Series B Convertible Preferred Stock, and/or (ii) the conversion of the 9.5% Notes and/or (iii) the payment of interest on the 9.5% Notes in shares of Common Stock and/or (iv) any other issuance of Common Stock in connection with the issuance of the 9.5% Notes. All or any portion of the 9.5% Notes may be redeemed by the Company for cash at any time on or after April 3, 2018 that the average daily VWAP of the Company's Common Stock reported on the principal trading market for the Common Stock exceeds the then applicable Conversion Price for a period of 20 trading days. The redemption price shall be an amount equal to 100% of the then outstanding principal amount of the 9.5% Notes being redeemed, plus accrued and unpaid interest thereon. Except as otherwise provided in the 9.5% Notes, the Company may not prepay any portion of the principal amount of any 9.5% Note without the prior written consent of the holder thereof. Any prepayments of the 9.5% Notes shall be made on a pro rata basis to all holders of 9.5% Notes based on the aggregate principal amount of 9.5% Notes held by such holders. The Company shall be required to prepay the 9.5% Notes together with accrued and unpaid interest thereon upon the consummation by the Company of any Change of Control. For purposes of the 9.5% Notes, a Change of Control of the Company shall mean any of the following: (A) the Company effects any sale of all or substantially all of its assets in one transaction or a series of related transactions or (B) the consummation of any transaction (including, without limitation, any merger or consolidation), the result of which is that any person or entity together with their affiliates, becomes the beneficial owner, directly or indirectly, of more than 50% of the Common Stock of the Company. Thrivent is restricted in its 9.5% Note from converting all or any portion of its 9.5% Note into shares of Common Stock to the extent that after giving effect to such conversion Thrivent (together with its affiliates and any other person or entity acting as a group together with the Thrivent or any of Thrivent's affiliates) would beneficially own Common Stock in excess of 4.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon conversion of the Notes (the "Beneficial Ownership Limitation") The Beneficial Ownership Limitation may be waived by Thrivent, upon not less than 61 days' prior notice to the Company that Thrivent would like to waive the Beneficial Ownership Limitation with regard to any or all shares of Common Stock issuable upon conversion of its 9.5% Note. Each of the 9.5% Notes is subject to the right by the Company to the extent provided in the Merger Agreement, to set off any amounts payable to the holders of the 9.5% Notes against amounts owing by the SNIH Stockholders to the Company or the other Buyer Indemnified Parties. Each of the 9.5% Notes is subordinated in payment to the obligations of the Company to the lenders parties to that certain Revolving Credit, Term Loan and Security Agreement, dated as of March 31, 2017 by and among the Company, the Company's subsidiaries named as borrowers therein (collectively with the Company, the "Borrowers"), the senior lenders named therein and PNC Bank, National Association, as administrative agent and collateral agent (the "Agent") for the senior lenders (the "Senior Credit Agreement"), pursuant to those certain Subordination and Intercreditor Agreements, each dated as of March 31, 2017 by and among the Company, the Borrowers, the Agent and each of the holders of the 9.5% Notes.

None of the 9.5% Notes issued to the SNIH Stockholders are registered under the Securities Act of 1933, as amended (the "Securities Act"). Each of the SNIH Stockholders who received 9.5% Notes is an accredited investor. The issuance of the 9.5% Notes to such SNIH Stockholders is exempt from the registration requirements of the Act in reliance on an exemption from registration provided by Section 4(2) of the Act.

A copy of the Form of 9.5% Note is filed as Exhibit 4.1 hereto. Copies of the Subordination Agreements with each of the holders of the 9.5% Notes are filed as Exhibits, 10.1, 10.2, 10.3, 10.4, 10.5 and 10.6 hereto. The descriptions of each of the 9.5% Notes and the Subordination Agreements contained in this Current Report on the Form 8-K are qualified in their entirety by reference to Exhibits 4.1 and 10.1, 10.2, 10.3, 10.4, 10.5, and 10.6, respectively.

Item 3.02 Unregistered Sales of Equity Securities.

The information contained in Item 1.01 and in Item 5.03 of this Form is hereby incorporated by referenced into this Item 3.02.

On April 3, 2017, the Company agreed to issue to certain SNIH Stockholders upon receipt of duly executed letters of transmittal as part of the Merger Consideration, an aggregate of approximately 5,926,000 shares of its Series B Convertible Preferred Stock to certain of the SNIH Stockholders as part of the Merger Consideration. The Series B Convertible Preferred Stock has a liquidation preference equal to \$4.86 per share and ranks senior to all “Junior Securities” (including the Company’s Common Stock) with respect to any distribution of assets upon liquidation, dissolution or winding up of the Company, whether voluntary or involuntary. In the event that the Company declares or pays a dividend or distribution on its Common Stock, whether such dividend or distribution is payable in cash, securities or other property, including the purchase or redemption by the Company or any of its subsidiaries of shares of Common Stock for cash, securities or property, the Company is required to simultaneously declare and pay a dividend on the Series B Convertible Preferred Stock on a pro rata basis with the Common Stock determined on an as-converted basis assuming all Shares had been converted as of immediately prior to the record date of the applicable dividend or distribution. Except as set forth in the Resolution Establishing Series (as defined below) as may be required by Illinois law, the holders of the Series B Convertible Preferred Stock have no voting rights. Pursuant to the Resolution Establishing Series, without the prior written consent of holders of not less than a majority of the then total outstanding Shares of Series B Convertible Preferred Stock, voting separately as a single class, the Company shall not create, or authorize the creation of, any additional class or series of capital stock of the Company (or any security convertible into or exercisable for any class or series of capital stock of the Company) that ranks pari passu with or superior to the Series B Convertible Preferred Stock in relative rights, preferences or privileges (including with respect to dividends, liquidation or voting). Each share of Series B Convertible Preferred Stock shall be convertible at the option of the holder thereof into one share of Common Stock at an initial conversion price equal to \$4.86 per share, each as subject to adjustment in the event of stock splits, stock combinations, capital reorganizations, reclassifications, consolidations, mergers or sales, as set forth in the Resolution Establishing Series: provided, however, that unless and until such time as the Company has received Requisite Stockholder Approval a holder of Shares of Series B Convertible Preferred Stock shall not be permitted to effect any conversion of any shares of Series B Preferred Stock to the extent that the shares of Common Stock issuable upon such conversion when taken together with the shares of Common Stock previously issued with respect to (i) prior conversions of shares of Series B Convertible Preferred Stock, and/or (ii) prior conversions of any 9.5% Notes and/or (iii) the payment of dividends on any 9.5% Notes in shares of Common Stock and/or (iv) otherwise in connection with the issuance of the 9.5% Notes would result in the issuance of shares of Common Stock that exceed the Conversion Limit.

None of the shares of Series B Preferred Stock issued to the SNIH Stockholders are registered under the Securities Act. Each of the SNIH Stockholders who received shares of Series B Preferred Stock is an accredited investor. The issuance of the shares of Series B Preferred Stock to such SNIH Stockholders is exempt from the registration requirements of the Act in reliance on an exemption from registration provided by Section 4(2) of the Act.

Item 5.03 Amendment of Articles of Incorporation

On April 3, 2015, the Company filed a Statement of Resolution Establishing its Series B Convertible Preferred Stock with the State of Illinois. (the Resolution Establishing Series”). Pursuant to the Resolution Establishing Series, the Company designated 5,950,000 of its authorized preferred stock as “Series B Convertible Preferred Stock”, without par value. A description of the terms of the Series B Convertible Preferred Stock is set forth in Item 3.02. The information in Item 3.02 of this Form is hereby incorporated by reference into this Item 5.03.

A copy of the Statement of Resolution Establishing Series B Convertible Preferred Stock is filed as Exhibit 3.1 hereto. The description of the Series B Convertible Preferred Stock contained in this Current Report on Form 8-L is qualified in its entirety by reference to Exhibit 3.1.

Item 9.01 Financial Statements and Exhibits.

Exhibit No.	Description
<u>2.1</u>	<u>Agreement and Plan of Merger dated as of March 31, 2017 by and among GEE Group, Inc., an Illinois corporation, GEE Group Portfolio, Inc., a Delaware corporation, SNI Holdco Inc., a Delaware corporation, Smith Holdings, LLC a Delaware limited liability company, Thrivent Financial for Lutherans, a Wisconsin corporation, organized as a fraternal benefits society, Madison Capital Funding, LLC, a Delaware limited liability company and Ronald R. Smith, in his capacity as a stockholder and Ronald R. Smith in his capacity as the representative of the SNIH Stockholders</u>
<u>3.1</u>	<u>Statement of Resolution Establishing Series of Series B Convertible Preferred Stock</u>
<u>4.1</u>	<u>Form of 9.5% Convertible Subordinated Note due October 3, 2021</u>
<u>10.1</u>	<u>Subordination and Intercreditor Agreement dated as of March 31, 2017 by and among PNC Bank, National Association, as administrative agent and collateral agent for the Senior Lenders referred to therein , Madison Capital Funding LLC , GEE Group Inc., an Illinois corporation (“Parent”), each Subsidiary of the Parent listed as a “Borrower” on the signature pages thereto and each subsidiary of the Parent listed as a “Guarantor” on the signature pages thereto</u>
<u>10.2</u>	<u>Subordination and Intercreditor Agreement dated as of March 31, 2017 by and among PNC Bank, National Association, as administrative agent and collateral agent for the Senior Lenders referred to therein , Peter Langlois , GEE Group Inc., an Illinois corporation (“Parent”), each Subsidiary of the Parent listed as a “Borrower” on the signature pages thereto and each subsidiary of the Parent listed as a “Guarantor” on the signature pages thereto</u>
<u>10.3</u>	<u>Subordination and Intercreditor Agreement dated as of March 31, 2017 by and among PNC Bank, National Association, as administrative agent and collateral agent for the Senior Lenders referred to therein , Maurice R. Harrison IV , GEE Group Inc., an Illinois corporation (“Parent”), each Subsidiary of the Parent listed as a “Borrower” on the signature pages thereto and each subsidiary of the Parent listed as a “Guarantor” on the signature pages thereto</u>
<u>10.4</u>	<u>Subordination and Intercreditor Agreement dated as of March 31, 2017 by and among PNC Bank, National Association, as administrative agent and collateral agent for the Senior Lenders referred to therein , Thrivent Financial for Lutherans , GEE Group Inc., an Illinois corporation (“Parent”), each Subsidiary of the Parent listed as a “Borrower” on the signature pages thereto and each subsidiary of the Parent listed as a “Guarantor” on the signature pages thereto</u>
<u>10.5</u>	<u>Subordination and Intercreditor Agreement dated as of March 31, 2017 by and among PNC Bank, National Association, as administrative agent and collateral agent for the Senior Lenders referred to therein , Shane Parr , GEE Group Inc., an Illinois corporation (“Parent”), each Subsidiary of the Parent listed as a “Borrower” on the signature pages thereto and each subsidiary of the Parent listed as a “Guarantor” on the signature pages thereto</u>
<u>10.6</u>	<u>Subordination and Intercreditor Agreement dated as of March 31, 2017 by and among PNC Bank, National Association, as administrative agent and collateral agent for the Senior Lenders referred to therein , Vincent Lombardo , GEE Group Inc., an Illinois corporation (“Parent”), each Subsidiary of the Parent listed as a “Borrower” on the signature pages thereto and each subsidiary of the Parent listed as a “Guarantor” on the signature pages thereto</u>
<u>10.7</u>	<u>Agreement dated as of April 3, 2017 by and between GEE Group, Inc., an Illinois Corporation and Thrivent Financial for Lutherans, a Wisconsin Corporation organized as a fraternal benefits society.</u>

SIGNATURES

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

GEE GROUP, INC.

Date: April 6, 2017

By: /s/ Andrew J. Norstrud

Andrew J. Norstrud
Chief Financial Officer

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (the “**Agreement**”) is made and entered into as of March 31, 2017, by and among GEE Group Inc., an Illinois corporation (“**Buyer**” or “**GEE**”), GEE Group Portfolio Inc., a Delaware corporation and wholly-owned subsidiary of GEE (the “**Merger Subsidiary**”), SNI Holdco Inc., a Delaware corporation (“**SNI Holdco**”), Smith Holdings, LLC a Delaware limited liability company, Thrivent Financial for Lutherans, a Wisconsin corporation, organized as a fraternal benefits society (“**Thrivent**”), Madison Capital Funding, LLC, a Delaware limited liability company (“**Madison**”) and Ronald R. Smith, in his capacity as a stockholder (“**Mr. Smith**” and collectively with Smith Holdings, LLC, Thrivent and Madison, the “**Principal Stockholders**”) and Ronald R. Smith in his capacity as the representative of the SNIH Stockholders (“**Stockholders’ Representative**”). Buyer, Merger Subsidiary, SNI Holdco and the Principal Stockholders are collectively referred to herein as the “**Parties**” or singularly as a “**Party**”. “**SNIH Stockholders**” has the meaning given such term in Section 3.39.

PRELIMINARY STATEMENTS

A. GEE, the Merger Subsidiary, SNI Holdco, and the Principal Stockholders desire to enter into this Agreement pursuant to which GEE will acquire all of the issued and outstanding stock of SNI Holdco as a result of the merger of SNI Holdco with and into the Merger Subsidiary and as a result of which the Merger Subsidiary will be the surviving company and a direct wholly-owned subsidiary of GEE.

B. SNI Companies, Inc., a Delaware corporation (“**SNI Subsidiary**”) is a wholly-owned subsidiary of SNI Holdco and as a result of the merger will become a wholly-owned subsidiary of the Merger Subsidiary.

C. The Boards of Directors of GEE, and the Merger Subsidiary have each unanimously approved this Agreement and transactions contemplated herein.

D. The Board of Directors of SNI Holdco and those Principal Stockholders who collectively own at least ninety percent (90%) of the outstanding shares of stock of SNI Holdco, have unanimously approved this Agreement and the transactions contemplated herein.

1. Definitions: Merger Transaction.

1.1 Definitions for Purposes of this Agreement. The terms and variations thereof set forth on **Exhibit A** to this Agreement shall have the meanings given to them in **Exhibit A**.

1.2 The Merger. Upon the terms and subject to the conditions set forth herein and on the basis of the representations, warranties, covenants and agreements contained herein, as of the Effective Time, SNI Holdco shall be merged with and into the Merger Subsidiary (the “**Merger**”), the separate corporate existence of SNI Holdco shall cease and the Merger Subsidiary shall continue as the surviving company. The Merger Subsidiary, as the surviving company of the Merger, may be hereinafter referred to as the “**Surviving Company**”.

1.3 Closing and Effective Time.

(a) Closing. The closing of the transactions contemplated by this Agreement (the “**Closing**”) shall take place contemporaneously with the mutual execution and delivery of this Agreement. The Closing shall be held at the offices of the law firms representing Stockholders’ Representative and Buyer through exchange of documents including by electronic transmission. The date and time of the Closing are referred to herein as the “**Closing Date**”.

(b) Effective Time. At the Closing, the parties shall file a certificate of merger (the “**Certificate of Merger**”) in such form as is required by and executed in accordance with the relevant provisions of the Delaware statutes. The Merger shall become effective as of 11:59 pm on the Closing Date (the date and time that the Merger becomes effective being referred to herein as the “**Effective Time**”).

1.4 Effect of Merger. At the Effective Time, the effect of the Merger shall be as provided herein and by the applicable provisions of the Delaware statutes. Without limiting the generality of the foregoing, all of the properties, rights, privileges, powers and franchises of SNI Holdco and the Merger Subsidiary shall vest in the Surviving Company and all of the debts, liabilities, duties and obligations of SNI Holdco and the Merger Subsidiary shall become the debts, liabilities, duties and obligations of the Surviving Company.

1.5 Effect on Stock. Upon the terms and conditions of this Agreement, at the Effective Time, as a result of the Merger and this Agreement and without the need for any further action on the part of the Merger Subsidiary, SNI Holdco or any of their respective stockholders, the following shall occur:

(a) SNI Holdco Shares. Immediately prior to the Effective Time each share of common stock, par value \$.001 per share (“**SNI Holdco Common Stock**”) of SNI Holdco (hereinafter referred to as “**SNI Holdco Shares**”) outstanding immediately prior to the Effective Time shall be deemed canceled and converted into the right to receive a pro rata portion (as set forth on **Exhibit B, “SNIH Ownership Proportion**”) of the Merger Consideration allocated as to form of consideration among the holders thereof as set forth below in this Agreement. Thereafter, any certificate evidencing SNI Holdco Shares (a “**Certificate**”) shall be deemed for all purposes to evidence only the right to receive Merger Consideration.

(b) Treasury Shares. Each share of capital stock held in the SNI Holdco’s treasury as of the Effective Time, if any, shall, by virtue of the Merger, be canceled without payment of any consideration therefor.

1.6 No Further Ownership in SNI Holdco Shares. The Merger Consideration delivered or deliverable to the holders of SNI Holdco Shares in accordance with the terms of this Section 1 and Section 2 of this Agreement shall be deemed to have been issued or paid in full satisfaction of all rights pertaining to the SNI Holdco Shares.

1.7 No Fractional Securities. No fractional shares of GEE Preferred Stock shall be issuable in the Merger. In lieu of any such fractional shares, each SNIH Stockholder shall be entitled to receive the nearest whole share of GEE Preferred Stock rounding up if such fraction is 0.5 or greater or down if such fraction is less than 0.5.

1.8 No Liability. None of GEE, Merger Subsidiary, SNI Holdco or the Surviving Company shall be liable to any Person in respect of any Merger Consideration delivered to a public official pursuant to any applicable abandoned property, escheat or similar Law.

1.9 Withholding. Each of GEE and the Merger Subsidiary shall be entitled to withhold from any consideration payable or deliverable pursuant to the terms of this Agreement, such amounts as may be required to be withheld pursuant to any Law, including, without limitation, any amounts required to be withheld pursuant to the Code. To the extent any amounts are so withheld, such amounts shall be treated for all purposes under this Agreement as having been paid to the SNIH Stockholders to whom such amounts would have otherwise been paid.

1.10 Further Assurances. If at any time after the Effective Time the Surviving Company shall consider or be advised that any deeds, bill of sale, assignments or assurances or any other acts or things are necessary, desirable or proper (a) to vest, perfect or confirm, of record or otherwise, in the Surviving Company its right, title or interest in, to or under any of the rights, privileges, powers, franchises, properties or assets of either SNI Holdco or Merger Subsidiary or (b) otherwise to carry out the purposes of this Agreement, the Surviving Company and its proper officers and directors or their designees shall be authorized to execute and deliver in the name and on behalf of either SNI Holdco or Merger Subsidiary, all such deeds, bill of sale, assignments and assurances and do, in the name and on behalf of SNI Holdco or Merger Subsidiary, all such other acts and things necessary, desirable or proper to vest, perfect or confirm its rights, title or interest in, to or under any of the rights, privileges, powers, franchises, properties or assets of SNI Holdco or Merger Subsidiary, as applicable, and otherwise to carry out the purposes of this Agreement.

1.11 Stock Transfer Books. The stock transfer books of SNI Holdco shall be closed immediately upon the Effective Time and there shall be no further registration of transfers of shares of SNI Holdco Shares thereafter on the records of SNI Holdco.

1.12 Tax Consequences. For U.S. federal Income Tax purposes, the Parties intend that the Merger be treated as a reorganization within the meaning of Sections 368(a)(1)(A) and 368(a)(2)(D) of the Code, and that this Agreement shall be, and is hereby, adopted as a plan of reorganization for purposes of Section 368 of the Code. Accordingly, unless otherwise required by Law, no party shall take any action or fail to take any action that reasonably could be expected to jeopardize the treatment of the Merger as a reorganization within the meaning of Sections 368(a)(1)(A) and 368(a)(2)(D) of the Code, and the parties shall not take any position on any Tax Return or in any proceeding relating to the Tax consequences of the Merger inconsistent with this Section 1.12. Notwithstanding the forgoing, the Parties understand and agree that the consideration other than the GEE Preferred Shares will not be eligible for a "tax free" exchange treatment under Section 368 of the Code. Each of the Parties agrees to report the Merger transaction as such a reorganization and to comply with the reporting and recordkeeping requirements of Treasury Regulations 1.368-3.

2. Merger Consideration. The aggregate consideration for the SNI Holdco Shares described in this Section 2 shall be referred to as the “Merger Consideration”. The Merger Consideration shall be \$86 million minus the amount of Long Term Debt of the Acquired Companies immediately before Closing plus or minus the NWC Adjustment Amount. The Merger Consideration shall be payable in the form and subject to the adjustments and provisions set forth in this Section 2. The Merger Consideration shall be allocated as set forth on the Merger Consideration Allocation Schedule attached hereto as **Exhibit B** (the “Merger Consideration Allocation Schedule”), and any wire transfers of cash shall be in accordance with the wire transfer instructions on **Exhibit B**. Additionally, the Long Term Debt shall be paid in full on the Closing Date in accordance with the Wire Transfer instructions on **Exhibit B**.

2.1 Closing Cash Payments. The Closing Cash Payments of the Merger Consideration shall be comprised of the collective amounts set forth in the following wire transfers, to be made at Closing, subject to Section 2.2 below:

(a) the portion of the Closing Cash Payment due to the SNIH Stockholders and set forth on **Exhibit B**;

(b) a portion of the payments due to the participants in the Management Incentive Plan for the Acquired Companies (the “MIP”) as a result of the Merger, as set forth on **Exhibit B**;

(c) the payment to the Escrow Agent of the amount otherwise payable to MIP participants that is to be held for eighteen (18) months to reimburse if necessary certain SNIH Stockholders to help satisfy any Closing indemnity claims made by Buyer hereunder;

(d) the payment to the Escrow Agent of the amount otherwise payable to the unaccredited investors who are SNIH Stockholders, which is to be held for 18 months to reimburse, if necessary, certain other SNIH Stockholders as a result of indemnity claims made by Buyer hereunder, as set forth on **Exhibit B**;

(e) the payment to the Escrow Agent of \$500,000 as the Stockholders’ Representative expense amount and the separate payment of any expenses owed by the Acquired Companies for services rendered related to the Merger to the extent not paid prior to Closing;

(f) In addition to the amount set forth above, \$619,584 of the Merger Consideration shall be paid to SNI Holdco (as a result of withholding obligations incurred in making certain payments to employees as part of the Closing) and shall be included as an asset of the Acquired Companies in calculating the Closing Net Working Capital.

The SNIH Stockholders agree that the Transaction Expenses of the SNIH Stockholders will be paid from the Merger Consideration so that after the Closing the Acquired Companies and Buyer will have no liability for those including: (i) payments that may become due with respect to the MIP Plan; (ii) any payments due to Vince Lombardo whose employment agreement is being terminated; (iii) any payments due to Ronald Smith, whose employment agreement is being terminated; and (iv) any commission or payment due to Baird.

2.2 Working Capital Reserve Fund. \$1.5 million of the cash of the Merger Consideration is being retained and is subject to payment and adjustment as provided in Section 2.3 below (the “**Working Capital Reserve Fund**”).

2.3 Net Working Capital Adjustment.

(a) In accordance with **Appendix I**, the Merger Consideration will be adjusted (positively or negatively) based upon the difference in the book value of the Closing Net Working Capital (as defined in **Appendix I**) as compared to the Benchmark Net Working Capital (as defined in **Appendix I**) of \$9.2 million (such difference to be called the “**NWC Adjustment Amount**”). If the NWC Adjustment Amount is positive, the Merger Consideration will be increased by the NWC Adjustment Amount. If the NWC Adjustment Amount is negative, the Merger Consideration will be decreased by the NWC Adjustment Amount. If the Merger Consideration increases, then Buyer will pay Stockholders’ Representative account for payment to SNIH Stockholders the amount of the increase plus the Working Capital Reserve Fund in immediately available funds within three (3) business days of a final determination under Section 2.3 (b) and (c) below. If the Merger Consideration decreases, then SNIH Stockholders will pay the amount of the decrease to Buyer within three (3) business days of a final determination under this Section 2.3 (b) and (c) below, which first shall be funded from the Working Capital Reserve Fund (which shall be credited to SNIH Stockholders). If the amount of the Merger Consideration decrease exceeds the Working Capital Reserve Fund, then SNIH Stockholders, will pay the difference to Buyer, severally, not jointly, in accordance with their SNIH Ownership Proportion, in immediately available funds within twenty (20) days of a final determination under **Appendix I**, in accordance with their SNIH Ownership Proportion and wire instructions on **Exhibit B**. If the Working Capital Reserve Fund exceeds the payment due from SNIH Stockholders then the remaining balance of those funds after the payment to Buyer shall be paid to the Stockholders’ Representative’s account for payment to SNIH Stockholders in immediately available funds. For example, if (A) the Closing Working Capital exceeds the Benchmark Working Capital by Three Thousand Dollars (\$3,000) then the Merger Consideration will increase by Three Thousand Dollars (\$3,000); or (B) if the Closing Working Capital is less than the Benchmark Working Capital by Three Thousand Dollars (\$3,000) then the Merger Consideration decreases by Three Thousand Dollars (\$3,000).

(b) As soon as reasonably practicable following the Closing Date, and in any event within sixty (60) calendar days thereof, Buyer shall prepare and deliver to the Stockholders' Representative Buyer's calculation of Closing Net Working Capital ("**Buyer's NWC**"). Buyer's NWC shall be prepared applying the principles, policies, methods and practices set forth in Appendix I. Following the delivery of the Buyer's NWC, Buyer shall provide the Stockholders' Representative and his representatives reasonable access, upon advance prior written notice during normal business hours, and in a manner so as not to interfere with the normal business operations of Buyer, to the books and records of Buyer to the extent reasonably necessary for their review of Buyer's NWC.

(c) If the Stockholders' Representative shall disagree with the calculation of Buyer's NWC, he shall notify Buyer of such disagreement in writing, setting forth in reasonable detail the particulars of such disagreement, within thirty (30) days after his receipt of Buyer's NWC. In the event that the Stockholders' Representative does not provide such a notice of disagreement within such thirty (30) day period, Buyer's NWC shall be final, binding and conclusive for all purposes hereunder, and shall be the Final NWC. In the event any such notice of disagreement is timely provided by the Stockholders' Representative, Buyer and the Stockholders' Representative shall use commercially reasonable efforts for a period of fifteen (15) days (or such longer period as they may mutually agree) to resolve any disagreements. If, at the end of such period, the Parties come to an agreement, the amount agreed to shall be the Final NWC. If the Parties are unable to resolve such disagreements, then Grant Thornton or such other independent accounting firm of recognized regional standing as may be mutually selected by Buyer and the Stockholders' Representative (the "**Auditor**") shall resolve any remaining disagreements. Buyer and the Stockholders' Representative shall use their respective commercially reasonable efforts to cause the Auditor to determine as promptly as practicable, but in any event within thirty (30) days of the date on which such dispute is referred to the Auditor, with respect to the remaining disagreements submitted to the Auditor, to what extent (if any) Buyer's NWC requires adjustment, and the Auditor shall make no other determination. In furtherance of the foregoing, each of Buyer and Stockholders' Representative shall furnish to the Auditor its calculation of net working capital. Each of the Parties shall bear its own respective fees and expenses in connection with the audit, and Buyer, on the one hand, and the Stockholders' Representative, on the other, shall bear that percentage of the fees and expenses of the Auditor equal to the portion of the dollar value of the disputed issues determined in favor of the other Party. For example, if Buyer claims that net working capital is \$10,000 greater than the amount determined by the Stockholders' Representative, and if the Auditor ultimately resolves the dispute by awarding the stockholders \$7,000 of the \$10,000 difference, then the costs and expenses of the Auditor shall be allocated 70% (*i.e.*, $\$7,000 \div \$10,000$) to Buyer and 30% (*i.e.*, $\$3,000 \div \$10,000$) to the Stockholders' Representative. The determination of the Auditor shall be final, conclusive, and binding on the Parties, and its determination shall be the Final Closing Net Working Capital.

2.4 Issuance of Convertible Subordinated Promissory Notes. The convertible subordinated promissory notes in the aggregate original principal amount of \$12.5 million, shall be issued at Closing in substantially the same form as **Exhibit C** (the “**Promissory Notes**”), executed by Buyer and shall be payable to certain SNIH Stockholders as listed and in amounts set forth on **Exhibit B**. The Promissory Notes specifically identified on **Exhibit B** shall be delivered to, and held in escrow by, the Escrow Agent in accordance with the provisions of an escrow agreement, to be executed at Closing by Buyer and by Stockholders’ Representative (on behalf of the SNIH Stockholders), in a form to be mutually agreed upon by Escrow Agent, Buyer and Stockholders’ Representative (the “**Escrow Agreement**”).

2.5 Payment of Shares of GEE Preferred Stock. \$28.8 million of the Merger Consideration will be paid in shares of Series B Convertible Preferred Stock of GEE (the “**GEE Preferred Shares**”), with the number of shares to be issued calculated by dividing \$28.8 million by the volume weighted moving average price of GEE Common Stock as reported on the NYSE NXT market (“VWAP”) for the twenty (20) trading days preceding signing of this Agreement. The GEE Preferred Shares shall be non-voting and shall be convertible into shares of GEE Common Stock at the option of the holder. The ability to convert the shares into Common Stock will be limited; provided, however, that the GEE Preferred Shares shall not be convertible into shares of Common Stock to the extent that such conversion would exceed the Conversion Limit. The Conversion Limit will apply until after receipt by GEE of the approval of its stockholders (in compliance with Section 712 of the NYSE MKT Company Guide and Regulation 14A under the Exchange Act) of the issuance of the shares of GEE Common Stock in excess of the Conversion Limit that are issuable upon conversion of the GEE Preferred Shares. The GEE Preferred Shares shall be converted to Common Stock at a 1:1 conversion ratio (the “**Preferred Conversion**”). The GEE Preferred Shares shall be issued at Closing to certain of the SNI Holdco stockholders as listed and in the amounts set forth on **Exhibit B**. No fractional shares of GEE Preferred Stock shall be issuable in the Merger. In lieu of any such fractional shares, SNIH Stockholder shall be entitled to receive the next whole share of GEE Preferred Stock rounding up if such fraction is 0.5 or greater or down if such fraction is less than 0.5. GEE will use commercially reasonable efforts to cause the certificates of the issued GEE Preferred Shares to be delivered to the SNIH Stockholders within five (5) business days after Closing.

2.6 Surrender and Payment.

(a) From and after the Effective Time, each record holder of common stock of SNI Holdco shall be entitled to receive at Closing (or as soon thereafter as they have delivered a fully completed and executed Letter of Transmittal in the form attached hereto as **Exhibit D** (a “**Letter of Transmittal**”), the consideration for that stockholder as set forth on **Exhibit B**.

(b) Notwithstanding any other provision of this Agreement, following the Closing Date no holder or transferee of SNI Holdco common stock who has not submitted a duly executed Letter of Transmittal shall receive any dividends, interest, or Merger Consideration for any such shares held by such stockholder.

(c) If, after the Effective Time, subject to the terms and conditions of this Agreement, SNI Holdco common stock certificates are presented to Buyer (together with a validly executed Letter of Transmittal, they shall be canceled and exchanged for the respective aggregate Merger Consideration into which the shares evidenced by such Certificates were converted, in accordance with this Section 2.6, provided that the Certificates are surrendered as provided in the Letter of Transmittal and are accompanied by all documents required to evidence and effect such transfer (including an executed Letter of Transmittal).

2.7 Dissenting Shares. SNI Holdco common stock outstanding immediately prior to the Effective Time and held by a holder who has not voted in favor of the Merger or consented thereto in writing and who has demanded appraisal for such stock in accordance with applicable law (the “**Dissenting Shares**”) shall not be converted into the right to receive the Merger Consideration, unless such holder fails to perfect, withdraws, or otherwise loses the right to appraisal, in which case such shares of stock shall be treated as if they had been converted as of the Effective Time into the right to receive the Merger Consideration. Each holder of Dissenting Shares who becomes entitled to payment for such Dissenting Shares under the provisions of applicable law, will receive payment thereof from the Buyer in the amount of the Merger Consideration the holder of the Dissenting Shares would have received. Any amount due to a holder of Dissenting Shares that is in excess of the allocable share of the Merger Consideration for that Stockholder shall be paid by Buyer and Buyer shall be entitled to indemnification from the SNIH Stockholders for that.

2A. Representations and Warranties of the SNIH Stockholders as to the Transaction. Except as provided in the last sentence of this Section 2A, each SNIH Stockholder severally, but not jointly, and only with respect to itself or himself, represents and warrants to the Buyer on the date hereof, subject to the SNIH Disclosure Schedules (defined below) that the statements in this Section 2A are true and correct, provided, however, that “**SNIH Disclosure Schedules**” means the disclosure schedules prepared and delivered to Buyer by SNIH Stockholders and attached to this Agreement. The SNIH Disclosure Schedules will be lettered and numbered so as to correspond to the respective lettered and numbered sections and subsections contained in Sections 2A of this Agreement. Notwithstanding the preceding sentence, the following representations and warranties are not made by Thrivent or Madison: 2A.5 and 2A.6.

2A.1 Title. The SNIH Stockholder has good and valid title to the SNI Holdco Shares described as owned by that SNIH Stockholder on **Exhibit B**, free and clear of any and all Liens. The SNIH Stockholder does not owe any Indebtedness to either Acquired Company that arises from the SNIH Stockholders’ purchase of any SNI Holdco Shares.

2A.2 Authority. The SNIH Stockholder has the full right, power, legal capacity and authority to enter into and perform its obligations under this Agreement, to vote its SNI Holdco Shares for the transactions contemplated by this Agreement, to transfer and deliver to the Buyer or the Surviving Company at the Closing its respective Certificate for the SNI Holdco Shares set forth on **Exhibit B** as owned by the SNIH Stockholder and, upon consummation of the Merger contemplated hereby, the Buyer or Surviving Company will acquire from the SNIH Stockholder good and valid title to the Certificates for the Shares (and all rights represented thereby) set forth on **Exhibit B**.

2A.3 Authorization. The execution, delivery and performance by the SNIH Stockholder if it is a Business Entity of (to the extent a party thereto) this Agreement, the other agreements contemplated hereby and the transaction contemplated hereby or thereby have been duly and validly authorized by the SNIH Stockholder, and no other act or proceeding on the part of the SNIH Stockholder, its board of directors, managers, or its stockholders, members or partners is necessary to authorize the execution, delivery or performance by the SNIH Stockholder to this Agreement or any other agreement contemplated hereby or the consummation of the transaction contemplated hereby or thereby and it has duly executed and delivered this Agreement.

2A.4 Omitted.

2A.5 No Impediment. The SNIH Stockholder is not a party to, subject to or bound by any stockholder, voting, or other agreement, or any judgment, order, writ, prohibition, injunction or decree of any court or other Governmental Body which would prevent the execution or delivery of this Agreement by the SNIH Stockholder, SNIH Stockholders' agreement to or its authorization or consummation of the transaction contemplated herein, or the performance by the SNIH Stockholder of the SNIH Stockholders' obligations under this Agreement and the agreements and documents contemplated hereby.

2A.6 Adverse Proceedings. No action or proceeding by or before any court or other Governmental Body has been instituted or threatened against the SNIH Stockholder by any Governmental Body or Person whatsoever seeking to restrain, prohibit or invalidate the Merger or any other transactions contemplated by this Agreement, affecting the right of the Buyer to own the Acquired Companies or operate the Business after the Closing, or affecting the performance by the SNIH Stockholder of the SNIH Stockholders' obligations under this Agreement and the agreements and documents contemplated hereby.

2A.7 Enforceability. The execution, delivery and performance by the SNIH Stockholder of this Agreement and the consummation by the SNIH Stockholder of the Merger or other transactions contemplated hereby will not, with or without the giving of notice or the passage of time or both, (a) violate the provisions of any Law, applicable to the SNIH Stockholder or either Acquired Company or their assets; (b) violate any judgment, decree, order or award of any court, Governmental Body or arbitrator; or (c) conflict with or result in the breach or termination of any term or provision of, or constitute a default under, or cause any acceleration under, or cause the creation of any Lien upon the properties or assets of the SNIH Stockholder, or either Acquired Company, under or pursuant to, any Contract, indenture, mortgage, deed of trust or other instrument or agreement to which the SNIH Stockholder or either Acquired Company is a party or by which either Acquired Company or any of its assets or properties is bound or subject, except as set forth in Disclosure Schedule 2A.7. This Agreement has been duly executed and delivered by the SNIH Stockholder and constitutes the legal valid and binding obligation of the SNIH Stockholder enforceable against the SNIH Stockholder in accordance with its terms. The other documents and agreements contemplated by this Agreement to which the SNIH Stockholder is or will become a Party, when executed and delivered by the SNIH Stockholder, shall constitute the legal, valid and binding agreements of the SNIH Stockholder, enforceable against the SNIH Stockholder in accordance with their terms.

Notwithstanding anything to the contrary above in this Section 2A, Ronald R. Smith and Smith Holdings, LLC are related parties and for purposes of this Agreement including this Section 2A and for Section 10B are treated as one SNIH Stockholder, meaning that each is responsible for the breach by the other of any representations and warranties in this Section 2A.

3. Representations and Warranties as to the Acquired Companies. The Acquired Companies represent and warrant to the Buyer on the date hereof, subject to the Acquired Companies' Disclosure Schedules (as defined below), that the statements in this Section 3 are true and correct. "**Acquired Companies' Disclosure Schedules**" means the disclosure schedules prepared and delivered to Buyer by the Acquired Companies and attached to this Agreement. The Acquired Companies' Disclosure Schedules will be lettered and numbered so as to correspond to the respective lettered and numbered sections and subsections contained in Section 3 of this Agreement.

3.1 Title. Except as set forth on Disclosure Schedule 3.1, SNI Holdco has good and valid title to all (100%) of the issued and outstanding capital stock in SNI Subsidiary, and at Closing SNI Holdco will have and own exclusive, good and valid title to such shares, free and clear of any and all Liens.

3.2 Capitalization of the Acquired Companies.

(a) The authorized capital stock of SNI Holdco consists of (i) 10,000 Shares of SNI Holdco Common Stock, of which 3,118.46 shares are issued, outstanding, fully paid and nonassessable and (ii) 1,000 shares of preferred stock, \$0.001 par value per share, of which none have been issued.

(b) The authorized capital stock of SNI Subsidiary consists of (i) 1,000 shares of common stock, \$0.001 par value per share, of which 1,000 shares are issued, outstanding, fully paid and nonassessable and (ii) no shares of preferred stock. As of the Effective Time, SNI Holdco owns, and as of the Closing Date, SNI Holdco shall own, the legal and beneficial title to all of the issued and outstanding capital stock and other securities of SNI Subsidiary.

(c) There are no outstanding options, warrants, contracts, calls, puts, rights to subscribe, conversion rights or other agreements or rights providing for the issuance, disposition or acquisition of any of SNI Holdco's or SNI Subsidiary's securities of any type, including the SNI Holdco Shares or any SNI Subsidiary shares, or any rights or interests exercisable therefor.

3.3 Authorization. The execution, delivery and performance by SNI Holdco of this Agreement, (to the extent a party thereto) the other agreements contemplated hereby and the transaction contemplated hereby or thereby have been duly and validly authorized by SNI Holdco, and no other act or proceeding on the part of SNI Holdco, its board of directors or its stockholders is necessary to authorize the execution, delivery or performance by SNI Holdco of this Agreement or any other agreement contemplated hereby or the consummation of the transaction contemplated hereby or thereby. This Agreement has been duly executed and delivered by SNI Holdco. The execution, delivery and performance by SNI Holdco of this Agreement and the consummation by SNI Holdco of the transactions and Merger contemplated hereby will not, with or without the giving of notice or the passage of time or both, (a) violate the provisions of any Law applicable to either Acquired Company; (b) violate any judgment, decree, order or award of any court, Governmental Body, arbitrator or similar body; or (c) conflict with or result in the breach or termination of any term or provision of, or constitute a default under, or cause any acceleration under, or cause the creation of any Lien upon the properties or assets of either Acquired Company, under or pursuant to, any Contract, indenture, mortgage, deed of trust or other instrument or agreement to which either Acquired Company is a party or by which either Acquired Company or any of their respective properties or assets is bound. Except as disclosed on Disclosure Schedule 3.3, no permit, consent, approval or authorization of, declaration to or filing with, or notice to, any Governmental Body or any third party (including customers of the Acquired Companies) is required in connection with the execution, delivery or performance by SNI Holdco of this Agreement or the other agreements contemplated hereby to the extent a party thereto, or the consummation by the Acquired Companies of the transactions contemplated hereby including the Merger.

3.4 Organization.

(a) SNI Holdco is a corporation duly organized, validly existing and in good standing under the laws of the state of Delaware. SNI Holdco has all requisite corporate power and authority under the laws of Delaware and all Permits and other authorizations necessary to own its assets and to carry on its business as it is now being conducted. SNI Holdco is duly qualified to do business and is in good standing in those states in which the failure to be so qualified would have a Material Adverse Effect on the Acquired Companies or the Business. Certified copies of the Charter and bylaws of SNI Holdco, each as amended to date, have been made available to the Buyer and are complete and correct, and no amendments have been made thereto or have been authorized since the date thereof. The minute books containing the records of meetings of the stockholder and board of directors and the stock certificate and stock record books of SNI Holdco that have previously been made available to Buyer are correct and complete.

(b) SNI Subsidiary is a corporation duly organized, validly existing and in good standing under the laws of the state of Delaware. SNI Subsidiary has all requisite corporate power and authority under the laws of Delaware and all Permits and other authorizations necessary to own its properties and to carry on the Business as it is now being conducted. SNI Subsidiary is duly qualified to do business and is in good standing in those states in which the failure to be so qualified would have a Material Adverse Effect on the Acquired Companies or the Business. Certified copies of the Charter and bylaws of SNI Subsidiary, each as amended to date, have been made available to the Buyer and are complete and correct, and no amendments have been made thereto or have been authorized since the date thereof. The minute books containing the records of meetings of the stockholder and board of directors and the stock certificate and stock record books of the SNI Subsidiary that have previously been made available to Buyer are correct and complete.

3.5 SNI Holdco Operations and Liabilities. SNI Holdco does not have, and has never had, any operations, employees, or other than SNI Subsidiary, any Subsidiaries. SNI Holdco has not owned, and has never owned, any assets other than the Shares of SNI Subsidiary. The only liabilities SNI Holdco has, and has ever had, are (i) as an obligor of the “Indebtedness” of the SNI Subsidiary pursuant to the SNI Pledge and SNI Guaranty; (ii) obligations to pay amounts due to employees of the SNI Subsidiary pursuant to the MIP which obligations are set forth on Disclosure Schedule 3.5; and (iii) the obligation for Taxes.

3.6 Enforceability. The execution, delivery and performance by SNI Holdco of this Agreement and the related agreements to which they are a party, and the consummation by SNI Holdco of the Merger and other transactions contemplated hereby and thereby will not, with or without the giving of notice or the passage of time or both, (a) violate the provisions of any Law applicable to either Acquired Company; (b) violate any judgment, decree, order or award of any court, Governmental Body or arbitrator; or (c) conflict with or result in the breach or termination of any term or provision of, or constitute a default under, or cause any acceleration under, or cause the creation of any Lien upon the properties or assets of either Acquired Company, under or pursuant to, any Contract, indenture, mortgage, deed of trust or other instrument or agreement to which either Acquired Company is a party or by which either Acquired Company or any of its assets or properties is bound or subject, except as set forth in Disclosure Schedule 3.6. This Agreement and the other documents and agreements contemplated hereby to which SNI Holdco is or will become a party, when executed and delivered by SNI Holdco thereto, shall constitute the valid and binding agreements of SNI Holdco, enforceable against SNI Holdco in accordance with their terms.

3.7 Subsidiaries. SNI Subsidiary has no Subsidiaries and does not own or control, directly or indirectly, in whole or in part, any other Person. Other than SNI Subsidiary, SNI Holdco has no Subsidiaries and does not own or control, directly or indirectly, any other Person.

3.8 Financial Statements. Disclosure Schedule 3.8 attached hereto contains the following financial statements (the "**Financial Statements**"):

(a) the audited consolidated balance sheets of the Acquired Companies as of December 31, 2014, December 31 2015 and December 31 2016 ("Latest Audited Balance Sheet") the related audited statements of income, changes in stockholders' equity and cash flows for the twelve-month periods then ended (the "**Most Recent Audited Fiscal Year End**"); and

(b) The unaudited consolidated balance sheets of the Acquired Companies as of February 28, 2017 (the "**Latest Unaudited Balance Sheet**") and the related unaudited statements of income, changes in stockholder's equity and cash flows for the one month period then ended (the "**Most Recent Fiscal Month End**"). A

Each of the Financial Statements (including the notes thereto, if any) are accurate, complete and consistent with the Books and Records and presents fairly the financial condition, results of operations and cash flows of the Acquired Companies in accordance with GAAP consistently applied throughout the periods covered thereby, provided, however, that the Financial Statements for 2016 and the Most Recent Fiscal Month End are subject to ordinary course adjustments (which are not expected to be material in the aggregate).

3.9 Absence of Undisclosed Liabilities; No Long Term Debt. Except as and to the extent (a) reflected on the face of the Latest Audited Balance Sheet, (b) set forth on Disclosure Schedule 3.9 attached hereto, or (c) incurred in the Ordinary Course of Business after the date of the Latest Audited Balance Sheet, the Acquired Companies do not have any liability or obligation (including without limitation any Indebtedness) of any nature whatsoever, and except to the extent set forth on Disclosure Schedule 3.9, the Acquired Companies have no Long Term Debt or any other liquidated liabilities (excluding rent obligations under Leases) which by its terms includes scheduled payment due dates more than twelve (12) months after the Closing Date.

3.10 Litigation. Except as set forth on Disclosure Schedule 3.10 attached hereto, (a) there is no action, suit, charge, claim, investigation, order or proceeding to which either Acquired Company is a party (either as a plaintiff or defendant) or otherwise pending against either Acquired Company before any court, domestic or foreign Governmental Body or arbitrator; (b) neither Acquired Company, nor to the Knowledge of either Acquired Company has been permanently or temporarily enjoined by any order, judgment or decree of any court or any domestic or foreign Governmental Body or arbitrator from engaging in or continuing any conduct or practice in connection with the Business, assets, or properties of the either Acquired Company; (c) there is not in existence on the date hereof any order, judgment or decree of any court, tribunal or domestic or foreign Governmental Body or arbitrator enjoining or requiring either Acquired Company to take any action of any kind with respect to its Business, assets or properties; and (d) neither Acquired Company is engaged in any legal action to recover monies due it or for damages sustained by it other than collection of Accounts Receivable in the Ordinary Course of Business.

3.11 Insurance. Disclosure Schedule 3.11 attached hereto sets forth a true, correct and complete list of all fire, theft, casualty, general liability, workers' compensation, business interruption, environmental impairment, product liability and other insurance policies maintained by the Acquired Companies (or under which either Acquired Company is a named insured or otherwise the beneficiary of any coverage) and of all life insurance policies maintained for any of either Acquired Company's employees, specifying the type of coverage, the amount of coverage, the premium, the insurer and the expiration date of each such policy (collectively, the "**Insurance Policies**") and all claims made under such Insurance Policies since January 1, 2015. To each Acquired Company's Knowledge, the Acquired Companies have timely reported any and all potential insurance claims to its relevant insurers and Disclosure Schedule 3.11 contains a true and correct listing of all current insurance claims reported to either Acquired Companies' insurers under its applicable Insurance Policies. True, correct and complete copies of all Insurance Policies have been made available by the Acquired Companies to the Buyer. The Insurance Policies are valid, legal and binding, and in full force and effect and are in amounts and of a nature that the Acquired Companies reasonably believe are adequate for the Acquired Companies' Business, and the Acquired Companies have maintained during the previous ten (10) years with no gaps in such coverage, Insurance Policies with good and reputable insurers and with coverage believed adequate for the Acquired Companies' Business as conducted by it during such period. None of Acquired Companies' insurers to the knowledge of the Acquired Companies is insolvent. All premiums due on the Insurance Policies or renewals thereof have been paid when due and neither Acquired Company is in default under any of the Insurance Policies, and no event has occurred that with notice and lapse of time would constitute a default in any material respect, and to the Knowledge of the Acquired Companies, no party to any of the Insurance Policies is in default. Except as set forth on Disclosure Schedule 3.11 attached hereto, neither Acquired Company has received any written notice or other written communication from any issuer of the Insurance Policies since October 1, 2016 canceling or amending any of the Insurance Policies, increasing any deductibles or retained amounts thereunder, or increasing the annual or other premiums payable thereunder. The Acquired Companies acknowledge that it is the intent of the Parties to this Agreement that all of the rights under any past or current Insurance Policies or coverage maintained for the benefit of the Acquired Companies are to be transferred to Buyer in connection with Buyer's acquisition (of ownership) of the Acquired Companies hereunder.

3.12 Tangible Personal Property. Disclosure Schedule 3.12 attached hereto sets forth a true, correct and complete list of all items of tangible personal property owned by each respective Acquired Company as of December 31, 2016 having either a net book value or an estimated fair market value in excess of Two Thousand Five Hundred Dollars (\$2,500); and Disclosure Schedule 3.12 sets forth a true, current and complete list of all tangible personal property not owned by the Acquired Companies, but in the possession of or used in the Business of the Acquired Companies and having rental payments therefor in excess of One Thousand Dollars (\$1,000) per month or Twelve Thousand Dollars (\$12,000) per year (collectively, the "**Acquired Companies' Tangible Personal Property**"); and Disclosure Schedule 3.12 sets forth a true, current and complete list and descriptions of each respective owner of, and any agreement relating to the use of, each item of Acquired Companies' Tangible Personal Property not owned by either of the Acquired Companies, and the circumstances under which such Acquired Companies' Tangible Personal Property is used. Except as disclosed on Disclosure Schedule 3.12:

(a) Each applicable Acquired Company has good, valid and marketable title to each item of Acquired Companies' Tangible Personal Property owned by it (as indicated on Disclosure Schedule 3.12), free and clear of all Liens;

(b) No director, officer, stockholder or employee of either of the Acquired Companies, nor any spouse, child or other relative or other affiliate thereof, owns directly or indirectly, in whole or in part, any of the Acquired Companies' Tangible Personal Property;

(c) The Acquired Companies' Tangible Personal Property is in good operating condition and repair, normal wear and tear excepted, is currently used by Acquired Companies, as indicated, in the Ordinary Course of Business of the Acquired Companies' Business and normal maintenance has been consistently performed with respect to the Acquired Companies' Tangible Personal Property;

(d) Each Acquired Company owns or otherwise has the right to use all of the Acquired Companies' Tangible Personal Property now used by it in or necessary to the operation of the Business; and

(e) At the Closing, the Acquired Companies' Tangible Personal Property assets of the Acquired Companies will include all of those tangible personal property assets necessary to conduct the Business as presently conducted and will enable Acquired Companies to operate the Business in the same manner as operated by the Acquired Companies prior to and as of the Effective Time consistent with historic practices.

3.13 Intellectual Property. Disclosure Schedule 3.13 attached hereto sets forth: (i) a true, correct and complete list and, where appropriate, a description of, all items of Intellectual Property, including, but not limited to, patents, trade names, trademarks, trade name and trademark registrations, copyrights and copyright registrations, and know-how and Trade Secrets and applications for any of the foregoing, owned by or used in the Business of the Acquired Companies, and indicating, respectively, whether each Intellectual Property is owned by the Acquired Companies or is used but not owned (the "**Acquired Companies' Intellectual Property**"); and (ii) a true, correct and complete list of all licenses or similar agreements or arrangements (excluding off-the-shelf software and any other software that can be purchased for less than \$1,000) to which either Acquired Company is a party, either as licensee or licensor, with respect to any Acquired Companies' Intellectual Property. Except as otherwise disclosed on Disclosure Schedule 3.13:

(a) Each Acquired Company (i) is the sole and exclusive owner, with good and valid title, of all right, title and interest in and to the Acquired Companies' Intellectual Property that is depicted on Disclosure Schedule 3.13 as owned by the Acquired Company (including all designs, permits, labels and packages owned by it and used in the Business), free and clear of all Liens or (ii) to Acquired Companies' Knowledge holds a legal, valid and enforceable license that is in full force and effect as to any Acquired Companies' Intellectual Property not owned by the Acquired Company and used by that Acquired Company in the conduct of the Business, and as to each item owned by the Acquired Companies (or either of them): (A) the item is not subject to any outstanding injunction, judgment, order, decree, ruling, or charge; (B) no action, suit, proceeding, hearing, investigation, charge, complaint, claim or demand is pending or, to the Knowledge of either Acquired Company, is threatened that challenges the legality, validity, enforceability, use, or ownership of the item; and (C) neither Acquired Company has ever agreed to indemnify any Person for or against any interference, infringement, misappropriation, or other conflict with respect to the item; As to each item used by the Acquired Companies (or either of them) under a license, sublicense or other agreement; (D) no party to the license, sublicense, agreement, covenant not to sue, or permission is in material breach, default or permit termination, modification, or acceleration thereunder; (E) no party to the license, sublicense, agreement, covenant not to sue, or permission has repudiated any provision thereof; (F) neither Acquired Company has granted any sublicense or similar right with respect to the license, sublicense, agreement, covenant not to sue, or permission; and (G) no loss or expiration of the item is, threatened, pending, or reasonably foreseeable, except for patents expiring at the end of their statutory terms (and not as a result of any act or omissions by either Acquired Company, including, without limitation, a failure by either Acquired Company to pay any required maintenance fees);

(b) The Acquired Companies have the right and authority to use the Acquired Companies' Intellectual Property that is used in connection with the conduct of its Business in the manner presently conducted consistent with historic practices of the past three (3) years, and such use, as well as the conduct of the Business of the Acquired Companies, to the Knowledge of the Acquired Companies, does not conflict with, infringe upon or violate any rights including any patent, trademark, trade name, copyright, Trade Secret or other proprietary right, of any third party;

(c) Neither Acquired Company has received notice of, and to the Knowledge of the Acquired Companies there is no basis for, a pending or threatened claim, interference, action or other judicial or adversarial proceeding against the Acquired Companies that any of the Acquired Companies' operations, activities or services infringes any intellectual property rights, including any patent, trademark, trade name, copyright, Trade Secret or other property right of a third party, or that it is illegally or otherwise using the foregoing;

(d) To the Knowledge of the Acquired Companies, there are no outstanding disputes or other disagreements with respect to any licenses or similar agreements or arrangements described on Disclosure Schedule 3.13. To the Knowledge of the Acquired Companies, no third party has conflicted with, infringed or otherwise violated any of the Acquired Companies' Intellectual Property;

(e) The Acquired Companies' Intellectual Property owned or licensed by either Acquired Company comprises in all material respects all the Acquired Companies' Intellectual Property used by the Acquired Companies in the conduct of the Business, and is sufficient to conduct Acquired Companies' Business as presently conducted consistent with historic practices; and

(f) No officer, director, member, stockholder or employee of either of the Acquired Companies, nor any spouse, child or other relative or other Affiliate thereof owns any interest in or to any of the Acquired Companies' Intellectual Property.

3.14 Real Property: Leases. The Acquired Companies do not own (in fee) any Real Property. "**Real Property Leases**" means leases of Real Property. The Acquired Companies lease all of their offices and other space used by them pursuant to Real Property Leases. Each Real Property Lease of the Acquired Companies (singularly called an "**Acquired Companies' Real Property Lease**", and plural "**Acquired Companies' Real Property Leases**") are listed on Disclosure Schedule 3.14 attached hereto, is in writing, and the respective premises or space leased is listed or described on Disclosure Schedule 3.14. The Acquired Companies have previously delivered to the Buyer a true and accurate copy of those Real Property Leases listed on Disclosure Schedule 3.14. The Acquired Companies' Real Property Leases listed on Disclosure Schedule 3.14 include all the leases, subleases licenses and sublicenses of Real Property to which any Acquired Company is a party or under which either Acquired Company is a tenant, subtenant, licensee or sublicensee (including by assignment, if applicable). As to each listed Real Property Lease:

(a) Such Real Property Lease is legal, valid, binding, enforceable and in full force and effect;

(b) Except as described on Disclosure Schedule 3.14, the transactions contemplated by this Agreement do not under the terms of any such Real Property Lease require the consent of any other party to such Real Property Lease, will not result in a breach of or default under such Real Property Lease, and will not otherwise cause such Real Property Lease to cease to be legal, valid, binding, enforceable and in full force and effect on identical terms following the Merger;

(c) The Acquired Companies are not in breach of or default under any of the Real Property Leases. To the knowledge of the Acquired Companies, the counterparts to or current landlord of the Real Property Lease is not in breach of or default under such Real Property Lease, and no event has occurred or circumstance exists that, with the delivery of notice, the passage of time or both, would constitute such a breach or default, or permit the termination, modification or acceleration of rent under such Real Property Lease;

(d) No Acquired Company has subleased, licensed or otherwise granted any Person the right to use or occupy the Leased Real Property or any portion thereof;

(e) The Leased Real Property identified in Disclosure Schedule 3.14 comprises all of the Real Property used, or intended to be used, in the Business of the Acquired Companies; and neither of the Acquired Companies is a party to any agreement or option to purchase any Real Property or interest therein; and

(f) To the Acquired Companies' knowledge, all buildings, structures, fixtures, building systems and equipment, and all components thereof, included in the Leased Real Property (the "**Improvements**") are in good condition and repair and sufficient for the operation of the Business of the Acquired Companies. The Acquired Companies do not owe any past-due rent and other payments required under each Real Property Lease and neither Acquired Company is liable for paying the costs of any Improvements, repairs or betterments related to the Leased Real Property.

3.15 Accounts Receivable; and Stockholder Debt.

(a) The accounts receivable and notes receivable of the Acquired Companies are the "**Accounts Receivable**". Disclosure Schedule 3.15 attached hereto sets forth a true, correct and complete list as of the date of the Latest Balance Sheet, of the audited Accounts Receivable aging of the Acquired Companies, and the unaudited Accounts Receivable aging of the Acquired Companies as of the end of each month for November and December 2016 and January and February 2017. Except as set forth in Disclosure Schedule 3.15, all such Accounts Receivable resulted from the sales of services in the Ordinary Course of Business and are properly reflected on the Books and Records in accordance with GAAP consistent with past practice. Based on historical precedent for the SNI Subsidiary, the aggregate reserve for doubtful accounts set forth on the Latest Audited Balance Sheet is adequate in accordance with GAAP. All receivables set forth on the Latest Audited Balance Sheet are valid receivables, subject to no setoffs or counter-claims known to the Acquired Companies. Except as set forth on Disclosure Schedule 3.15, no Person has any Lien on any Accounts Receivable or any part thereof, and no agreement for deduction, free services, discount or other deferred price or quantity adjustment has been made by either Acquired Company with respect to any Accounts Receivable other than in the Ordinary Course of Business consistent with past practice.

(b) The Accounts Receivable used to determine Net Working Capital in **Appendix I** will be those that result from the sales of services in the Ordinary Course of Business and will be properly reflected on the Books and Records in accordance with GAAP consistent with past practice. Based on historical precedent for the SNI Subsidiary, the aggregate reserve for doubtful accounts maintained by the Acquired Companies is in accordance with GAAP.

(c) Except as set forth on Disclosure Schedule 3.15(c), all Indebtedness owed to the Acquired Companies by any SNIH Stockholder or any Affiliate of any SNIH Stockholders in the last twelve (12) months has been paid in full and satisfied in cash (without any forgiveness, waiver, or other agreed reduction or release of any part of the amounts owed other than by cash payment).

3.16 Tax Matters.

(a) The Acquired Companies have previously delivered or made available to the Buyer complete and correct copies of all Tax Returns filed by the Acquired Companies since January 1, 2014.

(b) Except as set forth on Disclosure Schedule 3.16 attached hereto:

(i) The Acquired Companies have timely paid all Taxes due. The Acquired Companies have timely and properly withheld, deducted or collected all Taxes required to have been withheld, deducted or collected by them in connection with amounts paid or owing to any stockholder, employee, creditor, independent contractor, or other third party and, to the extent required, have timely remitted or paid such Taxes to the proper governmental authority;

(ii) The Acquired Companies have timely filed (taking into account any valid extensions) all Tax Returns required to be filed by the Acquired Companies and all such Tax Returns are true, correct and complete in all material respects;

(iii) The Acquired Companies have not waived or extended any applicable statute of limitations relating to the assessment of Taxes, which waiver or extension is currently in effect;

(iv) The Acquired Companies have received no written notice of any examination of any Tax Returns of the Acquired Companies currently in progress or pending, and no deficiencies have been asserted or assessed against either Acquired Company as a result of any audit by the Internal Revenue Service ("IRS") or any state or local taxing authority and no such deficiency has been proposed;

(v) The Acquired Companies have established, in accordance with GAAP, an adequate accrual, for any unpaid Taxes that are not yet due or will establish, in accordance with GAAP, on or before the Closing Date, an adequate accrual for the payment of all unpaid Taxes not yet due with respect to any activity prior to or as of the Closing Date;

(vi) Neither Acquired Company is a party to or bound by any Tax allocation or Tax sharing agreement with any Person;

(vii) Neither of the Acquired Companies has been a member of an Affiliated Group filing a consolidated federal Income Tax Return (other than an Affiliated Group consisting of SNI Holdco and SNI Subsidiary);

(viii) The Acquired Companies will not be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period ending after the Closing Date as a result of any (i) change in method of accounting for a taxable period ending on or prior to the Closing Date under Code § 481(c) (or any corresponding or similar provision of state, local or foreign Income Tax law); (ii) “closing agreement” as described in Code § 7121 (or any corresponding or similar provision of state, local or foreign Income Tax law); (iii) installment sale made prior to the Closing Date; or (iv) material prepaid amount received on or prior to the Closing Date; and

(ix) Neither Acquired Company is a party to any agreement, contract, arrangement or plan that has resulted or would result, separately or in the aggregate, in the payment of any “excess parachute payment” within the meaning of Code § 280G (or any corresponding provision of state, local or foreign Income Tax law).

(c) Disclosure Schedule 3.16 attached hereto sets forth those taxable years in the last seven years for which the Tax Returns of each Acquired Company have been reviewed or audited by applicable federal, state, local and foreign taxing authorities.

(d) Merger. Since January 1, 2014, the SNIH Stockholders did not dispose of any shares of stock in SNI Holdco to SNI Holdco or any person related to SNI Holdco, or receive any distribution from SNI Holdco, in a manner that would cause the Merger to violate the continuity of stockholder interest requirement set forth in Treasury Regulations §1.368-1(e).

3.17 Books and Records.

(a) The general ledgers and books of account of the Acquired Companies and all other books and records of each respective Acquired Company (collectively, the “**Books and Records**”) for the past three (3) years have been maintained in accordance with good business practice with all applicable procedures required by Law.

(b) The Acquired Companies have implemented and maintain a system of internal control over financial reporting believed sufficient to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP, including that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(c) The minute books of each Acquired Company contain complete and correct Records of all meetings held, and actions taken by written consent of, the holders of voting securities, the board of directors or Persons exercising similar authority, and committees of the board of directors or such Persons of such Acquired Company, and no meeting of any such holders, board of directors, Persons, or committee has been held, and no other action has been taken, for which minutes or other evidence of action have not been prepared and are not contained in such minute books. Each Acquired Company has at all times maintained complete and correct Records of all issuances and transfers of its equity securities including stock. At the Closing, all such minute books and Records will be in the possession of the applicable Acquired Company and located at the offices of the Acquired Companies in Des Moines, Iowa.

3.18 Contracts and Commitments.

(a) Disclosure Schedule 3.18(a) attached hereto contains a true, complete and correct list (with reasonable specificity) of the following contracts and agreements of the Acquired Companies (or either of the Acquired Companies as indicated) (the contracts and agreements required to be so listed are referred to as "**Contracts**") (with each such listed Contract indexed to the pertinent subsection referenced on Disclosure Schedule 3.18(a) by applicable subsection number):

(i) all loan agreements, promissory notes, indentures, mortgages, guaranties and other agreements relating to borrowed or the borrowing of money, or a guaranty or surety of any obligation, to which either Acquired Company is a party or by which either Acquired Company or any of its property or assets is bound;

(ii) all pledges, conditional sale or title retention agreements, security agreements, equipment obligations, and lease purchase agreements to which either Acquired Company is a party or by which either Acquired Company or any of its property or assets is bound or encumbered by Liens;

(iii) all contracts, agreements, commitments, purchase orders or other understandings or arrangements to which either Acquired Company is a party or by which either Acquired Company or any of its property or assets is bound which (A) involve payments or receipts by either Acquired Company of more than Twenty-Five Thousand Dollars (\$25,000), in the case of any single contract, agreement, commitment, understanding or arrangement under which full performance (including payment) has not been rendered by all parties thereto or (B) which may materially adversely affect the condition (financial or otherwise) of the properties, assets, Business or prospects of the Acquired Companies;

(iv) all collective bargaining agreements to which either Acquired Company is a party or by which either Acquired Company or any of its property or assets is bound;

(v) all employee leasing agreements, employment and consulting agreements, deferred executive compensation plans, profit sharing, bonus plans, deferred compensation agreements, pension plans, retirement plans, employee stock option or stock purchase agreements or plans and group life, health and accident insurance and other employee benefit plans, agreements, arrangements or commitments to which either Acquired Company is a party or by which either Acquired Company or any of its property or assets is bound;

(vi) all agreements concerning confidentiality or non-competition to which either Acquired Company is a party or by which either Acquired Company or any of its property or assets is bound (including without limitation any such agreement binding on any stockholder, director, officer, manager, employee or consultant (individually or through an Affiliate entity) of either Acquired Company); and the material terms of any restrictions on either Acquired Company in such agreement are summarized in Disclosure Schedule 3.18(a)(vi) to the Agreement with respect to the applicable agreements listed therein;

(vii) all agreements under which either Acquired Company has advanced or loaned any amount to any of its stockholders, directors, officers, managers or employees;

(viii) all agency, sales representative and similar agreements to which either Acquired Company is a party or by which either Acquired Company or any of its property or assets is bound;

(ix) all contracts, agreements or other understandings or arrangements between SNI Subsidiary or SNI Holdco and any other Affiliate of Mr. Smith, Smith Holdings, LLC or either Acquired Company;

(x) all Real Property Leases, whether operating, capital or otherwise, under which either Acquired Company is lessor or lessee; and all Acquired Companies' Tangible Personal Property and Acquired Companies' Intellectual Property leases, licenses or other agreements under which either Acquired Company is lessor, lessee, or otherwise a party, for the lease or license (including sublessor or sublessee) of personal property assets, tangible or intangible, providing for lease in payments in excess of Five Thousand Dollars (\$5,000) per annum.

(xi) (A) all agreements (or group of related agreements) to which either Acquired Company is a party or by which either Acquired Company or any of its property or assets is bound for the purchase or sale of raw materials, commodities, supplies, products, or other personal property, or for the furnishing or receipt of services, the performance of which will extend over a period of more than one (1) year or involve consideration in excess of Five Thousand Dollars (\$5,000), and also (B) of the above listed agreements, Disclosure Schedule 3.18(a)(xi) to the Agreement specifically identifies those (and only those) agreements which extend over a period of more than three (3) years or involve consideration in excess of Twenty-Five Thousand Dollars (\$25,000);

(xii) all agreements concerning a partnership or joint venture to which either Acquired Company is a party or by which either Acquired Company or any of its property or assets is bound;

(xiii) all agreements to which either Acquired Company is a party or by which either Acquired Company or any of its property or assets is bound for the employment of any individual on a full-time basis, part-time or consulting basis providing any of the following: (A) annual compensation in excess of Thirty Thousand Dollars (\$30,000), (B) a guaranty of employment of one (1) year or more, or (C) severance benefits;

(xiv) all agreements under which either Acquired Company has advanced or loaned any other Person amounts in the aggregate exceeding Five Thousand Dollars (\$5,000);

(xv) all settlements, conciliations or similar agreements involving either Acquired Company to which either Acquired Company is a party or by which either Acquired Company or any of its property or assets is bound with any Governmental Body or which will likely involve payment after the Closing Date of consideration in excess of Five Thousand Dollars (\$5,000);

(xvi) all other agreements (or group of related agreements) to which either Acquired Company is a party or by which either Acquired Company or any of its property or assets is bound the performance of which involves consideration or expenditures by either Acquired Company in excess of Five Thousand Dollars (\$5,000);

(xvii) Disclosure Schedule 3.18(a)(xvii) to the Agreement contains a general, accurate description accurate of the history and scope of any claims under warranties under contracts or agreements with clients for work done by either Acquired Company for that client; and

(xviii) all other material agreements or Contracts to which either Acquired Company is a party or by which either Acquired Company or any of its property or assets is bound, or under which the consequences of a termination or default could have a Material Adverse Effect.

(b) Except as set forth on Disclosure Schedule 3.18(b) attached hereto:

(i) Each Contract is a valid and binding agreement of the applicable Acquired Company party thereto, enforceable against such Acquired Company in accordance with its terms, and neither Acquired Company has any Knowledge that any Contract is not a valid, binding and enforceable agreement of the other parties thereto;

(ii) The Acquired Companies have fulfilled all material obligations required pursuant to the Contracts to have been performed by the Acquired Companies, on their respective part as of the Effective Time, and the Acquired Companies have no reason to believe that it will not be able to fulfill, when due, all of its obligations under the Contracts which remain to be performed;

(iii) Neither Acquired Company has assigned, in whole or part, nor is in breach of or in default under any Contract referenced in Section 3.18(a)(i) through (xviii), inclusive, and is not in material breach of or in material default under any other Contract, and no event has occurred which, with the passage of time or giving of notice or both, would constitute such a breach or default, result in a loss of rights or result in the creation of any Lien;

(iv) To the Knowledge of each Acquired Company, there is no existing breach or default by any other party to any Contract;

(v) Neither Acquired Company is restricted by any Contract from carrying on its Business anywhere in the world; and

(vi) Neither Acquired Company has any material oral Contracts or agreements to which it is a party or to which it or any of its property or assets is bound.

(c) Except as set forth on Disclosure Schedule 3.18(c), the continuation, validity and effectiveness of each Contract will not be affected by the consummation of the transaction and Merger completed hereby or the transfer of the SNI Holdco Shares or Certificates for those to Buyer or Surviving Company under this Agreement.

(d) True, correct and complete copies of all Contracts, together with all amendments, waivers or other changes thereto, have previously been made available by the Acquired Companies to the Buyer.

3.19 Compliance with Permits and Laws.

(a) The Acquired Companies have all Necessary Permits from foreign, federal, state and local authorities affecting the Acquired Companies' Business and own and operate their respective assets, except for those Permits as to which the failure to obtain would not have a Material Adverse Effect on the Acquired Companies. Disclosure Schedule 3.19(a) attached hereto sets forth a true, correct and complete list of the Acquired Companies' Permits (exclusive of Permits from local authorities), copies of which have previously been made available by the Acquired Companies to the Buyer (exclusive of Permits from local authorities). Each Acquired Company has complied with and is in compliance with the terms and conditions of such Permits and has not received any notices that it is in violation of any of the terms or conditions of such Permits. Each Acquired Company has taken all necessary action to maintain such Permits. No loss or expiration of any such Permit is pending, reasonably foreseeable, or, to the Acquired Companies' Knowledge, threatened other than expiration in accordance with the terms thereof.

(b) The Acquired Companies have in all material respects complied with all applicable Laws, and are not in material violation of any Law, including any Law relating to the Business or the ownership or use of any of their assets. No notice, claim, charge, complaint, action, suit, proceeding, investigation or hearing has (i) been received by either Acquired Company or, (ii) to either Acquired Companies' Knowledge, been filed or commenced against either of the Acquired Companies, alleging a violation of or liability or potential responsibility under any such law, rule or regulation which has not heretofore been duly cured and for which there is no remaining liability.

(c) The representatives of the Acquired Companies have not, to obtain or retain business, directly or indirectly offered, paid or promised to pay, or authorized the payment of, any money or other thing of value (including any fee, gift, sample, travel expense or entertainment with a value in excess of One Hundred Dollars (\$100) in the aggregate to any one individual in any year) to: (i) any person who is an official, officer, agent, employee or representative of any Governmental Body or of any existing or prospective customer (whether government owned or nongovernment owned); (ii) any political party or official thereof; (iii) any candidate for political or political party office; or (iv) any other individual or entity; while knowing or having reason to believe that all or any portion of such money or thing of value would be offered, given, or promised, directly or indirectly, to any such official, officer, agent, employee, representative, political party, political party official, candidate, individual, or any entity affiliated with such customer, political party, official or political office.

3.20 Employee Relations.

(a) To the Knowledge of each Acquired Company, each Acquired Company is in compliance with all Laws, including without limitation Labor Laws, respecting employment and employment practices, terms and conditions of employment, and wages and hours, and is not engaged in any unfair labor practice; and there are no arrears in the payment of wages or payment or withholding of all applicable federal, state, and local payroll-related Taxes.

(b) Except as set forth on Disclosure Schedule 3.20(b) attached hereto:

(i) none of the employees of either Acquired Company is or has been represented by any labor union while employed by such Acquired Company;

(ii) there are no unfair labor practices charges or other complaint against either Acquired Company pending before the National Labor Relations Board, the U.S. Equal Employment Opportunity Commission, the Department of Labor, or any other Governmental Body;

(iii) there is no labor strike involving either Acquired Company (including, without limitation, any organizational drive);

(iv) there is no labor grievance pending against either Acquired Company;

(v) there is no, nor has there been in the last three (3) years, any pending union representation petition respecting the employees of either Acquired Company; and

(vi) within the past three (3) years, neither Acquired Company implemented any employee layoffs that could implicate the Worker Adjustment and Retraining Notification Act or any similar law.

(c) To the Knowledge of each Acquired Company, each Acquired Company is in compliance with all Laws relating to the employment of persons who are not citizens or lawful permanent residents of the United States, including but not limited to the provisions of the Immigration and Nationality Act, as amended, and the requirements of the Immigration Reform and Control Act of 1986. Neither Acquired Company currently employs any individual whose work authorization depends upon employer sponsorship. To the Knowledge of each Acquired Company, each Acquired Company is in compliance with the requirements of the Immigration Reform and Control Act of 1986 (i) to verify each of its employees' authorization to be employed in the United States and, (ii) to retain documentation of such authorization, including without limitation all Forms I-9 and all attached and/or supporting documentation.

(d) Disclosure Schedule 3.20(d) attached hereto sets forth a true, correct and complete list of each Acquired Company's current Core Employees (as defined in subsection (e) below) as of the Most Recent Fiscal Month End and the compensation of each of its salaried and hourly Core Employees paid to each such Core Employee as of the Most Recent Fiscal Month End.

(e) Disclosure Schedule 3.20(e) attached hereto sets forth a true, correct and complete description of any agreements with any employees or other parties that results in a bonus or other payment accruing or becoming due as a result of the transactions contemplated by this Agreement (“**Change of Control Bonuses**”) with the exception of the MIP Plan and the agreement with Baird.

3.21 Key Employees.

(a) Disclosure Schedule 3.21(a) identifies each of the individuals who currently perform or have performed in the last twenty-four (24) months any of the following services for the Acquired Companies: recruiting of workers, marketing and customer relations (each individual being a “**Key Employee**”). Furthermore, Disclosure Schedule 3.21(a) sets forth the identity and job descriptions for each of the Key Employees.

(b) Each of the Key Employees has entered into the confidentiality and non-solicitation agreement in the form attached as part of Disclosure Schedule 3.21(b). To the Knowledge of each Acquired Company, no Key Employee is subject to any non-competition or confidentiality agreement with any Person other than the Acquired Companies.

(c) Disclosure Schedule 3.21(c) identifies all (and only) those Key Employees which meet any of the following criteria: (i) received a performance or unscheduled bonus (in the form of cash or other consideration) from the Acquired Companies within the last twelve (12) months, or (ii) are by the measure of total sales, total revenues, or total new accounts (by volume or business projected from the new customer/client), within the top three (3) employees of Acquired Companies, of all the Key Employees.

(d) Disclosure Schedule 3.21(d) lists any intellectual property rights or copyright license agreements binding upon or obligating, to the Knowledge of the Acquired Companies, any Key Employee of the Acquired Companies individually.

(e) Disclosure Schedule 3.21(e) lists any franchise, distribution, commission, agency or representation agreements relating to the staffing, recruiting, and employee placement services business binding upon or obligating the Acquired Companies or, to the Knowledge of the Acquired Companies, any Key Employee of the Acquired Companies individually.

(f) Disclosure Schedule 3.21(f) lists all life insurance policies paid for or maintained by or for either of the Acquired Companies (or under which either Acquired Company is a primary beneficiary of any coverage payments), which are maintained for or cover the lives (or insure against the death of) any of either Acquired Company's employees (collectively called "**Key Man Insurance**"); and such list includes the insured (i.e., name of the person whose death is insured against), the insurer, the expiration date of the policy, the owner of the policy, the primary beneficiary thereof and the amount of the respective coverage amount. All Key Man Insurance policies paid for or maintained by or for either or both of the Acquired Companies (i) are owned and controlled by the Acquired Companies, and (ii) provide that one or both of the Acquired Companies are the primary beneficiary thereunder.

3.22 Employee Benefit Plans and Self-Funded Group Health Plan.

(a) Disclosure Schedule 3.22(a) lists each Employee Benefit Plan that either Acquired Company maintains, to which either Acquired Company contributes or has any obligation to contribute, or with respect to which either Acquired Company has any liability.

(i) Each such Employee Benefit Plan (and each related trust, insurance contract, or fund) has been maintained, funded and administered in all material respects in accordance with the terms of such Employee Benefit Plan and complies in form and in operation in all material respects with the applicable requirements of ERISA, the Code, the Affordable Care Act and all other applicable laws.

(ii) All required reports and descriptions (including Form 5500 annual reports, summary annual reports, and summary plan descriptions) have been timely filed and/or distributed in accordance with the applicable requirements of ERISA and the Code with respect to each such Employee Benefit Plan. The requirements of COBRA have been met in all material respects with respect to each such Employee Benefit Plan and each Employee Benefit Plan maintained by an ERISA Affiliate that is an Employee Welfare Benefit Plan subject to COBRA.

(iii) All contributions (including all employer contributions and employee salary reduction contributions) that are due have been made within the time periods prescribed by ERISA and the Code to each such Employee Benefit Plan that is an Employee Pension Benefit Plan and all contributions for any period ending on or before the Closing Date that are not yet due have been made to each such Employee Pension Benefit Plan or accrued in accordance with the past custom and practice of the applicable Acquired Company. All premiums or other payments for all periods ending on or before the Closing Date have been paid with respect to each such Employee Benefit Plan that is an Employee Welfare Benefit Plan.

(iv) Each such Employee Benefit Plan that is intended to meet the requirements of a “qualified plan” under Code §401(a) has either received a determination from the Internal Revenue Service that such Employee Benefit Plan is so qualified, or is based on an IRS pre-approved prototype volume submittal specimen plan document, and neither Acquired Company has Knowledge of any facts or circumstances that would reasonably be expected to adversely affect the qualified status of any such Employee Benefit Plan.

(v) There have been no Prohibited Transactions with respect to any such Employee Benefit Plan or any Employee Benefit Plan maintained by an ERISA Affiliate. No Fiduciary has any liability for material breach of fiduciary duty or any other material failure to act or comply in connection with the administration or investment of the assets of any such Employee Benefit Plan. No action, suit, proceeding, hearing, or investigation with respect to the administration or the investment of the assets of any such Employee Benefit Plan (other than routine claims for benefits) is pending or, to the Knowledge of the Acquired Companies, threatened.

(vi) The Acquired Companies have delivered or made available to Buyer correct and complete copies of the plan documents and summary plan descriptions, the most recent determination letter received from the Internal Revenue Service, the most recent annual report (Form 5500, with all applicable attachments), and all related trust agreements, insurance contracts, and other funding arrangements which implement each such Employee Benefit Plan.

(b) Neither any Acquired Company nor any ERISA Affiliate contributes to, has any obligation to contribute to, or has any material liability under or with respect to any Employee Pension Benefit Plan that is a “defined benefit plan” (as defined in ERISA §3(35)).

(c) Neither any Acquired Company nor any ERISA Affiliate contributes to, has any obligation to contribute to, or has any material liability (including withdrawal liability as defined in ERISA §4201) under or with respect to any Multiemployer Plan.

(d) Except for the Self-Funded Group Health Plan described in Disclosure Schedule 3.22 (d) attached hereto (the “**Self-Funded Group Health Plan**”), neither Acquired Company maintains, contributes to or has an obligation to contribute to, or has any material liability or potential liability with respect to, any Employee Welfare Benefit Plan or other arrangement providing health or life insurance or other welfare-type benefits for current or future retired or terminated employees (or any spouse or other dependent thereof) of the Acquired Companies. The Self-Funded Group Health Plan maintained by SNI Subsidiary has been operated in all material respects in accordance with all applicable Law including, but not limited to, ERISA, the Affordable Care Act (ACA), Health Insurance Portability and Accountability Act (HIPAA), Consolidated Omnibus Budget Reconciliation Act (COBRA), the Americans with Disabilities Act (ADA), the Pregnancy Discrimination Act, the Age Discrimination in Employment Act and the Civil Rights Act. The Self-Funded Group Health Plan has been properly reserved as required and all filings required by applicable federal, state or local or other Law have been made, and SNI Subsidiary maintains adequate reserves for the Self-Funded Group Health Plan sufficient to meet the needs and fund all claims to a degree and in manner consistent with applicable Law, and with sound and commercially reasonable actuarial and accounting practices.

(e) The consummation of the transactions contemplated by this Agreement will not accelerate the time of the payment or vesting of, or increase the amount of, or result in the forfeiture of compensation or benefits under, any Employee Benefit Plan, except as set forth on Disclosure Schedule 3.22(e) with respect to the MIP.

(f) Disclosure Schedule 3.22(f) lists each written agreement, contract, or other arrangement - whether or not an Employee Benefit Plan (each called a “**Nonqualified Plan**”) - to which any Acquired Company is a party that is a “nonqualified deferred compensation plan” subject to Code §409A. Each Nonqualified Plan has been maintained in good faith compliance with Code §409A and the regulations thereunder and no amounts under any such Nonqualified Plan is or has been subject to any material interest and additional tax set forth under Code §409A(a)(1)(B). No Acquired Company has any actual or potential obligation to reimburse or otherwise “gross-up” any Person for the interest or additional tax set forth under Code §409A(a)(1)(B).

(g) Neither Acquired Company has attempted to maintain the grandfathered health care plan status under the Affordable Care Act of any Employee Benefit Plan.

(h) Disclosure Schedule 3.22(h) lists each health insurance plan and policy that any Acquired Company maintains, to which each Acquired Company contributes, or has any obligation to contribute, or with respect to which any Acquired Company has liability. Each Acquired Company has properly prepared and distributed to its applicable employees the “summary of benefits and coverage” for each group health plan in accordance with the Affordable Care Act and all other applicable laws.

3.23 Conduct of Business. Except as set forth on Disclosure Schedule 3.23 attached hereto, since December 31, 2016, each Acquired Company has carried on the Business diligently and in the Ordinary Course of Business and has not made or instituted any unusual or new methods of purchase, sale, performance, lease, management, accounting or operation. Since December 31, 2016, each Acquired Company has caused all of its property to be used, operated, repaired and maintained in a normal and the Ordinary Course of Business manner consistent with past practice. The Acquired Companies do not maintain any inventory of goods except as may be set forth on the Most Recent Balance Sheets.

3.24 Absence of Certain Changes or Events. Except as set forth on Disclosure Schedule 3.24 attached hereto, since December 31, 2016, (unless a more recent date is specified below), the Acquired Companies have not entered into any transaction that is not in the usual and Ordinary Course of Business consistent with past practice, and, without limiting the generality of the foregoing, neither Acquired Company has:

- (a) suffered any Material Adverse Effect on its Business;
- (b) suffered any theft, damage, destruction or casualty loss to its assets in excess of Twenty-Five Thousand Dollars (\$25,000) in the aggregate, whether or not covered by insurance;
- (c) since December 31, 2016, incurred, assumed or suffered to exist any Indebtedness for borrowed money (other than the Indebtedness to be paid at Closing), other than as set forth on the face of the Latest Balance Sheet;
- (d) since December 31, 2016 and except as contemplated by this Agreement, discharged or satisfied any Lien or encumbrance or paid any obligation or other liability, other than current liabilities set forth on the face of the Latest Balance Sheet paid or discharged in the Ordinary Course of Business consistent with past practice;
- (e) mortgaged, pledged or subjected to Lien, any of its properties or assets;
- (f) sold or purchased, assigned or transferred any of its intangible assets or canceled any debts or claims except in the Ordinary Course of Business;
- (g) made any material amendment to or termination of any Contract;
- (h) made any material changes in compensation of its senior officers or directors;
- (i) made any change in the terms of, or material increase or decrease in, any Employee Benefit Plan;
- (j) amended or taken any action to amend its Charter or bylaws;

(k) issued or changed the authorized or issued securities of any Acquired Company, sold any equity in either Acquired Company or granted any option to purchase or subscribe for any of such equity;

(l) since December 31, 2016 and except as contemplated by this Agreement, declared or made any dividend, payment or other distribution with respect to the SNI Holdco Shares or any other security in Acquired Company, purchased or entered into any agreement to redeem any portion of the shares or other securities in the Acquired Company, or actually redeemed or repurchased any capital stock or other security of the either Acquired Company;

(m) sold, leased, assigned, encumbered by Lien or transferred any of its properties or assets;

(n) except as contemplated by this Agreement, directly or indirectly engaged in any transaction, arrangement or contract with any Affiliate or Insider;

(o) made any capital investments in, loan to or acquired (by merger, consolidation or acquisition of stock or assets) any interest in any corporation, limited liability company, partnership or other business organization or division thereof or any equity interest therein;

(p) authorized or made any new capital expenditure or expenditures that in the aggregate are in excess of the applicable Acquired Companies' budget therefor;

(q) settled any litigation, claim or action for an amount in excess of Twenty-Five Thousand Dollars (\$25,000) or involving equitable or injunctive relief;

(r) changed its fiscal year or changed its methods, policies or practices of accounting, except as required by changes in GAAP as concurred in by the Acquired Companies' independent accountants;

(s) made, accrued or entered into or amended any agreement or otherwise became liable for any severance, bonus, profit sharing incentive payment, retirement, pension, loan or benefit to any director, manager, officer, employee or consultant of either Acquired Company, except for accruals under existing Employee Benefit Plans in the Ordinary Course of Business, if any;

(t) made or revoked any material election under the Code or the Tax statutes of any state or other jurisdiction or consented to any extension or waiver of the limitation period applicable to any claim or assessment relating to Taxes;

(u) entered into or amended any employment arrangement or otherwise hired any management personnel reasonably expected to earn more than One Hundred Thousand Dollars (\$100,000) per year;

(v) released or waived of any claim or right of either Acquired Company with a value in excess of Twenty-Five Thousand Dollars \$25,000;

(w) agreed to, nor made or suffered any modification, termination, or expirations of, nor received notice of termination of, any Contracts listed or described in Section 3.18;

(x) suffered, permitted, caused (by action or omission), taken, made or entered or agreed to any other material occurrence, event, action, failure to act, or agreement or transaction, that is outside the Ordinary Course of Business of either Acquired Company; or

(y) committed or agreed to do any of the foregoing in the future.

3.25 Customers and Suppliers. Disclosure Schedule 3.25 attached hereto sets forth a true, correct and complete list of the names and addresses of the top twenty (20) customers of the Acquired Companies (based on total billings) for calendar year 2016 (the "**Material Customers**") and the total net sales to each respective Material Customer in the period from January 1, 2016 through December 31, 2016. Disclosure Schedule 3.25 also lists the top twenty (20) customers for the Acquired Companies during the first two months of 2017 (based on total billings). Since January 1, 2016, none of the Material Customers has given written notice that it has decided to stop purchasing services from the Acquired Companies, and, except as noted on Disclosure Schedule 3.23, there has been no material change in the terms or prices at which such Material Customers purchase services from the Acquired Companies. Neither Acquired Company has received written notice of, and neither Acquired Company has Knowledge of, any dispute between either of the Acquired Companies and any of the Material Customers. Disclosure Schedule 3.25 also sets forth the following by customer for October, November and December 2016: (i) revenue, (ii) average spread, (iii) average bill rate, and (iv) billable headcount. Since January 1, 2016, no supplier of the Acquired Companies has indicated it shall stop supplying material products or services to the Acquired Companies.

3.26 Security Deposits. Disclosure Schedule 3.26 attached hereto sets forth a list and amount of all security deposits paid by either of the Acquired Companies under Real Property Leases or personal property leases.

3.27 Banking Facilities. Disclosure Schedule 3.27 attached hereto sets forth a true, correct and complete list of:

(a) each bank, savings and loan or similar financial institution in which either Acquired Company has an account or safety deposit box and the numbers of the accounts or safety deposit boxes maintained by such Acquired Company thereat; and

(b) the names of all persons authorized to draw on each such account or to have access to any such safety deposit box facility, together with a description of the authority (and conditions thereof, if any) of each such person with respect thereto.

3.28 Powers of Attorney and Suretyships. Neither Acquired Company has any general or special powers of attorney outstanding (whether as grantor or grantee thereof), nor has any obligation or liability (whether actual, accrued, accruing, contingent or otherwise) as guarantor, surety, consigner, endorser, co-maker, indemnitor or otherwise in respect of the obligation of any Person.

3.29 Conflicts of Interests. Except as set forth on Disclosure Schedule 3.29 attached hereto, no Insider or other Affiliate (excluding Madison and Thrivent) now has or within the last two (2) years had:

(a) a material equity or debt interest in any Person that purchases or during such period purchased from the Acquired Companies any goods or services; or

(b) a position as an officer, director or employee of any customer or supplier of either Acquired Company.

3.30 Regulatory Approvals. As of Closing, except as noted on Disclosure Schedule 3.30, all consents, approvals, authorizations and other requirements prescribed by any Law, rule, order or regulation which must be obtained or satisfied by the Acquired Companies and which are necessary for the consummation of the transactions contemplated by this Agreement will have been obtained and satisfied.

3.31 Software.

(a) Except for off-the-shelf software that can be purchased for less than \$500, Disclosure Schedule 3.31 attached hereto sets forth a true, correct and complete list and, where appropriate, a description of, all software that is, and will be after Closing, necessary to conduct the Business operations as presently conducted by the Acquired Companies (the "Acquired Companies' Software"). The Acquired Companies have made available to the Buyer true, correct and complete copies of all licenses, development agreements and other agreements relating to the Software.

(b) Acquired Companies have the right to use the Software pursuant to an agreement set forth on Disclosure Schedule 3.31(b). Neither Acquired Company has received notice of, and has no Knowledge of any basis for, a claim against it that any of the Acquired Companies' Software or its use of any of the Acquired Companies' Software infringes on any copyright or other property right of a third party, or that either Acquired Company is illegally or otherwise using the Acquired Companies' Software. Neither Acquired Company has any disputes outstanding or, to the Knowledge of the Acquired Companies, threatened disputes relating to any of the Acquired Companies' Software.

(c) Business Continuity. None of the computer software, computer hardware (whether general or special purpose), telecommunications capabilities (including all voice, data and video networks) and other similar or related items of automated, computerized, and/or software systems and any other networks or systems and related services that are used by or relied on by the Acquired Companies in the conduct of their Business (collectively, the “**Systems**”) have experienced failures, breakdowns, or continued substandard performance in the past twelve (12) months that has caused any substantial disruption or interruption in, or to the use of, any such Systems by the Acquired Companies. The Acquired Companies are covered by business interruption insurance in scope and amount customary and reasonable to ensure the ongoing business operations of the Business.

3.32 Employees; Non-Compete Agreements. Except as set forth on Disclosure Schedule 3.32, each non-temporary employee of either Acquired Company is bound by an agreement containing covenants prohibiting such employee from competing with the Acquired Companies or the Business of the Acquired Companies. The Acquired Companies have made a true, correct and complete copy of each such agreement available to the Buyer. To the Knowledge of Acquired Companies, no non-temporary employee at either Acquired Company is bound by any non-competition agreement enforceable by another party to restrict that employee’s ability to compete with any other company or business. Except as described in particular on Disclosure Schedule 3.32, since January 1, 2013, there has been no litigation pending, or to the Knowledge of the Acquired Companies, threatened against either Acquired Company by or before any court or governmental authority with respect to any current or former employees, officers, directors, managers, or consultants of either Acquired Company.

3.33 Compliance with Environmental Laws.

(a) To the Knowledge of the Acquired Companies, each Acquired Company has complied and is complying with all requirements of Environmental Laws (as defined below), and neither Acquired Company has received any notice or communication from any individual private citizen or citizen’s group or federal, state or local governmental or regulatory agencies authority or otherwise of any violation or noncompliance or liability under Environmental Laws.

(b) To the Knowledge of the Acquired Companies, there are no past or present circumstances, activities, events, conditions or occurrences that could: (i) be anticipated to form the basis of an Environmental Claim (as defined below) or any other action against either Acquired Company, including without limitation with respect to any Real Properties owned or leased by either Acquired Company presently or in the past; (ii) cause any Leased Real Property or other Real Property owned by the Acquired Companies to be subject to any restrictions on its ownership, occupancy, use or transferability under any Environmental Laws; (iii) require the filing or recording of any notice or restriction relating to the presence of Hazardous Substances in the deed to the Real Properties; or (iv) prevent or interfere in any material respect with Buyer’s ability to fully operate and maintain the Business.

(c) There are no past, or to the Acquired Companies' Knowledge, pending or threatened Environmental Claims against the properties or either Acquired Company with respect to the Real Properties.

(d) Neither Acquired Company has any environmental audits, environmental reports, or other material environmental documents relating to its past or current Leased Real Properties or other, facilities or operations that are in its possession or under its control.

(e) "**Environmental Laws**" mean any federal, state, or local statute, ordinance, rule, regulation, code, or common law and any license, permit, authorization, approval, consent, order, judgment, decree, injunction, or agreement with any governmental or regulatory entity now or hereafter in effect, and any Environmental, Health and Safety Requirements, pertaining to pollution or protection of the environment, public health, worker safety, industrial hygiene, or the environmental conditions on, under, or about the property (including without limitation, ambient air, surface water, ground water, wetlands, land surface or sub-surface strata, and wild life, aquatic species and vegetation), including without limitation Laws and regulations relating to admissions, discharges, releases or threatened releases of Hazardous Substances or materials (including without limitation Hazardous Substances defined below) whether or otherwise relating to the manufacturer, processing, distribution, use, treatment, storage, disposal, transport or handling of toxic or hazardous materials and substances. Environmental Laws include, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("**CERCLA**"); the Federal Insecticide, Fungicide, and Rodenticide Act as amended ("FIFRA"); the Resource Conservation and Recovery Act, as amended ("RCRA"); the Toxic Substances Control Act, as amended ("TSCA"); the Clean Air Act as amended ("CAA"); the Federal Water Pollution Control Act, as amended ("FWPCA"); the Oil Pollution Act of 1990, as amended ("OPA"); the Fish and Wildlife Coordination Act, as amended ("FWCA"); the Endangered Species Act, as amended ("ESA"); the Wild and Scenic Rivers Act, as amended, ("WSRA"); the Rivers and Harbors Act of 1899, as amended ("1899 Rivers Act"); the Water Resources Research Act of 1984, as amended ("WRRRA"); the Occupational Safety and Health Act, as amended ("OSHA") and the Safe Drinking Water Act, as amended ("SDWA"); all comparable state and local counterparts or equivalence to the final laws listed above and any common law that may impose liability or obligations for injuries or damages due to, or threatened as a result of, the presence of or any exposure to any Hazardous Substances.

(f) "**Hazardous Substance**" means any substances included within the definition of "hazardous substances," "hazardous material," "toxic substances," or "solid waste" under CERCLA, RCRA, and the Hazardous Materials Transportation Act, 49 U.S.C. § 1801 et seq. and the regulations promulgated pursuant to said laws and such other substances, materials and waste which are or become regulated under applicable local, state, federal Law or which are classified as hazardous or toxic under federal, state or local Laws or regulations. Hazardous Substances include, without limitation, petroleum products and any derivative or by-product thereof, mold, asbestos, radioactive materials and polychlorinated biphenyls.

(g) “**Environmental Claims**” shall mean any and all administrative, regulatory or judicial action or causes of action, suits, obligations, liabilities, losses, proceedings, executory decrees, judgments, penalties, liens, notices of non-compliance or violation or legal fees or costs of investigations or proceedings based on any Environmental Law or any Permit issued under any such Environmental Law or arising from the presence or release or alleged presence or release into the environment of any Hazardous Substance including, without limitation, and regardless of the merit of such claim, any and all claims by any governmental or regulatory authority or by any third party for enforcement, cleanup, removal, response, remedial or other actions or damages, contribution, indemnification, cost recovery, compensation or injunctive relief pursuant to any Environmental Law or any alleged injury or threat of injury to health, safety or the environment.

3.34 Services Warranty. Disclosure Schedule 3.34 includes copies of the standard customer contracts used by the Acquired Companies for delivery of temporary services and permanent placement services. No service performed by either Acquired Company is subject to any guaranty, warranty or other indemnity beyond the applicable standard terms and conditions of sale or lease set forth in Disclosure Schedule 3.34, except as separately set forth on Disclosure Schedule 3.34.

3.35 Product Liability. The Acquired Companies do not sell products in the Ordinary Course of Business of the Business and have no product liability exposure.

3.36 Data Privacy. To the knowledge of either Acquired Company, the Acquired Companies’ Business has complied with and, as presently conducted and as presently proposed to be conducted, is in compliance with, all Data Laws except, in each case, to the extent that a failure to comply would not have a Material Adverse Effect. To the Knowledge of either Acquired Company, each Acquired Company has complied with, and is presently in compliance with, its policies applicable to data privacy, data security, and/or personal information except, in each case, to the extent that a failure to comply would not have a Material Adverse Effect. Neither Acquired Company has experienced any incident in which personal information or other sensitive data was stolen or improperly accessed within the last twelve (12) months, and the Acquired Companies have no Knowledge of any facts suggesting the likelihood of the foregoing, including without limitation, any breach of security or receipt of any notices or complaints from any Person regarding personal information or other data. Disclosure Schedule 3.36 lists the Acquired Companies’ data privacy and security policies and the Acquired Companies agree to deliver copies of all such policies to Buyer within ten (10) days from the date of this Agreement.

3.37 Preferential Status. There are no Contracts with customers that either require the continuation of ownership of the Acquired Companies by, or permit termination by the customer, due to either Acquired Companies' loss of small business status, woman-or-minority owned business status, disadvantaged business status, protégé status, "8(a)" status or other preferential status. Furthermore, there are no contracts that were acquired by the Acquired Companies due to such Acquired Companies' preferential status.

3.38 Voting Requirements and Approvals. The Board of Directors of SNI Holdco has unanimously approved this Agreement and the transactions contemplated hereby. The only vote of any class or series of SNI Holdco's capital stock necessary to approve this Agreement and the transactions contemplated hereby is the affirmative vote of the holders of a majority of the outstanding shares of SNI Holdco Common Stock, and those stockholders of SNI Holdco have approved this Agreement and the transactions contemplated herein.

3.39 No Dissenter's Rights. No stockholder of SNI Holdco ("**SNIH Stockholder**") is expected to dissent to, or seek or perfect appraisal rights with respect to, the Merger pursuant to the Delaware General Corporation Law (the "**DGCL**") or other applicable Law.

3.40 Information to be Supplied. The information supplied or to be supplied by SNI Holdco or SNI Subsidiary for inclusion in the Public Reports of Buyer or in the Buyer Proxy Statement to be filed with the SEC will not, after review of any proposed filing by counsel for Stockholders' Representative, on the date of filing thereof, or, in the case of the Buyer Proxy Statement, on the date the Buyer Proxy Statement is mailed to the stockholders of Buyer or at the time of the Buyer Stockholder Meeting contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading.

3.41 Certain Merger Requirements. (a) Merger Subsidiary will at Closing acquire at least Ninety Percent (90%) of the fair market value of the net assets and at least Seventy Percent (70%) of the fair market value of the gross assets held by SNI Holdco immediately prior to the Merger and for this purpose, amounts paid by SNI Holdco to dissenters, amounts paid by SNI Holdco to shareholders who receive cash or other property, SNI Holdco assets used to pay its reorganization expenses and all redemptions and distributions (except for regular normal dividends) made by SNI Holdco immediately preceding the Merger, will be included as assets of SNI Holdco held immediately prior to the transaction; (b) the liabilities of SNI Holdco that will be and are assumed by Merger Subsidiary at Closing were incurred in the ordinary course of business; and (c) SNI Holdco is not an investment company as defined in Section 368(a)(2)(F)(iii) and (iv) of the Internal Revenue Code of 1986 as amended (the "**Code**") and (d) neither of the Acquired Companies is under the jurisdiction of a court in a title 11 or similar case within the meaning of Section 368(a)(3)(A) of the Code.

3.42 No Trading in GEE Stock. To the Knowledge of the Acquired Companies, since November 1, 2016, none of the SNIH Stockholders has traded GEE Stock or entered into transactions regarding GEE Stock, including transactions involving hedges, collars or shorts, nor caused any other Person to do so.

3.43 No Brokers. No liability will accrue to Buyer as a result of any claims for brokerage commissions, finder's fees or similar compensation relating to the Merger based on any arrangement or agreement made or alleged to have been made by or on behalf of an Acquired Company and the Acquired Companies will not have any liability for any of those after the closing. The only "SNIH Stockholders' Broker" (as defined below) is Robert W. Baird & Co. ("**Baird**") which was engaged by SNI Holdco and which will be paid at Closing by the SNIH Stockholders from the cash portion of the Merger Consideration and at Closing the SNIH Stockholders shall deliver a release from Baird with respect to any potential liability for brokerage fees (the "**Baird Release**"). The term "**SNIH Stockholders' Broker**" means any Person acting or claiming to act as a broker or finder on behalf of any SNIH Stockholder or either Acquired Company with respect to any of the transactions contemplated by this Agreement or which might be entitled to brokerage fees, commissions or finder's fees in connection with any of the transactions contemplated by this Agreement.

3.44 Minimum Net Working Capital. To the Acquired Companies Knowledge the minimum Net Working Capital on the Closing Date is \$9.2 million.

3.45 Disclosure. Neither this Section 3 nor the Acquired Companies' Disclosure Schedules and exhibits hereto related to this Section 3 contain any untrue statement of a material fact or omit a material fact necessary to make the statements contained herein or therein, in light of the circumstances in which they were made, not misleading.

4A. Representations and Warranties Concerning GEE Restricted Securities.

(a) SNIH Stockholders' Representations and Warranties Concerning GEE Stock. The term "**GEE Stock**" means the GEE Preferred Shares, and the shares of GEE Common Stock issuable in connection with the Preferred Conversion and the Note Conversion. The term "**GEE Restricted Securities**" means the GEE Stock and the Promissory Notes. Each SNIH Stockholder, receiving GEE Restricted Securities as Merger Consideration for its shares of SNI Holdco represents and warrants, severally, and not jointly, to Buyer as to that SNIH Stockholder and not any other SNIH Stockholder that the statements contained in this Section 4A(a) are correct and complete as of the date of this Agreement.

(i) Access to Information. The SNIH Stockholder understands that an investment in the GEE Restricted Securities involves a high degree of risk and long term or permanent illiquidity, including, risk of loss of their entire investment. The SNIH Stockholders has been given full and complete access to the Buyer for the purpose of obtaining such information as the SNIH Stockholder or that SNIH Stockholder's qualified representative has reasonably requested in connection with the decision to acquire the GEE Restricted Securities. The SNIH Stockholder has received and reviewed copies of the Public Reports. The SNIH Stockholder is familiar with the business, operations and financial condition of the Buyer and has had the opportunity to ask questions of and receive answers from the officers of the Buyer regarding its business operations and financial condition, all as such SNIH Stockholder (or that SNIH Stockholder's investor's representatives) has deemed necessary to make an informed investment decision to purchase the GEE Restricted Securities. The SNIH Stockholder in making the decision to make an investment in the GEE Restricted Securities has relied upon an independent investigation of the Buyer and has not relied upon any information or representations made by any third parties or upon any oral or written representations or assurances from the Buyer, its officers, directors or employees or any other representatives or agents of the Buyer, other than as set forth in this Agreement.

(ii) Restricted Securities. (A) The SNIH Stockholder has been advised that none of the GEE Restricted Securities have been registered under the Securities Act or any other applicable securities laws. The SNIH Stockholder acknowledges that the GEE Restricted Securities will be issued as "restricted securities" as defined by Rule 144 promulgated pursuant to the Securities Act and that none of the GEE Restricted Securities may be resold in the absence of an effective registration thereof under the Securities Act and applicable state securities laws unless, in the opinion of counsel reasonably satisfactory to the Buyer, an applicable exemption from registration is available; (B) The SNIH Stockholder is acquiring the GEE Restricted Securities for such SNIH Stockholder's own account as principal, and not as nominee or agent, for investment purposes only and not with a view to, or for resale, or distribution thereof. The SNIH Stockholder has no present arrangement to sell the Restricted Securities to or through any person or entity and no other person has or will have a direct or indirect beneficial interest in such Restricted Securities; (C) The SNIH Stockholder understands and acknowledges that the certificates representing the GEE Restricted Securities will bear substantially the following legend:

"THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE LAW, AND NO INTEREST THEREIN MAY BE SOLD, DISTRIBUTED, ASSIGNED, OFFERED, PLEDGED OR OTHERWISE TRANSFERRED UNLESS: (i) THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS COVERING ANY SUCH TRANSACTION INVOLVING SAID SECURITIES; (ii) THE COMPANY RECEIVES AN OPINION OF LEGAL COUNSEL REASONABLY SATISFACTORY TO THE COMPANY STATING THAT SUCH TRANSACTION IS EXEMPT FROM REGISTRATION; OR (iii) THE COMPANY OTHERWISE SATISFIES ITSELF THAT SUCH TRANSACTION IS EXEMPT FROM REGISTRATION."

and (D) The SNIH Stockholder acknowledges that an investment in the GEE Restricted Securities is not liquid and is transferable only under limited conditions. The SNIH Stockholder acknowledges that such securities may only be transferred pursuant to an effective registration under the Securities Act or an exemption from such registration is available.

(iii) SNIH Stockholders' Sophistication and Ability to Bear Risk of Loss. The SNIH Stockholder has such knowledge and experience in financial affairs that such SNIH Stockholder is capable of evaluating, or has employed the services of an investment advisor, attorney or accountant to evaluate, on such SNIH Stockholder's behalf, the merits and risks of an investment in the GEE Restricted Securities. The SNIH Stockholder receiving GEE Restricted Securities as Merger Consideration is an Accredited Investor as that term is defined in Regulation D promulgated under the Securities Act. The SNIH Stockholder (A) understands that he, she or it must bear the economic risk of an investment in the GEE Restricted Securities for an indefinite period of time and (B) is able to bear such economic risk, including the total loss of his, her or its investment in the GEE Restricted Securities.

(b) Buyer's Representations and Warranties Concerning GEE Restricted Securities. The Buyer represents and warrants to the SNIH Stockholders receiving GEE Restricted Securities as Merger Consideration on the date hereof, subject to the Buyer's Disclosure Schedules (defined below) that the statements in this Section 4A(b) are true and correct. "**Buyer's Disclosure Schedules**" means the disclosure schedules prepared and delivered to SNIH Stockholders by Buyer and attached to this Agreement. The Buyer's Disclosure Schedules will be lettered and numbered so as to correspond to the respective lettered and numbered sections and subsections contained in Sections 4A(b) and 4 of this Agreement. Furthermore, the Buyer represents and warrants to SNIH Stockholders that the statements set forth in this Section 4A(b) will be true and correct on the Closing Date subject to the Buyer's Disclosure Schedules and Buyer's right to update the Buyer's Disclosure Schedules.

(i) Capitalization. The Buyer's capitalization is set forth in the Public Reports.

(ii) Filings with SEC. Buyer has made all filings with SEC that it has been required to make within the past two (2) years under the Securities Act and the Securities Exchange Act (collectively the “**Public Reports**”). As of the time it was filed with the SEC (or, if amended or superseded by a filing prior to the date of this Agreement) each of the Public Reports: (i) has complied with the Securities Act and the Securities Exchange Act in all material respects; and (ii) does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. Buyer has made available to SNIH Stockholder, through the SEC’s EDGAR System, a correct and complete copy of each Public Report.

(iii) Financial Statements. Buyer has filed a quarterly report on Form 10-Q for the fiscal quarter ended December 31, 2016 (the “**Most Recent Fiscal Quarter End**”), and an annual report on Form 10-K for the fiscal year ended September 30, 2016. The financial statements included in or incorporated by reference into these Public Reports (including the related notes and schedules) have been prepared in accordance with GAAP throughout the periods covered thereby, and present fairly the financial condition of Buyer and its Subsidiaries as of the indicated dates and the results of operations of Buyer and its Subsidiaries for the indicated periods; provided, however, that the interim statements are subject to normal year-end adjustments.

(iv) Events Subsequent to Most Recent Fiscal Quarter End. Since the Most Recent Fiscal Quarter End, there has not been any Material Adverse Change.

(v) Valid Issuance of GEE Common Stock. The shares of GEE Common Stock to be issued upon conversion of the GEE Preferred Stock and upon conversion of the Promissory Note will be validly issued, fully paid and non-assessable, and free and clear of all restrictions on transfer other than those restrictions on transfer under the Securities Act of 1933, any applicable state securities laws and as set forth in this Agreement.

4. Representations of the Buyer. The Buyer represents and warrants to the SNIH Stockholders on the date hereof, subject to the Buyer’s Disclosure Schedules (defined below) that the statements in this Section 4 are true and correct. Furthermore, the Buyer represents and warrants to SNIH Stockholders that the statements set forth in this Section 4 will be true and correct on the Closing Date subject to the Buyer’s Disclosure Schedules.

4.1 Organization and Authority of Buyer. The Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of Illinois, and has all requisite corporate power and authority to own its properties and to carry on its Business as now being conducted. The Buyer has all requisite corporate power to execute and deliver this Agreement and all other documents, instruments and agreements to be delivered by it hereunder and to consummate the transactions contemplated hereby and thereby.

4.2 Organization and Authority of Merger Subsidiary. The Merger Subsidiary is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware, and has all requisite corporate power and authority to own its properties and to carry on its Business as now being conducted. The Merger Subsidiary has all requisite corporate power to execute and deliver this Agreement and all other documents, instruments and agreements to be delivered by it hereunder and to consummate the transactions contemplated hereby and thereby.

4.3 Authorization by Buyer. The execution and delivery of this Agreement by the Buyer, and the agreements provided for herein, and the consummation by the Buyer of the transactions contemplated hereby, have been duly authorized by all requisite corporate action. This Agreement and all such other agreements and written obligations entered into and undertaken in connection with the transactions contemplated hereby constitute the valid and legally binding obligations of the Buyer, enforceable against the Buyer in accordance with their respective terms. The execution, delivery and performance of this Agreement and the agreements provided for herein, and the consummation by the Buyer of the transactions contemplated hereby and thereby, will not, with or without the giving of notice or the passage of time or both, (a) violate the provisions of any Law, rule or regulation applicable to the Buyer; (b) violate the provisions of the Buyer's Charter or bylaws; (c) violate any judgment, decree, order or award of any court, Governmental Body or arbitrator; or (d) conflict with or result in the breach or termination of any term or provision of, constitute a default under, cause any acceleration under, or cause the creation of any Lien upon the properties or assets of the Buyer pursuant to any indenture, mortgage, deed of trust or other agreement or instrument to which the Buyer is a party or by which the Buyer is or may be bound. Disclosure Schedule 4.3 attached hereto sets forth a true, correct and complete list of all consents and approvals of third parties that are required to be obtained by the Buyer in order for it to consummate the transactions contemplated by this Agreement.

4.4 Authorization by Merger Subsidiary. The execution and delivery of this Agreement by the Buyer, and the agreements provided for herein, and the consummation by the Buyer of the transactions contemplated hereby, have been duly authorized by all requisite corporate action. This Agreement and all such other agreements and written obligations entered into and undertaken in connection with the transactions contemplated hereby constitute the valid and legally binding obligations of the Buyer, enforceable against the Buyer in accordance with their respective terms. The execution, delivery and performance of this Agreement and the agreements provided for herein, and the consummation by the Buyer of the transactions contemplated hereby and thereby, will not, with or without the giving of notice or the passage of time or both, (a) violate the provisions of any Law, rule or regulation applicable to the Buyer; (b) violate the provisions of the Buyer's Charter or bylaws; (c) violate any judgment, decree, order or award of any court, Governmental Body or arbitrator; or (d) conflict with or result in the breach or termination of any term or provision of, constitute a default under, cause any acceleration under, or cause the creation of any Lien upon the properties or assets of the Buyer pursuant to any indenture, mortgage, deed of trust or other agreement or instrument to which the Buyer is a party or by which the Buyer is or may be bound. Disclosure Schedule 4.4 attached hereto sets forth a true, correct and complete list of all consents and approvals of third parties that are required to be obtained by the Buyer in order for it to consummate the transactions contemplated by this Agreement.

4.5 Government and Regulatory Approvals. As of Closing, all consents, approvals, authorizations and other requirements prescribed by any law, rule, order or regulation which must be obtained or satisfied by the Buyer or by the Merger Subsidiary (collectively the Buyer and Merger Subsidiary are called the “**GEE Parties**”, and each is sometimes called a “**GEE Party**”) and which are necessary for the consummation of the transactions contemplated by this Agreement will have been obtained and satisfied.

4.6 Adverse Proceedings. No action or proceeding by or before any court or other Governmental Body has been instituted or threatened against either GEE Party by any Governmental Body or Person whatsoever seeking to restrain, prohibit or invalidate the transactions contemplated by this Agreement or affecting the right of the Buyer to own or acquire an ownership interest (by the Merger) in the Acquired Companies through ownership of the Surviving Company, or to acquire from the SNIH Stockholders the Certificates for the SNI Holdco Shares, or to (after the Merger) own the Surviving Company or operate the Surviving Company’s and SNI Subsidiary’s Business after the Closing and Merger.

4.7 No Brokers. No liability will accrue to the SNIH Stockholders as a result of any claims for brokerage commissions, finder’s fees or similar compensation in connection with the transactions contemplated by this Agreement based upon any arrangement or agreement made or alleged to have been made by or on behalf of Buyer. The only “Buyer’s Broker” (as defined below) is Stifel, Nicolaus & Company, Incorporated, (“Stifel”) which was engaged by Buyer and which will be paid after the close of the transaction by Buyer. The term “**Buyer’s Broker**” means any Person acting or claiming to act as a broker or finder on behalf of the Buyer with respect to any of the transactions contemplated by this Agreement or which might be entitled to brokerage fees, commissions or finder’s fees in connection with any of the transactions contemplated by this Agreement.

5. Omitted.

6. Omitted.

7. Closing Deliveries by the SNIH Stockholders. The Buyer shall have received at or prior to the Closing Date such documents, instruments or certificates as the Buyer may reasonably request, including, without limitation:

- (a) The following certificates of officers of SNI Holdco, duly executed by such officers: (i) certified organizational documents and resolutions of the board of directors of SNI Holdco approving SNI Holdco’s entry into this Agreement and the other agreements contemplated hereby and the consummation of the transactions contemplated hereby and thereby;

(b) Certificates of the Secretary of State of the State of Delaware as to the legal existence and good standing of SNI Holdco and SNI Subsidiary in Delaware;

(c) The Certificate of Merger;

(d) Termination Agreements that terminate the existing employment agreements of Mr. Smith and Vince Lombardo, which release the Acquired Companies from any further obligations or liability under those agreements and documentation satisfactory to Buyer that Vince Lombardo has been paid any compensation due him, including any relating to a change of contract;

(e) A written mutual understanding regarding future employment of Peter Langlois in form and substance approved by Buyer and executed by Peter Langlois ("**Mutual Understanding**").

(f) Agreements that include covenant not to compete provisions (the "**Non-Competition Agreements**") executed by the Ronald R. Smith (with covenants to last five (5) years), Peter Langlois and Vince Lombardo and the SNIH Stockholders who are also SNI Subsidiary employees (with covenants to last three (3) years, each in the form set forth on **Exhibit E** hereto);

(g) Stock certificate(s) evidencing the SNI Holdco Shares, and an executed Letter of Transmittal;

(h) The minute books, equity transfer books or similar Books and Records and seal, if available, of each of the Acquired Companies (or as soon as possible after Closing);

(i) Resignations, effective as of the Closing, of each director and officer of SNI Holdco and SNI Subsidiary, other than those whom Buyer shall have specified in writing at least two (2) days prior to the Closing;

(j) The Escrow Agreement duly executed by the Stockholders' Representative and the Escrow Agent;

(k) The Baird Release;

(l) To the extent necessary and to the extent such authorizations are in the name of an employee of either Acquired Company, authorized forms to change permitted users and authorized persons for banking relationships;

(m) MIP Estoppels;

(n) Ronald R. Smith and each SNIH Stockholder who is an employee, officer or director of either of the Acquired Companies shall each have released Buyer, SNI Holdco, Surviving Company, and SNI Subsidiary in the form attached hereto as **Exhibit F** ("**SNIH Stockholders' Release**"), and such release shall be in full force and effect as of the Closing;

(o) SNIH Stockholder recipients of the Promissory Notes shall have delivered to Buyer a subordination agreement between SNIH Stockholders and Buyer's Primary Lender that is in form and substance satisfactory to Buyer's Primary Lender;

8. Closing Deliveries by the Buyer. The Buyer shall deliver at Closing each of the following (to the SNIH Stockholders, the Escrow Agent or other appropriate recipients):

(a) payment of that part of the Merger Consideration that is payable at Closing as set forth in Sections 1 and 2;

(b) The following certificates of the Buyer's officers: (i) certified organizational documents and resolutions approving the Buyer's entry into this Agreement and the other agreements contemplated hereby and the consummation of the transactions contemplated hereby and thereby;

(c) The Certificate of Merger;

(d) Statement of Resolution Establishing Series of Series B Convertible Preferred Stock and evidence that the Statement has been filed and is effective;

(e) Buyer shall have entered into the Non-Competition Agreements, and each such agreement shall be in full force and effect as of the Closing;

(f) Intentionally Omitted.

(g) The Escrow Agreement duly executed by the Buyer and the Escrow Agent;

(h) a certificate of the secretary or an assistant secretary of Buyer, dated the Closing Date, in form and substance reasonably satisfactory to SNIH Stockholders, as to: (i) the Charter of Buyer and Merger Subsidiary and any amendments to the Charter of Buyer; (ii) each of the bylaws of each of the Buyer and Merger Subsidiary; and (iii) authorizing resolutions of the board of directors (or a duly authorized committee thereof) of each of the Buyer and Merger Subsidiary relating to this Agreement and the transactions contemplated hereby; and

(i) Evidence satisfactory to the Stockholder's Representative that Buyer shall have filed and caused to become effective the Statement of Resolution Establishing Series of Series B Convertible Preferred Stock with the Illinois Secretary of State.

9. Omitted.

10. Remedies for Breaches of This Agreement.

10.1 Survival of Representations and Warranties. The “**Fundamental Representations and Warranties**” of the Acquired Companies are the following representations and warranties in Sections 3: **3.1 Title, 3.2 Capitalization of the Acquired Companies, 3.4 Organization, 3.6 Enforceability, 3.16 Tax Matters, 3.33 Compliance with Environmental Law, and 3.43 No Brokers.** All representations and warranties in Section 3 of the Acquired Companies that are not Fundamental Representations and Warranties are the “**Non-Fundamental Representations and Warranties**”. All representations and warranties of the Acquired Companies survive the Closing. The Non-Fundamental Representations and Warranties shall survive the Closing hereunder (even if Buyer knew or had reason to know of any misrepresentation or breach of warranty at the time of Closing) and continue in full force and effect until the date that is eighteen (18) months after the Closing. All of the representations and warranties of the Parties contained in this Agreement (other than the Non-Fundamental Representations and Warranties, and the Several Representations and Warranties addressed in 10B) shall survive the Closing (even if the damaged Party knew or had reason to know of any misrepresentation or breach of warranty at the time of Closing) and continue in full force and effect until the expiration of the applicable statutes of limitations (including any extension thereto). The waiver of any condition relating to any representation, warranty, covenant or obligation will not affect the right to indemnification, payment, reimbursement or other remedy based upon such representation, warranty, covenant or obligation. Notwithstanding the above, the survival period for misrepresentations or breaches of representations and warranties arising out of fraud or willful misconduct by any Party is extended to be the expiration date of the applicable statutes of limitation (including any extension thereto). The covenants and agreements of the Parties shall survive the Closing in accordance with their terms.

10.2 Indemnification Provisions for Buyer Indemnified Parties’ Benefit. The term “**Buyer Indemnified Parties**” means Buyer, Surviving Company and the Acquired Companies. The term “**indemnify**” (whether capitalized or not) means to indemnify, hold harmless and pay to the indemnified party, and “**indemnification**” is the noun form. In the event one or more of the Acquired Companies breach any of its or their representations, warranties, covenants or agreements contained herein (this Agreement), and provided that Buyer makes a timely written claim for indemnification pursuant to the notice provisions in Section 13 below within the applicable survival period (in Section 10.1 above), then the SNIH Stockholders shall be obligated to indemnify, severally and not jointly, on a proportional basis in this Section 10 as set forth below, the Buyer Indemnified Parties for the Adverse Consequences, subject to the limitations and in the manner set forth herein, that any of the Buyer Indemnified Parties may suffer sustain or become subject to (including any Adverse Consequences that the Buyer Indemnified Parties sustain or become subject to after the end of any applicable survival period for which timely notice was given) resulting from, arising out of, relating to, or caused by the breach. If the SNIH Stockholders fail to indemnify Buyer Indemnified Parties in the manner provided herein after Buyer delivers written notice as provided above, then the Buyer Indemnified Parties shall have the right to bring an action for indemnification for such claim including after the end of the applicable survival period. Indemnification payments that are due to Adverse Consequences suffered by any of the Buyer Indemnified Parties shall be paid to Buyer. Notwithstanding the foregoing in this Section 10.2:

(a) the SNIH Stockholders shall not have any obligation to indemnify any Buyer Indemnified Parties for a breach of the Non-Fundamental Representations and Warranties until Buyer Indemnified Parties have suffered, sustained or become subject to Adverse Consequences by reason of all such breaches (of those Non-Fundamental Representations and Warranties), in the aggregate, in excess of Six Hundred Forty Five Thousand Dollars (\$645,000) (“**Indemnification Basket**”) after which point the SNIH Stockholders will be obligated to indemnify Buyer Indemnified Parties only for such aggregate Adverse Consequences to the extent in excess of the first Two Hundred Thousand Dollars \$200,000 (e.g., if there are a total of \$700,000 in Adverse Consequences, the indemnification is for \$500,000) (the “**Indemnification Deductible**”) severally and not jointly in accordance with each SNIH Stockholders’ SNIH Ownership Proportion;

(b) there will be an aggregate ceiling (“**Non-Fundamental Representations and Warranties Indemnification Ceiling**”) on SNIH Stockholders’ obligation to indemnify Buyer Indemnified Parties and pay Buyer Indemnified Parties for Adverse Consequences suffered by reason of breaches of any of the Non-Fundamental Representations and Warranties; such indemnification ceiling being an amount equal to \$8.6 million. The sole recourse for such indemnification will be against the Promissory Notes issued to the SNIH Stockholders to the extent available pursuant to the Set-Off rights described in Section 10.7;

(c) as clarification, the Indemnification Basket, Indemnification Deductible and Non-Fundamental Representations and Warranties Indemnification Ceiling only apply to breaches by the Acquired Companies of Non-Fundamental Representations and Warranties and not to other breaches;

(d) with respect to each SNIH Stockholder there will be a separate aggregate ceiling on such SNIH Stockholder’s obligation to indemnify Buyer Indemnified Parties pursuant to Sections 10, 10A, 10B and Section 11 (“**Overall Proportion Indemnification Ceiling**”); and such indemnification ceiling (i) being an amount equal to each of Thrivent’s and Madison’s “Pro Rata Share” (as set forth on Exhibit B) of Merger Consideration actually received by each of Thrivent and Madison, as applicable; and (ii) for each other SNIH Stockholder an amount equal to such SNIH Stockholder’s SNIH Ownership Proportion of the Merger Consideration; and

(e) As clarification, no SNIH Stockholder will have any obligation to indemnify any Person for any matter under this Agreement with respect to Adverse Consequences that exceed that SNIH Stockholder's Overall Proportion Indemnification Ceiling (with the exception for the Smith and Smith Holdings Joint Liability).

(f) Notwithstanding anything to the contrary set forth in this section 10, there shall be no "ceiling" on the obligation of Mr. Smith or Smith Holdings to indemnify for any Adverse Consequences up to \$86 million resulting from any fraud or willful misconduct by any of the Acquired Companies or Mr. Smith.

10.3 Indemnification Provisions for SNIH Stockholders' Benefit. In the event Buyer breaches any of its representations, warranties, covenants or agreements contained herein, and provided that the Stockholders' Representative makes a written claim for indemnification against Buyer pursuant to the notice provisions set forth in Section 13 below within the applicable survival period (as referenced in Section 10.1 above) then Buyer agrees to indemnify SNIH Stockholders in accordance with their SNIH Stockholder's SNIH Ownership Proportion from and against the entirety of any Adverse Consequences suffered by SNIH Stockholders resulting from, arising out of, relating to, or caused by the breach. If Buyer fails to indemnify SNIH Stockholders after the Stockholders' Representative delivers written notice as provided above, then SNIH Stockholders shall have the right to bring an action for indemnification for such claim including after the end of the applicable survival period.

10.4 Indemnification Deductible Effect on 'Materiality' Qualifiers. For purposes of this Section 10, any breach of or inaccuracy in any representation or warranty, shall be determined without regard to any materiality, Material Adverse Effect or other similar qualification contained in or otherwise applicable to such representation or warranty.

10.5 Matters Involving Third-Parties.

(a) If any third-party notifies either Party (the "**Indemnified Party**") with respect to any matter (a "**Third-Party Claim**") that may give rise to a claim for indemnification against the other Party (the "**Indemnifying Party**") under this Section 10 or under Section 10A Special Indemnities, then the Indemnified Party shall promptly notify the Indemnifying Party thereof in writing; provided, however, that no delay on the part of the Indemnified Party in notifying the Indemnifying Party shall relieve the Indemnifying Party from any obligation hereunder unless (and then solely to the extent) the Indemnifying Party is thereby prejudiced.

(b) Any Indemnifying Party will have the right to assume the defense of the Third-Party Claim with counsel of his, her, or its choice reasonably satisfactory to the Indemnified Party at any time within fifteen (15) days after the Indemnified Party has given notice of the Third-Party Claim; provided, however, that the Indemnifying Party must conduct the defense of the Third-Party Claim actively and diligently thereafter in order to preserve the rights and defenses of the Indemnified Party; and provided further that the Indemnified Party may retain separate co-counsel at its sole cost and expense and participate in the defense of the Third-Party Claim.

(c) So long as the Indemnifying Party has assumed, and is conducting the defense of the Third-Party Claim in accordance with Section 10.6(b) above, (i) the Indemnifying Party will not consent to the entry of any judgment on or enter into any settlement with respect to the Third-Party Claim without the prior written consent of the Indemnified Party (not to be unreasonably withheld) unless the judgment or proposed settlement involves only the payment of money damages by the Indemnifying Party and does not impose an injunction or other equitable relief upon the Indemnified Party, and (ii) the Indemnified Party will not consent to the entry of any judgment on or enter into any settlement with respect to the Third-Party Claim without the prior written consent of the Indemnifying Party (not to be unreasonably withheld).

(d) In the event that the Indemnifying Party does not assume and conduct the defense of the Third-Party Claim in accordance with Section 11.6(b) above, however, (i) the Indemnified Party may defend against, and consent to the entry of any judgment on or enter into any settlement with respect to, the Third-Party Claim in any manner he, her, or it may reasonably deem appropriate (and the Indemnified Party need not consult with, or obtain any consent from, any Indemnifying Party in connection therewith), and (ii) the Indemnifying Party will remain responsible for any Adverse Consequences the Indemnified Party may suffer resulting from, arising out of, relating to, in the nature of, or caused by the Third-Party Claim to the fullest extent provided in this Section 10.

10.6 Determination of Adverse Consequences. Indemnification payments under this Section 10, and Section 10A, Section 10B and Section 11, shall be paid by the Indemnifying Party without reduction for any Tax benefits available to the Indemnified Party. The Parties shall make appropriate adjustments for insurance coverage and take into account the time cost of money (using the Applicable Rate as the discount rate) in determining Adverse Consequences for purposes of this Section 10 and Section 10A. All indemnification payments under this Section 10, Section 10A Section 10B and Section 11 (below) shall be deemed adjustments to the Merger Consideration.

10.7 Recoupment Against Escrow Agreement and Set-Off Against Promissory Note. With the exception of indemnifications relating to Net Working Capital, the Special Indemnities in Section 10A and the Several Indemnification in Section 10B, any indemnification to which any Buyer Indemnified Party is entitled under this Agreement as a result of a final judicial decision of or agreement as to any Adverse Consequences shall first be made by notifying the Stockholders' Representative that Buyer is reducing the principal amount outstanding under the Promissory Notes held in escrow (i.e., \$8.6 million in Promissory Notes are being deposited into escrow). The reduction shall be applied proportionately in accordance with the respective original principal amounts of the Promissory Notes held in escrow. For example if the original principal of one Promissory Note held in escrow is 200% of the amount of another, then the amount of the reduction for the Promissory Note with the higher original principal balance shall be 200% of the other. The reduction of principal amount under any Promissory Note shall affect the timing and amount of payments required under such Promissory Note in the same manner as if Buyer had made a permitted prepayment (without premium or penalty) thereunder. This obligation to proceed against the Promissory Notes is only a requirement for claims of indemnification made during the first eighteen (18) months after the Closing and is subject to the applicable Promissory Notes being available to recover against, there being a remaining principal amount and the Promissory Notes being issued to the applicable SNIH Stockholder who is to indemnify. The Promissory Notes and proceeds thereof (including any GEE Common Stock) shall be held in escrow by the Escrow Agent for eighteen (18) months and then released if there are no outstanding claims for indemnification, but not if there are outstanding claims for indemnification. If there are outstanding claims for indemnification, then the Stockholder Representative and Buyer shall cooperate to determine the amount, if any, of Promissory Notes and proceeds that are to be released and send the Escrow Agent a joint written notice of their determination.

As a matter of clarification, it is understood that the recoupment against the Promissory Notes is based on the principal amounts of the Promissory Notes held in escrow as set forth above in this 10.7, which will result in a SNIH Stockholder being responsible for indemnifying for Adverse Consequences based on a higher or lower proportion than his SNIH Ownership Proportion. For example, if there is a breach of a Non-Fundamental Representation and Warranty, then the recourse under the indemnification provisions of this Section 10.7 requires and permits Buyer to first proceed against the Promissory Notes on the proportionate basis set forth above in this Section 10.7, even if (i) one SNIH Stockholder has no or a relatively small amount of principal of the Promissory Notes and a relatively higher SNIH Ownership Proportion; and (ii) a recovery against one or more Promissory Note holders differs from their SNIH Ownership Proportion. In addition, the Parties agree that Buyer will not pursue any setoff against the Promissory Notes held in escrow hereunder with respect to any claims under Section 10B or any other claims based on individually made or individually agreed to representations, warranties, covenants or agreements, unless such claims are individual claims against the specific noteholder from which Buyer is seeking a setoff and Buyer may instead pursue those claims as permitted elsewhere in this Agreement.

If the aggregate amount of Adverse Consequences asserted by Buyer and permitted under other provisions of this Section 10 exceeds the outstanding balance of all the Promissory Notes held in escrow, Buyer may seek recourse against any SNI Holdco Stockholder for such amounts as are permitted under Section 10.2 but not more.

10.8 Exclusive Remedy. Buyer and the Acquired Companies and Principal Stockholders acknowledge and agree that the indemnification provisions in this Section 10, and Section 10A, Section 10B and Section 11, shall be the exclusive remedy of Buyer and Section 10B SNIH Stockholders against each other with respect to breaches of the representations, warranties, covenants and agreements contained in this Agreement and the transactions contemplated by this Agreement, with the exception of claims for fraud, willful misconduct and the right to equitable relief such as specific performance or injunctive relief.

10.9 Smith and Smith Holdings One Person. Notwithstanding anything in this Agreement to the contrary, Ronald R. Smith and Smith Holdings, LLC are related parties, and for all purposes of this Agreement, including without limitation Section 10.2(b), 10.7 10.8 10A and 10B, are treated as one SNIH Stockholder, meaning that each is responsible for the breach by the other of any representations, warranties, and covenants, and each is jointly and severally responsible for the indemnification obligations of the other as if they are one and the same person (and any calculations of proportionate responsibility, if applicable, shall be calculated as the sum or combination (of their respective portions of responsibility) that would apply as to Ronald R. Smith and Smith Holdings, LLC) (the “Smith and Smith Holdings Joint Liability”).

10A. Special Indemnities. The SNIH Stockholders, based on their respective SNIH Stockholder’s SNIH Ownership Proportion, shall indemnify Buyer Indemnified Parties severally, not jointly, from and against the entirety of any Adverse Consequences resulting from, arising out of or relating to any of the following (to the extent not deducted as a Current Liability for purposes of determining Net Working Capital in **Appendix I**):

(a) the litigation matters identified on **Exhibit G** to this Agreement, provided however that the provisions of Section 10.4 titled “Matters Involving Third-Parties” shall apply with the litigation matters being treated as “Third Party Claims,” the SNIH Stockholders as the “Indemnifying Party” and the Buyer as the Indemnified Party. If after final resolution of all those litigation matters, the amount deducted as a Current Liability exceeds the amounts of the Adverse Consequences suffered by the Acquired Companies and Buyer, then the remaining balance shall be paid within fifteen (15) days after receipt of notice for refund from Stockholders’ Representative to the Stockholders’ Representative account at the Escrow Agent to be, promptly disbursed by the Escrow Agreement in accordance with each SNIH Stockholder’s SNIH Ownership Proportion, which shall be treated as an additional adjustment to Net Working Capital.

(b) liabilities of the Self-Funded Group Health Plan after giving effect to the insurance coverage provided by Wellmark, Inc. (the “**Health Plan Insurer**”) including any liability (including any applicable penalties, costs or expenses, including litigation costs and reasonable attorneys' fees if applicable) arising from or as a result of the failure of the Self-Funded Group Health Plan to comply or to be maintained, or to have been maintained, in compliance with all applicable Laws as of the date hereof or at any time prior thereto.

(c) any claims or liabilities asserted against the Buyer Indemnified Parties by an Acquired Company’s Broker.

(d) any claims or liabilities regarding the MIP Plan including without limitation applicable penalties, cash or expenses including without limitation litigation costs and reasonable attorneys' fees, if applicable.

The indemnification set forth in this Section 10A is subject to the Overall Proportion Indemnification Ceiling.

10B. Individual Indemnification By SNIH Stockholders. Notwithstanding anything in Section 10 to the contrary, this Section 10B is the exclusive remedy for breaches of the Several Representations and Warranties (as defined below). The "**Several Representations and Warranties**" of the SNIH Stockholders are the representations and warranties in Section 2A of this Agreement titled "Representations and Warranties of the SNIH Stockholders" and Section 4A of this Agreement titled "Representations and Warranties Concerning GEE Restricted Securities". The Several Representations and Warranties shall survive the Closing hereunder (even if Buyer knew or had reason to know of any misrepresentation or breach of warranty at the time of Closing) and continue in full force and effect until the expiration of the applicable statutes of limitations (including any extension thereto). In the event any SNIH Stockholder breaches any of the Several Representations and Warranties and provided that Buyer makes a timely written claim for indemnification pursuant to the notice provisions in Section 14 below within the applicable survival period, then the SNIH Stockholder that breached shall be obligated to indemnify the Buyer Indemnified Parties, severally, not jointly, for the entirety of any Adverse Consequences, subject to the limitations and in the manner set forth herein, that any of the Buyer Indemnified Parties may suffer sustain or become subject to (including any Adverse Consequences for which timely notice was given and that the Buyer Indemnified Parties sustain or become subject to after the end of any applicable survival period) resulting from, arising out of, relating to, or caused by the breach. If the SNIH Stockholder fails to indemnify Buyer Indemnified Parties in the manner provided herein after Buyer delivers timely written notice as provided above, then the Buyer Indemnified Parties shall have the right to bring an action for indemnification for such claim including after the end of the applicable survival period. Indemnification payments that are due to Adverse Consequences suffered by any of the Buyer Indemnified Parties shall be paid to Buyer. Buyer shall be entitled to seek 'set off' or 'recoupment' for indemnification under this Section 10B in the same manner contemplated under Section 10.7 with respect to a respective SNIH Stockholder's Promissory Note or Escrowed (stock shares or other) property, as may be owned by that stockholder.

The indemnification set forth in this Section 10B (i) is an independent indemnification section that applies to breaches of Section 2A only; (ii) with the exception of the Smith and Smith Holdings Joint Liability makes each SNIH Stockholder liable only for its own breach severally, not jointly; and (iii) is not subject to the Indemnification basket or the Indemnification Deductible or any ceiling other than the Overall Proportion Indemnification Ceiling. The indemnification under this Section 10B is sometimes referred to as the "**Several Indemnification**".

11. Tax Matters. The following provisions shall govern the allocation of responsibility as between Buyer and SNIH Stockholders for certain Tax matters following the Closing Date:

11.1 Tax Indemnification. SNIH Stockholders shall indemnify, severally and not jointly, in accordance with each such SNIH Stockholder's SNIH Ownership Proportion, the Buyer Indemnified Parties for: (i) all Income and other Taxes (or the non-payment thereof) of the Acquired Companies for all taxable periods ending on or before the Closing Date and the portion through the end of the Closing Date for any taxable period that includes (but does not end on) the Closing Date ("Pre-Closing Tax Period"); (ii) any and all Income and other Taxes of any member of an affiliated, consolidated, combined, or unitary group of which any of the Acquired Companies (or any predecessor) is or was a member on or prior to the Closing Date, including pursuant to Treasury Regulation §1.1502-6 or any analogous or similar state, local, or non-U.S. law or regulation; and (iii) any and all Income and other Taxes of any person (other than the Acquired Companies) imposed on the Acquired Companies (or Surviving Company as a successor to SNI Holdco) as a transferee or successor, by contract or pursuant to any applicable Law which Taxes relate to an event or transaction occurring before the Closing.

(a) If Taxes were reflected as current liabilities in computing Closing Net Working Capital, then for purposes of the indemnification under above clauses (i), (ii) and (iii), the amount of the SNIH Stockholders' indemnification obligation thereunder shall be reduced by the amount of Taxes so reflected (*i.e.*, to avoid duplication). For example purposes only, if there were a current liability for Taxes taken into account in computing Closing Net Working Capital in the amount of Ten Thousand Dollars (\$10,000), then SNIH Stockholders' indemnification obligation shall be reduced by Ten Thousand Dollars (\$10,000).

(b) The foregoing indemnification obligation includes without limitation SNIH Stockholders, indemnifying Buyer Indemnified Parties, severally and not jointly, in accordance with such SNIH Stockholder's SNIH Ownership Proportion, against and to the extent of any liability of the Acquired Companies arising (i) because of any of the Acquired Companies' misclassification of employees as Form 1099 'independent contractors,' (ii) failing to withhold or pay any Taxes relating to employees by the Acquired Companies, or (iii) relating to any persons engaged (directly or indirectly) by the Acquired Companies as Form 1099 'independent contractors' but for which W-2 filings and Tax treatment by the Acquired Companies for classification as an 'employee' and applicable Tax payments and withholdings by the Acquired Companies as employer was, or is subsequently determined to be, required by Law. SNIH Stockholders shall reimburse Buyer, severally and not jointly, in accordance with such SNIH Stockholder's SNIH Ownership Proportion, for any Taxes of the Acquired Companies that are the responsibility of SNIH Stockholders pursuant to this Section 11.1 within fifteen (15) Business Days after notification to Stockholder's Representation payment of such Taxes by Buyer or the Acquired Companies.

Notwithstanding anything to the Contrary herein, no SNIH Stockholder will have any obligation hereunder this Section 11.1 in excess of such SNIH Stockholder's Overall Proportion Indemnification Ceiling.

11.2 Straddle Period. In the case of any taxable period that includes (but does not end on) the Closing Date (a "**Straddle Period**"), the amount of any Income Taxes for the Pre-Closing Tax Period shall be determined based on an interim closing of the books as of the close of business on the Closing Date (and for such purpose, the taxable period of any partnership or other pass-through entity in which the Acquired Companies holds a beneficial interest shall be deemed to terminate at such time).

11.3 Responsibility for Filing Tax Returns. Buyer shall prepare or cause to be prepared and file or cause to be filed all Tax Returns for the Acquired Companies for all periods ending on or prior to the Closing Date that are filed after the Closing Date that were not previously filed before the Closing Date. All such Tax Returns shall be prepared in a manner consistent with prior practice, unless such prior practice is not in accordance with applicable Law. Buyer and SNIH Stockholders agree that all Transaction Tax Deductions shall be treated as properly allocable to the Pre-Closing Tax Period to the extent permitted by applicable Law. Subject to the foregoing, Buyer shall include all Transaction Tax Deductions as deductions in the Income Tax Returns of the Acquired Companies for the taxable period that ends on the Closing Date to the extent deductible under applicable Law. Buyer shall not take any action, or to the extent within its control permit any action to be taken, other than the transactions expressly contemplated hereby, that may prevent the taxable year of the Acquired Companies from ending for federal and state Income Tax purposes at the end of the day on which the Closing occurs. To the extent the Transaction Tax Deductions are not fully utilized in the taxable year that ends on the Closing Date, SNIH Stockholders, Buyer, and the Acquired Companies consent and agree that SNI Holdco shall elect to carry back any loss to prior taxable years to the fullest extent permitted by Law (using any available short-form or accelerated procedures and filing amended Tax Returns to the extent necessary), and Buyer shall prepare and timely file, or cause to be prepared and timely filed, any claim for refund resulting from such carryback as part of the preparation and filing of the Tax Returns described in this Section 11.3. Buyer may rely on any instructions from Stockholders' Representative. Buyer shall permit SNIH Stockholders to review and comment on each such Tax Return described in the preceding sentence prior to filing and shall make all changes as are reasonably, timely requested by Stockholders' Representative.

11.4 Refunds and Tax Benefits. Except to the extent that Income Tax refunds (including any refunds generated from a carryback of a loss for the taxable year of the Acquired Companies that ends on the date on which the Closing occurs described in Section 11.3 above) are treated as part of Current Assets for purposes of calculating Closing Net Working Capital under **Appendix I**, then any Income Tax refunds that are received by Buyer, Surviving Company or the Acquired Companies, and any amounts credited against Income Tax to which Buyer Surviving Company or the Acquired Companies become entitled, that relate to Income Tax periods or portions thereof ending on or before the Closing Date shall be for the account of SNIH Stockholders, and Buyer shall pay over to Stockholders' Representative's account for payment to SNIH Stockholders any such refund or the amount of any such credit within fifteen (15) Business Days after receipt or entitlement thereto. In addition, to the extent that a claim for refund or a proceeding results in a payment or credit against Income Tax by a taxing authority to Buyer Surviving Company or the Acquired Companies of any Income Tax liability accrued on the Most Recent Balance Sheet, Buyer shall pay such amount Stockholders' Representative's account for payment to SNIH Stockholders within fifteen (15) Business Days after receipt of the refund or entitlement thereto except to the extent such tax claim, proceeding or tax benefit was treated as part of current Assets for purposes of calculation Closing Net Working Capital under **Appendix I**.

11.5 Cooperation on Tax Matters. Buyer, Surviving Company and SNIH Stockholders shall cooperate fully, as and to the extent reasonably requested by one of the other Parties, in connection with the filing of Tax Returns and any audit, litigation or other proceeding with respect to Taxes. Such cooperation shall include the retention and (upon the other Party's request) the provision of records and information reasonably relevant to any such audit, litigation, or other proceeding and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. Buyer, Surviving Company and SNIH Stockholders agree to retain all books and records with respect to Tax matters pertinent to the Acquired Companies relating to any taxable period beginning before the Closing Date until expiration of the statute of limitations (and, to the extent notified by Buyer or Stockholders' Representative, any extensions thereof) of the respective taxable periods, and to abide by all record retention agreements entered into with any taxing authority. Buyer and SNIH Stockholders further agree, upon request, to use their commercially reasonable efforts to obtain any certificate or other document from any Governmental Body or authority or any other Person as may be necessary to mitigate, reduce or eliminate any Tax that could be imposed (including with respect to the transactions contemplated hereby).

11.6 Tax Sharing Agreement. SNIH Stockholders covenant that all tax-sharing agreements or similar agreements with respect to or involving the Acquired Companies shall be terminated as of the Closing Date and, after the Closing Date, the Acquired Companies shall not be bound thereby or have any liability thereunder.

11.7 Certain Taxes and Fees. All transfer, documentary, sales, use, stamp, registration and other such Taxes and fees (including any penalties and interest) incurred in connection with this Agreement and the transactions contemplated herein shall be paid by each SNIH Stockholder, severally, and not jointly, in accordance with such SNIH Stockholder's SNIH Ownership Proportion when due, and the Party required by applicable law shall file all necessary Tax Returns and other documentation with respect to all such transfer, documentary, sales, use, stamp, registration and other Taxes and fees, and, if required by applicable law, the other Party/Parties shall, and shall cause their Affiliates to, join in the execution of any such Tax Returns and other documentation. The expense of such filings shall be paid one-half by Buyer and one-half by the SNIH Stockholders, severally, and not jointly, in accordance with each such SNIH Stockholder's SNIH Ownership Proportion.

11.8 Payments to SNIH Stockholders. SNIH Stockholders acknowledge that (a) none of the compensation received by any SNIH Stockholder who is an employee of one of the Acquired Companies is intended to be separate consideration for, or allocable to, any of their shares of SNI Holdco stock. (b) none of the GEE Preferred Shares (as defined below) received by any SNIH Stockholder who is an employee of one of the Acquired Companies is intended to be separate consideration for or allocable to any employment agreement, and (c) the compensation paid to any such SNIH Stockholder will be for services actually rendered and will be commensurate with amounts paid to third parties bargaining at arm's length for similar service.

11.9 Filing and Amended Tax Returns. Without the prior written consent of the Stockholders' Representative (which consent may be withheld in the discretion of the Stockholders' Representative not to be unreasonably withheld), Buyer will not: (i) amend or permit any of its Affiliates to amend, refile or otherwise modify any Tax Return relating to the Acquired Companies for a Pre-Closing Tax Period; or (ii) make or change any Tax election or accounting method with respect to, or that has retroactive effect to, any Pre-Closing Tax Period.

11.10 Inclusion in Buyer's Consolidated Return. Buyer shall cause the Surviving Company and SNI Subsidiary to be included in a federal consolidated Income Tax Return of Buyer for the portion of their taxable year beginning on the day after the Closing Date.

11.11 Notwithstanding anything to the contrary above in this Section 11, Ronald R. Smith and Smith Holdings, LLC are related parties and for all purposes of this Agreement including this Section 11 are treated as one SNIH Stockholder, meaning that each is responsible for the breach by the other of any representations, warranties, and covenants, and each is jointly and severally responsible for the indemnification obligations of the other as if they are one and the same person (and any calculations of proportionate responsibility, if applicable, shall be calculated as the sum or combination (of their respective portions of responsibility) that would apply as to Ronald R. Smith and Smith Holdings, LLC).

12. Post-Closing Agreements. The SNIH Stockholders and the Buyer, as the case may be, agree that from and after the Closing Date:

12.1 Service Credit. Effective as of the Closing Date, the Buyer agrees that the SNI Subsidiary's employees (the "**Retained Employees**") and their dependents shall retain the same group medical and dental coverage (without regard to any waiting periods or pre-existing conditions limitations except to the extent such waiting periods and pre-existing conditions applied under, the Employee Benefit Plans immediately prior to the Closing Date); provided, however, that such coverages may be modified in the future. The Buyer further agrees that it shall retain the same level of prior service of the Retained Employees with SNI Subsidiary for purposes of eligibility, participation and vesting under all of the Buyer's Employee Benefit Plans, programs and arrangements, including but not limited to Buyer's paid time off plan.

12.2 Further Assurances. At any time and from time to time after the Closing, at Buyer's (or the Surviving Companies') request, the respective SNIH Stockholder receiving such request, or the Buyer upon receiving a request from an SNIH Stockholder, without further consideration, promptly shall execute and deliver such instruments of sale, transfer, conveyance, assignment and confirmation, and take such other action, as may reasonably be requested to more effectively confirm and effectuate, perfect and document the Merger and each SNIH Stockholder's authorization and agreement to same, transfer, convey and assign to Buyer, and to confirm the Buyer's title to, SNI Holdco Shares and Certificates therefor, and Buyer's acquisition of complete ownership of SNI Holdco and SNI Subsidiary, to put the Buyer in actual possession and operating control of the Acquired Companies, to assist the Buyer in exercising all rights with respect thereto, to ensure SNIH Stockholders receive the intended benefits of this Agreement, and to carry out the purpose and intent of this Agreement.

12.3 Cooperation in Litigation. Each Party hereto will fully cooperate with the other in the defense or prosecution of any litigation or proceeding already instituted or that may be instituted hereafter against or by such Party relating to or arising out of the conduct of the Business of the Acquired Companies prior to or after the Closing Date (other than litigation arising out of the transactions contemplated by this Agreement). Subject to Sections 10, 10A, 10B or 11 of this Agreement, the Party requesting such cooperation shall pay the out-of-pocket expenses (including legal fees and disbursements) of the Party providing such cooperation and of its officers, directors and employees reasonably incurred in connection, with providing such cooperation, but shall not be responsible to reimburse the Party providing such cooperation for such Party's time spent in such cooperation or the salaries or costs of fringe benefits or similar expenses paid by the Party providing such cooperation to its officers, directors and employees while assisting in the defense or prosecution of any such litigation or proceeding. Nothing in this Section 11.4 shall be construed to abrogate, limit or otherwise reduce any party's rights to indemnification pursuant to Sections 10, 10A, 10B or 11 above.

12.4 Press Releases and Public Announcements. None of the SNIH Stockholders, Acquired Subsidiaries, or any officer, employee, representative or agent of the Acquired Subsidiaries, will issue any press release or other public announcement regarding the proposed Agreement. SNIH Stockholders and Acquired Subsidiaries shall use best efforts to cause Acquired Subsidiaries' employees to not disclose any information about the transaction or confidential GEE information that is non-public or trade in Buyer's stock or disseminate insider information unless approved in advance by Buyer's counsel in writing. After Closing, no client or employee notifications will be made unless approved in writing by the Buyer. Once Closing has occurred, only the Buyer will make any announcement at its sole discretion. The Buyer will not announce any transaction prior to Closing unless the Parties mutually agree to such disclosure, or it is required to do so as determined by Buyer's counsel because of SEC rules, regulations and interpretations or other applicable Law.

12.5 Omitted

12.6 D&O Tail Insurance Coverage. The Acquired Companies will, prior to or at Closing, purchase “tail coverage” for the Directors and Officers liability insurance (“**D&O Tail Coverage**”). Any liability of Surviving Company or Acquired Companies for D&O Tail Coverage not fully discharged prior to Closing will be deducted from Net Working Capital as a Current Liability. Buyer and its Affiliates will take no action to terminate or modify such coverage.

12.7 Buyer Stockholder Meeting. On or prior to the 45th calendar day after the Closing Date, Buyer will prepare and file with the SEC the Buyer Proxy Statement. Buyer will furnish all information concerning Buyer and Merger Subsidiary, and the SNIH Stockholders will furnish all information concerning SNI Holdco, SNI Subsidiary and the SNIH Stockholders, as may be reasonably requested in connection with the preparation, filing and distribution of the Buyer Proxy Statement. Following the Closing Date, in compliance with applicable Law, Buyer will agree upon a meeting date and record date for a meeting of the its stockholders, and Buyer will establish such record date for, duly call, give notice of, convene and hold such meeting of its stockholders (the "**Buyer Stockholder Meeting**") for the purpose of obtaining the approval of the Preferred Conversion and the Note Conversion (the "**Conversion**"). Buyer may adjourn or postpone the Buyer Stockholder Meeting (i) to the extent necessary to ensure that any supplement or amendment to the Buyer Proxy Statement that it determines in good faith is required by Law to be provided to its stockholders in advance of the Buyer Stockholder Meeting, (ii) if, as of the time that the Buyer Stockholder Meeting is scheduled, there are insufficient shares of GEE Common Stock represented (either in person or proxy) to constitute a quorum necessary to conduct the business of the Buyer Stockholder Meeting, or (iii) if, as of the time that the Buyer Stockholder Meeting is scheduled, adjournment of the Buyer Stockholder Meeting is necessary to enable Buyer to solicit additional proxies if there are not sufficient votes in favor of the Conversion. Buyer will, through its board of directors recommend to its stockholders (and include such recommendation in the Buyer Proxy Statement) that they approve the Conversion. In the event that Buyer does not obtain the approval of its stockholders at the Buyer Stockholder Meeting of the Preferred Conversion and the Note Conversion, Buyer agrees to promptly take all actions necessary to hold a subsequent meeting of its stockholders for the purpose of obtaining the approval of the Conversion and will continue to do so until such conversion is approved.

12.8 Piggyback Registrations.

(a) For a period of five (5) years following the Effective Time of the Merger, the Buyer agrees that it shall notify each of the SNIH Stockholders who is a holder of Registrable Securities (a “Holder”) in writing within ten (10) calendar days prior to the anticipated filing date for any registration statement under the Securities Act for purposes of effecting an offering of securities of the Buyer (including, but not limited to, registration statements relating to primary and secondary offerings of securities of the Buyer filed on Form S-1 or Form S-3 or any similar or successor form to such forms, but excluding registration statements filed on Form S-8 and Form S-4 or any similar or successor form to such forms or any other registration statements relating to (i) any employee benefit plan or (ii) a corporate reorganization, merger or acquisition or (iii) non-convertible debt securities) and will afford each such Holder an opportunity to include (“piggy back”) in such registration statement all or any part of the Registrable Securities then held by such Holder. Each such Holder desiring to include in any such registration statement all or any part of the Registrable Securities held by such Holder shall, within five (5) calendar days after receipt of the above-described notice from the Buyer, so notify the Buyer in writing, and in such notice shall inform the Buyer of the number of Registrable Securities such Holder wishes to include in such registration statement. Holders of Registrable Securities (i) agree to keep confidential the knowledge and information received from the Buyer, prior to actual notice to the public, of any securities registration statement to be filed by the Buyer as it will be considered material non-public information and, as such (ii) not to trade in the Registrable Securities of Buyer in any manner whatsoever and under any exemption from registration until such time as the registration statement is filed with the SEC and becomes effective. If a Holder decides not to include all of its Registrable Securities in any registration statement filed by the Buyer, such Holder shall nevertheless continue to have the right to include any Registrable Securities in any subsequent registration statement or registration statements as may be filed by the Buyer with respect to offerings of its securities, all upon the terms and conditions set forth herein.

(b) If a registration statement under which the Buyer gives notice under this Section is for an underwritten offering, then the Buyer shall so advise the Holders of Registrable Securities. In such event, the right of any such Holder’s Registrable Securities to be included in a registration pursuant to this Section shall be conditioned upon such Holder’s participation in such underwriting and the inclusion of such Holder’s Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their Registrable Securities through such underwriting shall enter into an underwriting agreement in customary form with the managing underwriter or underwriter(s) selected by the Buyer for such underwriting. Notwithstanding the foregoing, if the managing underwriter(s) determine(s) in good faith that equity market conditions and marketing factors (including but not limited to a determination that the shares proposed to be included in the underwriting cannot be sold in an orderly manner at a price that is acceptable to the Buyer) require a limitation of the number of shares to be underwritten, then the managing underwriter(s) may exclude shares (including Registrable Securities) from the registration and the underwriting, and the number of shares that may be included in the registration and the underwriting shall be allocated, first, to the Buyer, and second, to all Holders of Company securities having piggyback registration rights (including Holders of Registrable Securities) requesting inclusion of their securities in such registration statement on a pro rata basis based on the total number of securities for which registration was requested. If any Holder disapproves of the terms of any such underwriting, such Holder may elect to withdraw therefrom by written notice to the Buyer and the underwriter, delivered at least ten (10) business days prior to the Effective Time of the registration statement. Any Registrable Securities excluded or withdrawn from such underwritten offering shall be excluded and withdrawn from such registration.

For purposes of this Agreement, the term “**Registrable Securities**” means: (i) any and all shares of GEE Common Stock acquired by certain SNIH Stockholders or participants in the MIP upon (A) the conversion of the Series B Convertible Preferred Stock or (B) the conversion of or the payment of interest on the 9.5% Convertible Note, (collectively, the “**Securities**”), (ii) any securities issued as (or issuable upon the conversion or exercise of any warrant, right or other security which is issued as) a dividend or other distribution with respect to, in exchange for or in replacement of, the Securities, provided, that any of the foregoing securities shall cease to be Registrable Securities upon the earliest to occur of the following: (A) a sale of such security pursuant to an effective registration statement; (B) a sale of such security pursuant to Rule 144 or any similar provision then in force under the Securities Act (in which case, only the security sold shall cease to be a Registrable Security); (C) eligibility for sale of such security under Rule 144 (other than securities owned by Mr. Smith or Smith Holdings, LLC); or (D) when such security ceases to be outstanding.

12.9 **Demand Registration Rights.** The Buyer shall provide to all holders of Registrable Securities a one time resale registration right to register up to thirty-five percent of the Registrable Securities held by each, if the Stockholder Representative makes such demand and if: (A) (i) by the third anniversary of the Closing Date the Buyer has not undertaken one or more offerings that permitted each such holder to sell up to thirty-five percent of the Registrable Securities issued to such holder, and (ii) the market price of the Registrable Security is greater than or equal to the market price of such security on the Closing Date, or (B) by the fifth anniversary of the Closing Date the Buyer has not undertaken one or more offerings that permitted each such holder to sell up to thirty-five percent of the Registrable Securities issued to such holder. Assuming that the conditions enumerated in the first sentence of this Section 12.9 have been met, upon the written demand (a “**Demand Notice**”) of any Holder of Registrable Securities (the “**Initiating Holder**”), the Company shall register, on one occasion only, up to 35% of the Registrable Securities held by such Holder and up to 35% of the Registrable Securities held by any other Holders who request that their Registrable Securities be included in such registration in accordance with the terms set forth below (a “**Demand Registration**”). The Company covenants and agrees to give written notice of its receipt of any Demand Notice by any Holder to all other registered Holders of Registrable Securities within ten (10) days after the date of the receipt of any such Demand Notice. Each such Holder desiring to include in such registration statement up to 35% of the Registrable Securities then held by such Holder shall, within five (5) calendar days after receipt of the above-described notice from the Company, so notify the Company in writing, and in such notice shall inform the Company of the number of Registrable Securities such Holder wishes to include in such registration statement. On such occasion, the Company will file a registration statement with the SEC covering the sale of such Registrable Securities within sixty (60) days after receipt of a Demand Notice and use its reasonable best efforts to have the registration statement declared effective promptly thereafter, subject to compliance with review by the SEC.

Notwithstanding the foregoing, if the board of directors of the Company, in its good faith judgment, determines that any registration of Registrable Securities under this Section 12.9 should not be made or continued because it would materially interfere with any material or potentially material financing, acquisition, corporate reorganization or merger or other transaction involving the Company, including negotiations related thereto, or require the Company to disclose any material nonpublic information which would reasonably be likely to be detrimental to the Company or otherwise make it undesirable for the Company to complete a Demand Registration at that time (a “**Valid Business Reason**”), (x) the Company may postpone filing a Registration Statement (but not the preparation of the Registration Statement) relating to a Demand Registration until such Valid Business Reason no longer exists, but in no event for more than one hundred twenty (120) days after the date when the Demand Registration was requested or, if later, after the occurrence of the Valid Business Reason and (y) in case a Registration Statement has been filed relating to a Demand Registration, the Company may postpone amending or supplementing such Registration Statement, (in which case, if the Valid Business Reason no longer exists or if more than one 120-day period has passed since such postponement, the initiating holders may request a new Demand Registration or request the prompt amendment or supplement of such Registration Statement). The Company shall give written notice to all Holders of Registrable Securities who have elected to participate in the demand registration of its determination to postpone filing, amending or supplementing a Registration Statement and of the fact that the Valid Business Reason for such postponement no longer exists, in each case, promptly after the occurrence thereof (which notice shall notify each Holder only of the occurrence of such an event or the fact that it no longer exists and shall provide no additional information regarding such event to the extent such information would constitute material nonpublic information).

12.10 Registration Expenses.

Except as provided in this Section 12.10, the Company shall pay all registration expenses in connection with a Demand Registration whether or not such Demand Registration becomes effective. Notwithstanding the foregoing if the initiating holders withdraw or revoke a request for a Demand Registration without the prior written consent of the Company, the related Demand Registration shall be counted as a Demand Registration of purposes of Section 12.9 unless the initiating holders agree to pay all fees and expenses incurred by the Company in connection with such withdrawn registration.

13. Notices. All notices and other communications required or permitted hereunder shall be in writing and shall be deemed duly given (a) on the date of delivery if delivered personally, (b) on the date sent by facsimile (with confirmation of transmission) if sent during normal business hours of the recipient during a Business Day, and otherwise on the next Business Day, if sent after normal business hours of the recipient, (c) if dispatched via a nationally recognized overnight courier service (delivery receipt requested) with charges paid by the dispatching party, on the later of (i) the first Business Day following the date of dispatch, or (ii) the scheduled date of delivery by such service, or (d) on the fifth Business Day following the date of mailing, if mailed by registered or certified mail, return receipt requested, postage prepaid to the party to receive such notice, at the following addresses, or such other address as Buyer may designate for Buyer and Stockholders' Representative may designate for SNIH Stockholders (collectively) and Stockholders' Representative from time to time by notice in accordance with this Section.

If to the SNIH Stockholders or Stockholders' Representative:

Ronald R. Smith
7 Mutiny Place
Key Largo, FL 81523
Facsimile: (305) 852-4101

With a copy (which shall not constitute notice) to:

Steven F. Carman, Esq.
Husch Blackwell LLP
111 Congress Ave Ste. 1400,
Austin, TX 78701
Direct: 512.370.3451
Fax: 512.479.1101

If to the Buyer:

GEE Group Inc.
Attn: Derek Dewan, CEO
13500 Sutton Park Drive South, Suite 204
Jacksonville, Florida 32224

With a copy (which shall not constitute notice) to:

Averitt & Alford, P.A.
Attn: Barry C. Averitt, Esq.
3010 South Third Street, Suite B
Jacksonville Beach, Florida 32250

14. Succession and Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. No Party may assign either this Agreement or any of his, her, or its rights, interests, or obligations hereunder without the prior written approval of Buyer and SNIH Stockholders; provided, however, that Buyer may: (i) assign any or all of its rights and interests hereunder to one (1) or more of its Affiliates; and (ii) designate one (1) or more of its Affiliates to perform its obligations hereunder (in any or all of which cases Buyer nonetheless shall remain responsible for the performance of all of its obligations hereunder).

15. Entire Agreement; Amendment; Attachments.

15.1 Entire Agreement. This Agreement, all Disclosure Schedules and Exhibits hereto, and all agreements and instruments to be delivered by the Parties pursuant hereto represent the entire understanding and agreement between the Parties hereto with respect to the subject matter hereof and supersede all prior oral and written and all contemporaneous oral negotiations, commitments and understandings between such Parties.

15.2 Amendment. The Buyer, with the consent of its respective board of directors, or officers authorized by such board and Merger Subsidiary, or the Stockholders' Representative acting for all the SNIH Stockholders (pursuant to the authority granted in Section 17 below) may amend or modify this Agreement only by a written instrument executed by the Buyer, Merger Subsidiary, SNI Holdco and the Stockholders' Representative.

15.3 Attachments; Disclosure Schedules. The Exhibits, Appendices and Disclosure Schedules identified in this Agreement are hereby incorporated as integral parts of this Agreement. All capitalized terms used in the Disclosure Schedules not otherwise defined shall have the meanings ascribed to them in this Agreement. The Disclosure Schedule number listed in the title of each Disclosure Schedule corresponds to that Section of this Agreement.

16. Stockholders' Representative.

16.1 Mr. Smith confirms that each SNIH Stockholder has signed a Letter of Transmittal in the form attached as **Exhibit D** prior to the execution and delivery of this Agreement pursuant to which each SNIH Stockholder hereby has appointed Ronald R. Smith as the Stockholders' Representative and as agent and attorney-in-fact for and on behalf of each SNIH Stockholder, with full powers of substitution, to give and receive notices and communications, to agree to, negotiate, enter into settlements and compromises of, and demand dispute resolution and comply with orders of arbitrators, courts, tribunals or other Governmental Bodies and awards of arbitrators, courts, tribunals or other Governmental Bodies with respect to any claims or other matters that may arise under this Agreement or the other ancillary transaction documents, and to take all actions and execute all such documents necessary or appropriate in the good faith discretion of the Stockholders' Representative for the accomplishment of the transactions contemplated by this Agreement and the other ancillary transactions, including, without limitation, the power:

(a) to agree with Buyer and Merger Subsidiary with respect to any matter or thing required by or deemed necessary by Stockholders' Representative in connection with this Agreement, including without limitation any amendments to this Agreement;

(b) to receive and hold the Merger Consideration and any other amounts payable pursuant to this Agreement and to distribute the same to the SNIH Stockholders;

(c) to establish an account to hold a reasonable portion of the Merger Consideration and to use such portion of the Merger Consideration for out-of-pocket costs and expenses in connection herewith;

(d) to execute and deliver any and all other agreements, documents and other papers which the Stockholders' Representative deems necessary or appropriate in connection with this Agreement or the Escrow Agreement, or any of the transactions contemplated hereby or thereby;

(e) to terminate, amend, waive or interpret any provision of this Agreement or the Escrow Agreement;

(f) to act for each SNIH Stockholder and all SNIH Stockholders with regard to the indemnification matters referred to in this Agreement, including, without limitation, the power to compromise or settle any claim on behalf of such SNIH Stockholder subject to obtaining the consent of Thrivent, which shall not be unreasonably withheld;

(g) to retain attorneys, accountants and other professionals to provide services to the Stockholders' Representative in fulfillment of his obligations under this Agreement and as otherwise deemed appropriate in connection with the Closing of the transactions contemplated by this Agreement or related matters arising thereafter; and

(h) to do or refrain from doing any further act or deed on behalf of each SNIH Stockholder which the Stockholders' Representative deems necessary or appropriate in his sole discretion relating to the subject matter of this Agreement as fully and completely as such SNIH Stockholder could if personally present.

16.2 Notwithstanding the foregoing or anything else in this Agreement, the Stockholders' Representative shall have no authority to defend a breach or alleged breach by a SNIH Stockholder of any representation, warranty or covenant of this Agreement, as to which such SNIH Stockholder is solely liable or potentially liable, and such SNIH Stockholder shall have the sole authority to defend against any such claim.

16.3 No bond shall be required of the Stockholders' Representative, and the Stockholders' Representative shall receive no compensation for his services.

16.4 Neither the Stockholders' Representative nor any of his agents or employees shall be liable to any SNIH Stockholder of any error of judgment, or any action taken, suffered or omitted to be taken, under this Agreement except in the case of its gross negligence, willful misconduct or fraud. The Stockholders' Representative may consult with legal counsel, independent public accountants or other experts selected by him and shall not be liable for any action taken or omitted to be taken in good faith by him in accordance with the advice of such counsel, accounts or experts.

16.5 In the Letter of Transmittal, each SNIH Stockholder hereby agrees to indemnify and hold the Stockholders' Representative harmless from any and all liability, loss, cost, damage or expense (including attorneys' fees) reasonably incurred or suffered as a result of the performance of his duties under this Agreement, except such that arises from the gross negligence or willful misconduct or fraud of the Stockholders' Representative.

16.6 A decision, act, consent or instruction of the Stockholders' Representative shall constitute a decision of all SNIH Stockholders and shall be final, binding and conclusive upon each SNIH Stockholder. Stockholder's Representative shall promptly give written notices to Thrivent, within three (3) Business Days, of any decision, consent given, instructions given or actions taken as a Stockholder's Representative in accordance with the notice procedures of Section 13 to an address provided by Thrivent.

16.7 Upon the eighteen (18) month anniversary of the Effective Date, the Stockholders Representative shall distribute the remaining portion, if any, of the \$500,000 expense fund in Section 2.1(d) to the SNIH Stockholders in accordance with their SNIH Ownership Proportion and instructions set forth on **Exhibit B**. Additionally, Stockholders Representative shall promptly pay to the respective SNIH Stockholders the allocable amounts due to each such stockholder upon any deposit into Stockholders Representative account of the payments contemplated in Section 2.3(a) (next to last sentence), 10A(a) (last sentence), and 11.4 which are due or to be paid to those SNIH Stockholders

17. Miscellaneous.

17.1 Waiver of Subrogation by SNIH Stockholders. Notwithstanding anything to the contrary in this Agreement or otherwise, no SNIH Stockholder shall have any right of contribution or subrogation against the Acquired Companies, or either Acquired Company, with respect to any breach or default by either or both of the Acquired Companies of or under any of its or their representations, warranties, covenants or agreements in this Agreement (specifically including without limitation if the stockholder is required to indemnify the Buyer Indemnified Parties as a result of that breach or default by the Acquired Companies).

17.2 No Other Disclosures.

(a) Except for the representations and warranties expressly set forth in this Agreement, the Principal Stockholders and Acquired Companies have not made and the Buyer is not relying on any other representations or warranties by them, expressed or implied, concerning the Acquired Companies, the SNI Holdco Shares or any aspect of this Agreement or the transactions contemplated or referenced herein. Any item, fact or circumstance disclosed in one SNIH Disclosure Schedule section or subsection that applies and is materially relevant to a different Section of the SNIH Disclosure Schedules may be deemed disclosed by an appropriate cross-reference to the SNIH Disclosure Schedule section or subsection containing the relevant disclosure item, fact or circumstance.

(b) Except for the representations and warranties expressly set forth in this Agreement, Buyer has not made and the SNIH Stockholders are not relying on any other representations or warranties by Buyer, expressed or implied, concerning the Buyer, the Merger Subsidiary, the GEE Preferred Shares or any aspect of this Agreement or the transactions contemplated or referenced herein. Any item, fact or circumstance disclosed in one Buyer's Disclosure Schedule section or subsection that applies and is materially relevant to a different Section of the Buyer's Disclosure Schedules may be deemed disclosed by an appropriate cross-reference to the Buyer's Disclosure Schedule section or subsection containing the relevant disclosure item, fact or circumstance.

17.3 Expenses. Except as otherwise expressly provided herein, each Party hereto shall pay its own expenses incurred in preparing this Agreement and consummating the transactions contemplated hereby, including, but not limited to, any such costs and expenses incurred by any Party in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement (including, without limitation, the fees and expenses of legal counsel, accountants, investment bankers or other representatives and consultants); provided, that the SNIH Stockholders shall be responsible for such expenses of the Acquired Companies. The SNIH Stockholders shall cause all transaction related expenses of the SNIH Stockholders to be invoiced at or prior to the Closing, except for those of Thrivent and Madison.

17.4 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to conflicts of law principles.

17.5 Jurisdiction and Venue. The Parties agree that the courts of the State of Florida and the federal courts of the United States located in the State of Florida shall have non-exclusive jurisdiction over any dispute, claim or controversy which may arise involving this Agreement or its subject matter. The Parties waive any defense of lack of personal jurisdiction that any of them may have otherwise had to an action brought in Florida. The Parties agree that exclusive venue shall lie solely in the appropriate federal or state court located in Duval County, Florida; provided that this provision shall not prohibit a Party from commencing an action in any court with appropriate jurisdiction for the purpose of enforcing this choice of venue provision, and bringing such an action shall not serve to waive such Party's rights under the choice of venue provision. The Parties irrevocably submit and consent to the above jurisdiction and chosen venue and except as provided herein waive any right they may have to bring or maintain an action in any other jurisdiction or venue or seek any change of jurisdiction or venue or that such venue is inconvenient.

17.6 Waiver of Jury Trial.

THE PARTIES HEREBY AGREE THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT OR OUT OF THE RELATIONSHIP ESTABLISHED BY THIS AGREEMENT WOULD INVOLVE COMPLICATED AND DIFFICULT FACTUAL AND LEGAL ISSUES AND THAT, THEREFORE, ANY ACTION BROUGHT BY ONE PARTY AGAINST THE OTHER, IN EACH CASE WHETHER ALONE OR IN COMBINATION WITH OTHERS, WHETHER ARISING OUT OF THIS AGREEMENT OR OTHERWISE, SHALL BE DETERMINED BY A JUDGE SITTING WITHOUT A JURY. ACCORDINGLY, EACH PARTY, TO THE EXTENT PERMITTED BY LAW, HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY LEGAL ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THE TRANSACTION IT CONTEMPLATES, WHETHER IN CONTRACT, TORT OR OTHERWISE.

17.7 Section Headings. The section headings are for the convenience of the Parties and in no way alter, modify, amend, limit, or restrict the contractual obligations of the Parties.

17.8 Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

17.9 Construction. The language used in this Agreement shall be deemed to be the language chosen by the Parties hereto to express their mutual intent, and no rule of strict construction will be applied against any Person. The use of the word "including" in this Agreement or in any of the agreements contemplated hereby shall be by way of example rather than by limitation. Whenever the context of this Agreement requires, the gender of all words herein shall include the masculine, feminine and neuter, and the number of all words herein shall include the singular and plural.

17.10 No Third Party Beneficiaries. Nothing herein expressed or implied is intended or shall be construed to confer upon or give to any Person, other than the Parties hereto and their respective permitted successors and assigns, any rights or remedies under or by reason of this Agreement, such third parties specifically including without limitation employees and creditors of the Acquired Companies and investors or financing sources of the Buyer.

17.11 Counterparts. This Agreement may be executed in one or more counterparts, including each of which may be delivered via email or facsimile, and shall be deemed to be an original but all of which, when taken together, shall be one and the same document.

17.12 Specific Performance. The Parties acknowledge that the Acquired Companies' Business is unique and recognize and affirm that in the event of a breach of this Agreement by any Party, money damages may be inadequate and the other Party may have no adequate remedy at law. Accordingly, all Parties hereto agree that each Party shall have the right, in addition to any other rights and remedies existing in its favor, to enforce its rights and each other's Party obligations hereunder not only by an action or actions for damages but also by an action or actions for specific performance, injunctive and/or other equitable relief. Each of the Parties hereto hereby waives the defense that there is an adequate remedy at law.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, this Agreement has been duly executed by the Parties hereto as of and on the date first above written.

BUYER:

GEE GROUP INC.

By: /s/ Andrew J. Norstrud

Name: Andrew J. Norstrud

Title: CFO

MERGER SUBSIDIARY:

GEE GROUP PORTFOLIO, INC.

By: /s/ Andrew J. Norstrud

Name: Andrew J. Norstrud

Title: CFO

SNI HOLDCO:

SNI HOLDCO INC.

By: /s/ Andrew J. Norstrud

Name: Andrew J. Norstrud

Title: CFO

STOCKHOLDERS' REPRESENTATIVE:

Madison Capital Funding LLC

/s/ Ronald R. Smith

Ronald R. Smith

By: /s/ Jennifer Cotton

Name: Jennifer Cotton

Title: Managing Director

PRINCIPAL STOCKHOLDERS:

Smith Holdings, LLC

Thrivent Financial for Lutherans

By: /s/ Ronald R. Smith

Name: Ronald R. Smith

Title:

By: /s/ Geoff Huber

Name: Geoff Huber

Title: Senior Managing Director

/s/ Ronald R. Smith

Ronald R. Smith

EXHIBIT A – DEFINITIONS

“*Accounts Receivable*” has the meaning set forth in Section 3.15.

“*Accredited Investor*” has the meaning set forth in Regulation D promulgated under the Securities Act.

“*Acquired Companies*” means SNI Holdco and SNI Subsidiary, collectively, and “*Acquired Company*” means any one of the Acquired Companies.

“*Acquired Companies’ Disclosure Schedule/Schedules*” has the meaning set forth in Section 3.

“*Acquired Companies’ Intellectual Property*” has the meaning given such term in Section 3.13.

“*Acquired Companies’ Real Property Lease*” or “*Acquired Companies’ Real Property Leases*” has the meaning set forth in Section 3.14 of this Agreement.

“*Acquired Companies’ Software*” has the meaning set forth in Section 3.31(a).

“*Acquired Companies’ Tangible Personal Property*” has the meaning given such term in Section 3.12.

“*Acquired Companies’ Transaction Expenses*” means: (i) the aggregate fees and expenses of the Acquired Companies relating to the transactions contemplated hereby to (A) RW Baird for investment banking services for the Acquired Companies and (B) Husch Blackwell LLP for legal services to the Acquired Companies, and (c) Acquired Companies’ accounting firm for tax and accounting services to the Acquired Companies and (D) any other advisors, in each case for clauses (A), (B), (C), and (D) above to the extent unpaid at the time determination (which, unless otherwise expressly indicated herein, shall be the Closing Date) and to the extent related to the transactions contemplated hereby and (ii) all obligations to pay bonuses or other similar forms of compensation (including any payment pursuant to the MIP) to directors, officers, employees, consultants or agents payable in connection with the transactions contemplated by this Agreement.

“*Adverse Consequences*” means all actions, suits, proceedings, hearings, investigations, charges, complaints, claims, demands, injunctions, judgments, orders, decrees, rulings, damages, deficiencies, dues, penalties, fines, costs, reasonable amounts paid in settlement, liabilities, obligations, taxes, liens, losses, expenses, and fees, including court costs and reasonable attorneys’ fees and expenses to the extent suffered by an Indemnified Party. For purposes of indemnification under this Agreement, the term Adverse Consequences shall be determined without regard to any materiality, Material Adverse Effect or other similar qualification.

“Affiliate” means: (i) in the case of an individual, the members of the immediate family (including the individual’s spouse and the parents, siblings and children of the individual and/or the individual’s spouse) and any Business Entity that directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, any of the foregoing individuals; or (ii) in the case of a Business Entity, another Business Entity or a person that directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, the Business Entity.

“Affiliated Group” means any affiliated group within the meaning of that term in Code Section 1504(a) or any similar group under a similar provisions of state, local or non-US Law.

“Agreement” has the meaning set forth in the preface of this Agreement.

“Applicable Rate” means corporate interest at a base rate equal to the “prime rate” published daily in the Wall Street Journal.

“As Covered Basis” has the meaning set forth in Section 2.5(c).

“Auditor” has the meaning set forth in Section 2.3(c).

“Baird” means RW Baird, the financial advisor to the Acquired Companies.

“Baird Release” has the meaning set forth in Section 3.43 of this Agreement.

“Benchmark Net Working Capital” has the meaning set forth in **Appendix I**.

“Books and Records” has the meaning set forth in Section 3.17.

“Business” means the staffing, recruitment, employee placement services business, and all other businesses by the Acquired Companies, including but not limited to the following: staff augmentation and consulting services, including without limitation relating to contract labor, contingent employment, staff augmentation, permanent placement, temporary or contract to hire, retained search, and vendor management systems (“VMS”) and resource process outsourcing (“RPO”), and management service provider (“MSP”).

“Business Day” or *“Business Days”* means any day, excluding Saturday, Sunday and any national or Florida state holiday.

“Business Entity” means any corporation, partnership, limited liability company, trust or other domestic or foreign form of business association or organization.

“Buyer” has the meaning set forth in the preface.

“Buyer Indemnified Parties” has the meaning set forth in Section 10.2.

“Buyer’s Disclosure Schedule/Schedules” has the meaning set forth in Section 4A(b).

“Buyer’s NWC” has the meaning set forth in Section 2.3(b).

“Buyer’s Primary Lender” shall mean the lender(s) that provides the primary, senior financing funding for Buyer and its Affiliates, including to finance portions of this transaction, including without limitation, if applicable, PNC Bank, National Association (“PNC”).

“Buyer Proxy Statement” means the proxy statement of Buyer relating to the approval by the stockholders of Buyer in compliance with Section 712 of the NYSE MKT Company Guide and Regulation 14A under the Exchange Act of (i) the issuance of shares of GEE Common Stock in excess of the Conversion Limit in connection with the Preferred Conversion, (ii) the issuance shares of GEE Common Stock in excess of the Conversion Limit in connection with the Note Conversion.

“Buyer Stockholder Meeting” has the meaning set forth in Section 12.8.

“CERCLA” has the meaning set forth in Section 3.33(e).

“Certificate” has the meaning set forth in Section 1.5(a).

“Certificate of Merger” has the meaning set forth in Section 1.3(b).

“*Charter*” means the Certificate of Incorporation, Articles of Incorporation or Organization or other organizational document of a corporation or other Business Entity, as amended and restated through the date hereof.

“*Closing*” has the meaning set forth in Section 1.3(a).

“*Closing Cash Payment*” has the meaning set forth in Section 2.1.

“*Closing Date*” has the meaning set forth in Section 1.3(a).

“*Closing Net Working Capital*” has the meaning set forth in **Appendix I**.

“*COBRA*” means the requirements of Part 6 of Subtitle B of Title I of ERISA and Code Section 4980B and of any similar state law.

“*Code*” means the Internal Revenue Code of 1986, and the regulations thereunder, published Internal Revenue Service rulings, and court decisions in respect thereof, all as the same shall be in effect at the time.

“*Confidential Information*” has the meaning set forth in Section 12.2(a) of this Agreement.

“*Contracts*” has the meaning set forth in Section 3.18(a).

“*Conversion Limit*” shall have the meaning ascribed to that term in the Promissory Note and the Statement Establishing Series B Convertible Preferred Stock.

“*Core Employee*” means an employee of one of the Acquired Companies (i) whose work product belongs to one of the Acquired Companies or (ii) whose services are provided to one of the Acquired Companies as opposed to clients or customers of the Acquired Companies.

“*D&O Tail Coverage*” has the meaning given such term in Section 12.7.

“*Data Laws*” means laws, regulations, guidelines, and rules in any jurisdiction (federal, state, provincial, or local) applicable to data privacy, data security, and/or personal information, as well as industry standards applicable to the Acquired Companies.

“*Dissenting Shares*” has the meaning given such term in Section 2.7.

“*EDGAR System*” means the Electronic Data Gathering, Analysis, and Retrieval system, which performs automated collection, validation, indexing, acceptance, and forwarding of submissions by companies and others who are required by law to file forms with the U.S. Securities and Exchange Commission.

“*Effective Time*” has the meaning set forth in Section 1.3(b).

“*Employee Benefit Plan*” means any “employee benefit plan” (as such term is defined in ERISA Section 3(3)) and any other material employee benefit plan, program or arrangement of any kind, including without limitation, each pension, benefit, retirement, supplemental retirement, compensation, employment, consulting, profit-sharing, deferred compensation, incentive, bonus, performance award, phantom equity, stock, stock-based, change in control, retention, severance, salary continuation, accrued leave, sick leave, vacation, paid time off, health, medical, disability, life insurance, accidental death and dismemberment insurance, welfare, fringe benefit and other similar agreement, plan, contract, policy, program, practice or arrangement (and any amendments thereto), in each case whether or not reduced to writing and whether funded or unfunded, whether or not tax-qualified and whether or not subject to ERISA, which is or has been established, maintained, sponsored, contributed to, or required to be contributed to by the Acquired Companies for the benefit of any current or former employee, officer, director, retiree, independent contractor or consultant of the Acquired Companies or any spouse or dependent of such individual, or under which the Acquired Companies have or may have any Liability, or with respect to which Buyer or any of its Affiliates would reasonably be expected to have any liability, contingent or otherwise.

“Employee Pension Benefit Plan” has the meaning set forth in ERISA Section 3(2).

“Employee Welfare Benefit Plan” has the meaning set forth in ERISA Section 3(1).

“Environmental, Health, and Safety Requirements” means all federal, state, local, and non-U.S. statutes, regulations, ordinances, and similar provisions having the force or effect of law, all judicial and administrative orders and determinations, and all common law concerning public health and safety, worker health and safety, pollution, or protection of the environment, including all those relating to the presence, use, production, generation, handling, transportation, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, release, threatened release, control, exposure to, or cleanup of any hazardous materials, substances, wastes, chemical substances, mixtures, pesticides, pollutants, contaminants, toxic chemicals, petroleum products or byproducts, asbestos, polychlorinated biphenyls, noise, odor, mold, or radiation.

“Environmental Claim” or *“Environmental Claims”* has the meaning set forth in Section 3.33(g).

“Environmental Laws” has the meaning set forth in Section 3.33(e).

“ERISA” means the Employee Retirement Income Security Act of 1974, and any similar or successor federal statute, and the rules, regulations and interpretations thereunder, all as the same shall be in effect at the time.

“ERISA Affiliate” means, for purposes of Title IV of ERISA, any trade or business, whether or not incorporated, that together with the Acquired Companies, would be deemed to be a “single employer” within the meaning of Section 4001 of ERISA, and, for purposes of the Code, any member of any group that, together with the Acquired Companies, is treated as a “single employer” for purposes of Section 414 of the Code.

“Escrow Agent” means UMB Bank, N.A., a national banking association.

“Escrow Agreement” has the meaning given that term forth in Section 2.4.

“Fiduciary” has the meaning set forth in ERISA Section 3(21).

“Final Closing Net Working Capital” has the meaning set forth in 2.3(c).

“Financial Statements” has the meaning set forth in Section 3.8.

“Form 1099 Contractors” means any personnel who are “leased” to customers of the Acquired Companies or whose services are provided to customers of the Acquired Companies including those provided directly or through entities (e.g. corporations) owned by the personnel, who are not treated as being W-2 employees of the Acquired Companies.

“Fundamental Representations and Warranties” has the meaning set forth in Section 10.1.

“Fundamental Representations and Warranties Indemnification Ceiling” has the meaning set forth in Section 10.2(b).

“GAAP” means United States generally accepted accounting principles as in effect from time to time, consistently applied.

“GEE Common Stock” means the no par value common stock of GEE.

“GEE Party” or “GEE Parties” has the meaning set forth in Section 4.5.

“GEE Preferred Shares” has the meaning set forth in Section 2.5.

“GEE Preferred Stock” means shares of GEE’s Series A Convertible Preferred Stock without par value having such preferences and rights as set forth in the Statement of Resolution Establishing Series of Series A Convertible Preferred Stock.

“GEE Stock” has the meaning set forth in Section 4A(a).

“GEE Restricted Securities” has the meaning set forth in Section 4A(a).

“Governmental Body” means any:

- (a) nation, state, county, city, town, borough, village, district, or other jurisdiction;
- (b) federal, state, local, municipal, foreign, multinational, or other government;
- (c) governmental or quasi-governmental authority of any nature (including any agency, branch, department, board, commission, court, tribunal, or other entity exercising governmental or quasi-governmental powers);
- (d) body exercising, or entitled or purporting to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power, whether local, national, or international; or
- (e) official of any of the foregoing.

“Hazardous Substance” has the meaning set forth in Section 3.33(f).

“Health Plan Insurer” has the meaning set forth in 10A(b) of this Agreement.

“Improvements” has the meaning set forth in Section 3.14(f).

“Income Tax” means any federal, state, local, or non-U.S. Tax that is, in whole or in part, based on or measured by net income or gains, and any similar Tax (including any gross receipts tax and any franchise tax imposed in lieu of a Tax that is, in whole or in part, based on or measured by net income or gains), including any interest, penalty, or addition thereto, whether disputed or not.

“Income Tax Return” means any return, declaration, report, claim for refund, or information return or statement relating to Income Taxes, including any schedule or attachment thereto, and including any amendment thereof.

“Indebtedness” means all obligations, contingent or otherwise, whether current or long-term, which in accordance with GAAP would be classified upon the obligor’s balance sheet as liabilities (other than deferred taxes) and shall also include capitalized leases, guaranties, endorsements (other than for collection in the Ordinary Course of Business) or other arrangements whereby responsibility is assumed for the obligations of others, including any agreement to purchase or otherwise acquire the obligations of others or any agreement, contingent or otherwise, to furnish funds for the purchase of goods, supplies or services for the purpose of payment of the obligations of others.

“Indemnification Basket” has the meaning set forth in Section 10.2(a).

“Indemnified Party” has the meaning set forth in Section 10.5(a).

“Indemnifying Party” has the meaning set forth in Section 10.5(a).

“Indemnify” has the meaning set forth in Section 10.2.

“Independent Accountants” has the meaning set forth in **Appendix I**.

“Insider” means (i) any officer, director, employee, member or stockholder of either Acquired Company or any other Party to this Agreement; or (ii) any Person in which any individual listed in clause (i) hereof has a beneficial interest.

“Insurance Policy” or *“Insurance Policies”* has the meaning set forth in Section 3.11

“Intellectual Property” means all of the following in any jurisdiction throughout the world: (a) all inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents, patent applications, and patent disclosures, together with all reissuances, continuations, continuations-in-part, revisions, extensions, and reexaminations thereof; (b) all trademarks, service marks, trade dress, logos, slogans, trade names, corporate names, Internet domain names, and rights in telephone numbers, together with all translations, adaptations, derivations, and combinations thereof and including all goodwill associated therewith, and all applications, registrations, and renewals in connection therewith; (c) all copyrightable works, all copyrights, and all applications, registrations, and renewals in connection therewith; (d) all mask works and all applications, registrations, and renewals in connection therewith; (e) all Trade Secrets and confidential business information (including ideas, research and development, know-how, formulas, compositions, manufacturing and production processes and techniques, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals); (f) all computer software (including source code, executable code, data, databases, and related documentation); (g) all material advertising and promotional materials; (h) all other proprietary rights; and (i) all copies and tangible embodiments thereof (in whatever form or medium).

“Key Employee” or *“Key Employees”* has the meaning set forth in Section 3.21(a).

“Knowledge”

(a) An individual (including Ronald Smith, Vince Lombardo and Peter Langlois) will be deemed to have Knowledge of a particular fact or other matter if:

(i) that individual is actually aware of that fact or matter or;

(ii) a prudent individual could be expected to discover or otherwise become aware of that fact or matter in the course of conducting a reasonably comprehensive investigation regarding the accuracy of any representation or warranty in this Agreement.

(b) A Person (other than an individual) will be deemed to have Knowledge of a particular fact or other matter if any individual who is serving, or who has at any time served, as director, officer, partner, manager, executor or trustee of that Person (or in any similar capacity) has or at any time had, Knowledge of that fact or other matter (as set forth in clauses (a)(i) and (ii) above).

(c) Notwithstanding clause (b) above, the Acquired Companies will be deemed to have “Knowledge” of a particular fact or other matter if either of the Acquired Companies is deemed to have Knowledge of that fact or other matter, and either Acquired Company will be deemed to have Knowledge of the fact or other matter only if Ronald Smith, Vince Lombardo, or Peter Langlois is deemed to have Knowledge of that fact or other matters (in accordance with clause (a) above).

“*Labor Laws*” means all applicable Laws respecting labor, employment, fair employment practices, labor relations, terms and conditions of employment, immigration, employee classification and wages, hours, meal and break periods, hiring, promotion, termination, workers’, compensation, occupational safety and health employer or workplace requirements, standards and practices, plant closings, withholding of taxes, employment discrimination, harassment, retaliation, disability rights or benefits, equal employment opportunity, equal pay, employee privacy, employee leave requirements, health and medical insurance (including the Affordable Care Act), unemployment insurance and similar matters.

“*Latest Balance Sheet*” or “*Most Recent Balance Sheet*” means the balance sheet contained within the Most Recent Financial Statements.

“*Law*” (singular; “*Laws*” if plural) means any federal, state, local domestic (United States state or territories) and, where the context applies, foreign, laws, statutes, codes, ordinances, rules, regulations and the like, as well as common law. The term “*Law*” includes, without limitation, the following statutes, as amended, and in effect from time to time up to the Closing Date, and any regulations promulgated pursuant thereto, and any state or local statutes, ordinances, rules, regulations and the like addressing similar issues: the Comprehensive Environmental Response, Compensation and Liability Act; the Emergency Planning and Community Right-to-Know Act; the Hazardous Substances Transportation Act; the Resource Conservation and Recovery Act (including but not limited to Subtitle I relating to underground Storage Tanks); the Solid Waste Disposal Act; the Clean Water Act; the Clean Air Act; the Toxic Substances Control Act; and any similar state and local laws, and all amendments thereto, or the by-laws, the rules, regulations and interpretations thereunder, all as the same shall be in effect from time to time.

“*Leased Real Property*” means all leasehold or subleasehold estates and other rights to use or occupy any land, buildings, structures, improvements, fixtures, or other interest in real property held by either Acquired Company.

“*Leases*” or “*Lease*” means all leases, subleases, licenses, concessions and other agreements (written or oral), including all amendments, extensions, renewals, guaranties, and other agreements with respect thereto, pursuant to which either Acquired Company holds any Leased Real Property, including the right to all security deposits and other amounts and instruments held by or on behalf of the applicable Acquired Company thereunder.

“*Letter of Transmittal*” has the meaning set forth in Section 2.6(a).

“*Lien*” or “*Liens*” means, with respect to any asset, any mortgage, deed of trust, pledge, hypothecation, assignment, security interest, lien, charge, restriction, adverse claim by or equitable rights or interest of any third-party, title defect or encumbrance of any kind (including any conditional sale or other title retention agreement, any lease in the nature thereof, any assignment or other conveyance of any right to receive income and any assignment of receivables with recourse against assignor), any filing of any financing statement as debtor under the Uniform Commercial Code or comparable law of any jurisdiction and any agreement to give or make any of the foregoing.

“*Long Term Debt*” means liability owing to any lenders (including Monroe Capital) by the Acquired Companies that is not included as Current Liabilities in determining Net Working Capital in **Appendix I**.

“*Material Adverse Effect*” or “*Material Adverse Change*” means any effect or change that would be materially adverse to, or would likely have a material adverse impact or effect on: (a) the Business (or other business), operations, assets, liabilities, condition or prospects (financial or otherwise) of the Acquired Companies or either Acquired Company; (b) the ability of either of the Acquired Companies to perform its obligations under any of the Merger Documents; (c) the validity or enforceability of any of the Merger Documents; or (d) the rights and remedies of the Buyer under any of the Merger Documents.

“*Material Customers*” has the meaning given such term in Section 3.25.

“*Material Leased Real Property*” means any Leased Property that is leased by either Acquired Company at an annual rent in excess of Twelve Thousand Dollars (\$12,000).

“*Merger*” has the meaning set forth in Section 1.2.

“*Merger Consideration*” has the meaning set forth in Section 2.

“*Merger Consideration Allocation Schedule*” has the meaning set forth in Section 2.

“*Merger Subsidiary*” has the meaning set forth in the preface of this Agreement.

“*MIP*” has the meaning given such term in Section 2.1(b).

“*MIP Estoppels*” means estoppels to be signed by participants in the MIP in a form prepared by Buyer.

“*Most Recent Fiscal Month End*” has the meaning set forth in Section 3.8(b).

“*Most Recent Fiscal Quarter End*” has the meaning set forth in Section 4.3.

“*Most Recent Fiscal Year End*” has the meaning set forth in Section 3.8.

“*Multiemployer Plan*” has the meaning set forth in ERISA Section 3(37).

“*Necessary Permits*” or “*Permits*” (“*Permit*” if singular) mean all licenses, permits, franchises, orders, approvals, accreditations, written waivers and other governmental and other authorizations as are necessary in order to enable the Acquired Companies (prior to Closing) and Buyer and the Surviving Company and its subsidiary (SNI Subsidiary) (after Closing) to continue to own, operate and conduct the Business as currently conducted and proposed to be conducted and to occupy and use the Acquired Companies’ real and personal properties without incurring any material liability.

“*Non-Fundamental Representations and Warranties*” has the meaning set forth in Section 10.1.

“Non-Fundamental Representations and Warranties Indemnification Ceiling” has the meaning set forth in Section 10.2(b).

“Non-Competition Agreements” has the meaning set forth in Section 7.

“Nonqualified Plan” has the meaning set forth in Section 3.22(f).

“Note Conversion” means collectively (i) the conversion of the Promissory Note into shares of GEE Common Stock in accordance with the terms of the Promissory Note (ii) the payment of any interest on the Promissory Note in shares of GEE Common Stock and (iii) the issuance of any other shares of GEE Common Stock in connection with the Company’s issuance of the Promissory Note.

“NWC Adjustment Amount” has the meaning set forth in Section 2.3.

“Ordinary Course of Business” means the ordinary course of business consistent with past custom and practice (including with respect to quantity and frequency).

“Party” or *“Parties”* has the meaning set forth in the preface.

“Person” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, any other business entity, a governmental entity (or any department, agency, or political subdivision thereof) or other entity.

“Pre-Closing Tax Period” has the meaning set forth in Section 11.1.

“Preferred Conversion” has the meaning set for in Section 2.5.

“Prohibited Transactions” has the meaning set forth in ERISA Section 406 and Code Section 4975.

“Promissory Note” or *“Promissory Notes”* has the meaning set forth in Section 2.4.

“Public Reports” has the meaning set forth in Section 4A(b)(ii).

“Real Property” or *“Real Properties”* means real property and real estate.

“Real Property Lease” or *“Real Property Leases”* has the meaning set forth in Section 3.14.

“*Records*” means information that is inscribed on a tangible medium or that is stored in electronic or other medium.

“*Registrable Securities*” has the meaning set forth in Section 12.9.

“*Retained Employees*” has the meaning set forth in Section 12.1.

“*Schedules*” means collectively the Disclosure Schedules prepared and delivered to SNIH Stockholders by Buyer and the Disclosure Schedules prepared and delivered to Buyer by the Acquired Companies and Stockholders’ Representative. “*Schedule*” is the singular for “*Schedules*”.

“*SEC*” means the Securities and Exchange Commission.

“*Securities*” has the meaning set forth in Section 12.9.

“*Securities Act*” means the Securities Act of 1933, as amended.

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

“*Self-Funded Group Health Plan*” means the plan described herein at Section 3.22(d).

“*Stockholders’ Representative*” has the meaning set forth in the preface of this Agreement.

“*SNI Holdco*” has the meaning set forth in the preface of this Agreement.

“*SNI Holdco Shares*” has the meaning set forth in Section 1.5(a).

“*SNI Lender*” means Monroe Capital.

“SNI Subsidiary” has the meaning set forth in the Preliminary Statement B at the beginning of this Agreement.

“SNIH Disclosure Schedule/Schedules” has the meaning set forth in the introductory paragraph of Section 2A.

“SNIH Stockholder” has the meaning set forth in Section 3.39.

“Statement of Resolution Establishing Series A Convertible Preferred Stock” means GEE’s Statement of Resolution Establishing Series of Series A Convertible Preferred Stock in the form attached as **Exhibit H**.

“Straddle Period” has the meaning set forth in Section 11.2.

“Subsidiary(ies)” means, with respect to any Person: (a) any corporation, association or other entity of which at least a majority in interest of the outstanding capital stock or other equity securities having by the terms thereof voting power under ordinary circumstances to elect a majority of the directors, managers or trustees thereof, irrespective of whether or not at the time capital stock or other equity securities of any other class or classes of such corporation, association or other entity shall have or might have power by reason of the happening of any contingency, is at the time, directly or indirectly, owned or controlled by such Person; or (b) any entity (other than a corporation) in which such Person, one or more Subsidiaries of such Person, or such Person and one or more Subsidiaries of such Person, directly or indirectly, at the date of determination thereof, has at least majority ownership interest. For purposes of this Agreement, a Subsidiary of SNI Holdco shall include the direct and indirect Subsidiaries of SNI Holdco.

“Surviving Company” has the meaning set forth in Section 1.2

“Systems” has the meaning set forth in Section 3.31(c).

“Tax” or “Taxes” means any federal, state, local, or non-U.S. income, gross receipts, license, payroll, employment (including taxes under the Affordable Care Act), excise, severance, stamp, occupation, premium, windfall profits, environmental (including taxes under Code §59A), customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not.

“Tax Return” or “Tax Returns” means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

“Third-Party Claim” has the meaning set forth in Section 10.5(a).

“Trade Secret” means all know-how, confidential or proprietary information, customer lists, technical information, data, process technology, plans, drawings, inventions, and discoveries, whether or not patentable.

“Transaction Expenses” means (i) the aggregate fees and expenses of the Acquired Companies or the SNIH Stockholders relating to the transactions contemplated hereby to (A) RW Baird for investment banking services for the Acquired Companies and (B) Husch Blackwell LLP for legal services to the Acquired Companies, and (C) for tax and accounting services to the Company and (D) any other advisors, in each case for clauses (A), (B), (C), & (D) above to the extent unpaid at the time of determination (which, unless otherwise expressly indicated herein, shall be the Closing Date) and to the extent related to the transactions contemplated hereby and (ii) all obligations to pay bonuses or other similar forms of compensation (including any payment pursuant to the MIP) to directors, officers, employees, consultants or agents payable in connection with the transactions contemplated by this Agreement.

“Transaction Tax Deductions” means any item of loss deduction, or credit resulting from or attributable to: (i) any employee bonuses or other compensation paid by (or on behalf of) the Acquired Companies on or before the Closing Date in connection with the transactions contemplated hereunder, (ii) any Transaction Expenses of the SNIH Stockholders that are properly deductible by the Acquired Companies for Tax purposes, and (iii) any unamortized (as of immediately prior to the Closing) capitalized debt costs or debt prepayment fees or penalties.

“Valid Business Reason” has the meaning set forth in Section 12.10.

“Working Capital Reserve Fund” has the meaning set forth in Section 2.2.

“Written,” “in writing” or words of similar meaning shall include any written materials, emails or any other forms of written documentation or communication (including any electronic form).

Exhibit B
[Intentionally Omitted]

Exhibit C
Promissory Notes

(see attached)

Exhibit D
Letter of Transmittal

(see attached)

Exhibit E
Non-Competition Agreements

(see attached)

Exhibit F
SNIH Stockholders' Release

(see attached)

Exhibit G
Litigation Matters

(see attached)

Exhibit H
GEE Statement of Resolution
Establishing Series of Series A Convertible Preferred Stock

(see attached)

APPENDIX I
[Intentionally Omitted]



OFFICE OF THE SECRETARY OF STATE

JESSE WHITE • Secretary of State

APRIL 3, 2017

4241-517-1

NCR
600 S 2ND
SPRINGFIELD, IL 62704

RE GEE GROUP INC.

DEAR SIR OR MADAM:

ENCLOSED YOU WILL FIND THE STATEMENT OF RESOLUTION ESTABLISHING SERIES
FOR THE ABOVE CORPORATION.

THE FILING FEE IS HEREBY ACKNOWLEDGED.

SINCERELY,

JESSE WHITE
SECRETARY OF STATE
DEPARTMENT OF BUSINESS SERVICES
CORPORATION DIVISION
TELEPHONE (217) 782-6961

BCVA
6/10

File # 424-577-1
Clerk _____
FEE 25⁰⁰

FILED
APR 03 2017 STATEMENT OF RESOLUTION
ESTABLISHING SERIES
JESSE WHITE
SECRETARY OF STATE GEE GROUP INC.

Pursuant to the provisions of "The Business Corporation Act of 1983", the undersigned corporation hereby submits the following Statement of Resolution Establishing Series.

1. The name of the corporation is GEE Group Inc.
2. The Board of Directors on March 30, 2017 duly adopted the following resolution establishing and designating one or more series and fixing and determining the relative rights and preferences thereof:

WHEREAS, the Amended and Restated Articles of Incorporation, as amended of the Company (the "Articles of Incorporation") authorize the issuance of up to 20,000,000 shares of preferred stock, without par value per share of the Company ("Preferred Stock") in one or more series, and expressly authorizes the Board to provide, out of the unissued shares of Preferred Stock, for series of Preferred Stock, and, with respect to each such series, to establish and fix the number of shares to be included in any series of Preferred Stock and the designation, relative rights, powers, preferences, limitations and restrictions of the shares of such series; and

WHEREAS, it is the desire of the Board to establish and fix the number of shares to be included in a new series of Preferred Stock and the designation, relative rights, powers, preferences, limitations and restrictions of the shares of such new series.

NOW, THEREFORE, BE IT RESOLVED, that the Board does hereby provide for the issue of a series of Preferred Stock and does hereby establish and fix and herein state and express the designation, relative rights, powers, preferences, limitations and restrictions of such series of Preferred Stock as follows:

1. Designation. There shall be a series of Preferred Stock that shall be designated as "Series B Convertible Preferred Stock" (the "Series B Preferred Stock") and the number of Shares constituting such series shall be 5,950,000. The relative rights, powers, preferences, limitations and restrictions of the Series B Preferred Stock shall be as set forth herein.
2. Defined Terms. For purposes hereof, the following terms shall have the following meanings:

"**Acquisition**" means the Company's acquisition of SNI Holdco, Inc., a Delaware corporation and its subsidiaries pursuant to the the Agreement and Plan of Merger dated as of March 31, 2017 by and among the Company, GEE Group Portfolio, Inc., a Delaware corporation, SNI Holdco, Ronald R. Smith as representative of the stockholders of SNI Holdco and the stockholders of SNI Holdco named therein.

"**Articles of Incorporation**" has the meaning set forth in the Recitals.

"Board" has the meaning set forth in the Recitals.

"Change of Control" means (a) any sale, lease or transfer or series of sales, leases or transfers of all or substantially all of the assets of the Company and its Subsidiaries; (b) any sale, transfer or issuance (or series of sales, transfers or issuances) of capital stock by the Company or the holders of Common Stock (or other voting stock of the Company) that results in the inability of the holders of Common Stock (or other voting stock of the Company) immediately prior to such sale, transfer or issuance to designate or elect a majority of the board of directors (or its equivalent) of the Company; or (c) any merger, consolidation, recapitalization or reorganization of the Company with or into another Person (whether or not the Company is the surviving corporation) that results in the inability of the holders of Common Stock (or other voting stock of the Company) immediately prior to such merger, consolidation, recapitalization or reorganization to designate or elect a majority of the board of directors (or its equivalent) of the resulting entity or its parent company.

"Common Stock" means the common stock, without par value per share, of the Company.

"Company" has the meaning set forth in the Preamble.

"Conversion Limit" has the meaning set for in **Section 7.1** hereof.

"Conversion Price" has the meaning set forth in **Section 7.1**.

"Conversion Shares" means the shares of Common Stock or other capital stock of the Company then issuable upon conversion of the Series B Preferred Stock in accordance with the terms of **Section 7**.

"Date of Issuance" means, for any Share of Series B Preferred Stock, the date on which the Company initially issues such Share (without regard to any subsequent transfer of such Share or reissuance of the certificate(s) representing such Share).

"Deemed Liquidation" has the meaning set forth in **Section 5.1(b)**

"Junior Securities" means, collectively, the Common Stock and any other class of preferred stock issued by the Company.

"Liquidation" has the meaning set forth in **Section 5.1(a)**.

"Liquidation Value" means, with respect to any Share, \$4.86 (as adjusted for any stock splits, recapitalizations or similar transaction with respect to the Series B Preferred Stock).

"9.5% Convertible Notes" means the Company's 9.5% Convertible Subordinated Notes due 2021.

"Person" means an individual, Company, partnership, joint venture, limited liability company, governmental authority, unincorporated organization, trust, association or other entity.

"Preferred Stock" has the meaning set forth in the Recitals.

"Requisite Stockholder Approval" means approval by the stockholders of the Company in compliance with Section 712 of the NYSE MKT Company Guide and Regulation 14A under the Securities Exchange Act of 1934, as amended, of the issuance of shares of Common Stock in excess of the Conversion Limit upon (i) the conversion of the Series B Preferred Stock and/or (ii) the conversion of the 9.5% Convertible Notes and/or (iii) the payment of interest on the 9.5% Convertible Notes in shares of Common Stock and/or (iv) any other issuance of Common Stock in connection with the issuance of the 9.5% Convertible Notes..

"Securities Act" means the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations thereunder, which shall be in effect at the time.

"Series B Preferred Stock" has the meaning set forth in Section 1.

"Share" means a share of Series B Preferred Stock.

"Subsidiary" means, with respect to any Person, any other Person of which a majority of the outstanding shares or other equity interests having the power to vote for directors or comparable managers are owned, directly or indirectly, by the first Person.

3. Rank. With respect to distribution of assets upon liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, all Shares of the Series B Preferred Stock shall rank senior to all Junior Securities.

4. Dividends. If the Company declares or pays a dividend or distribution on the Common Stock, whether such dividend or distribution is payable in cash, securities or other property, including the purchase or redemption by the Company or any of its Subsidiaries of shares of Common Stock for cash, securities or property, the Company shall simultaneously declare and pay a dividend on the Series B Preferred Stock on a pro rata basis with the Common Stock determined on an as-converted basis assuming all Shares had been converted pursuant to Section 7 as of immediately prior to the record date of the applicable dividend (or if no record date is fixed, the date as of which the record holders of Common Stock entitled to such dividends are to be determined).

5. Liquidation.

5.1 Liquidation: Deemed Liquidation

(a) Liquidation. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company (a "Liquidation"), the holders of Shares of Series B Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Company available for

distribution to its stockholders, before any payment shall be made to the holders of Junior Securities by reason of their ownership thereof, an amount in cash equal to the aggregate Liquidation Value of all Shares held by such holders, plus all unpaid accrued and accumulated dividends on all such Shares (whether or not declared).

(b) Deemed Liquidation. The occurrence of a Change of Control shall be deemed a Liquidation for purposes of this Section 5 (a "Deemed Liquidation"). Upon the consummation of any such Deemed Liquidation, the holders of the Series B Preferred Stock shall, in consideration for cancellation of their Shares, be entitled to the same rights such holders are entitled to under this Section 5 upon the occurrence of a Liquidation, including the right to receive the full preferential payment from the Company of the amounts payable with respect to the Series B Preferred Stock under Section 5.1(a) hereof. Notwithstanding the foregoing, nothing in this Section 5.1(b) shall limit in any respect the right of any holder of Series B Preferred Stock to elect the benefits of either this Section 5 or Section 7.5(b) in connection with any Change of Control.

(c) Deemed Liquidation Procedures. In furtherance of the foregoing, the Company shall take such actions as are necessary to give effect to the provisions of Section 5.1(b), including, without limitation, (i) in the case of a Change of Control structured as a merger, consolidation or similar reorganization, causing the definitive agreement relating to such transaction to provide for a rate at which the Shares of Series B Preferred Stock are converted into or exchanged for cash, new securities or other property as a majority of the then outstanding Shares, including Thrivent Financial for Lutherans, may elect, or (ii) in the case of a Change of Control structured as an asset sale, as promptly as practicable following such transaction, either dissolving the Company and distributing the assets of the Company in accordance with applicable law or redeeming all outstanding Shares of Series B Preferred Stock and, in the case of both (i) and (ii), giving effect to the preferences and priorities set forth in Section 3 and Section 5. The Company shall promptly provide to the holders of Shares of Series B Preferred Stock such information concerning the terms of such Change of Control, and the value of the assets of the Company as may reasonably be requested by the holders of Series B Preferred Stock. The amount deemed distributed to the holders of Series B Preferred Stock upon any such Change of Control in consideration for the Shares held by such holders shall be the cash or Fair Market Value of the securities or other property received by the Company or the holders of Common Stock in such Change of Control transaction.

5.2 Insufficient Assets. If upon any Liquidation (or Deemed Liquidation) the remaining assets of the Company available for distribution to its stockholders shall be insufficient to pay the holders of the Shares of Series B Preferred Stock the full preferential amount to which they are entitled under Section 5.1, (a) the holders of the Shares shall share ratably in any distribution of the remaining assets and funds of the Company based on the percentage of Shares of the Series B Preferred Stock held by each such Holder and (b) the Company shall not make or agree to make any payments to the holders of Junior Securities.

5.3 Notice. In the event of any Liquidation (or Deemed Liquidation), the Company shall, within ten (10) days of the date the Board approves such action, or no later than twenty (20) days of any stockholders' meeting called to approve such action, or within twenty (20) days of the commencement of any involuntary proceeding, whichever is earlier, give each holder of Shares of Series B Preferred Stock written notice of the proposed action. Such written notice shall describe the material terms and conditions of such proposed action, including a description of the stock, cash and property to be received by the holders of Shares upon consummation of the proposed action and the date of delivery thereof. If any material change in the facts set forth in the initial notice shall occur, the Company shall promptly give written notice to each holder of Shares of such material change.

6. Voting.

6.1 Voting Generally. Except as set forth in **Section 6.2** or as may be required by Illinois law, the holders of the Series B Preferred Stock shall have no voting rights.

6.2 Special Voting Right. Without the prior written consent of holders of not less than a majority of the then total outstanding Shares of Series B Preferred Stock, voting separately as a single class with one vote per Share, in person or by proxy, either in writing without a meeting or at an annual or a special meeting of such holders, and any other applicable stockholder approval requirements required by law, the Company shall not create, or authorize the creation of, any additional class or series of capital stock of the Company (or any security convertible into or exercisable for any class or series of capital stock of the Company) that ranks *pari passu* with or superior to the Series B Preferred Stock in relative rights, preferences or privileges (including with respect to dividends, liquidation or voting).

7. Conversion.

7.1 Right to Convert Each share of Series B Preferred Stock shall be convertible into one share of Common Stock, subject to the adjustments set forth in **Section 7.5**. Subject to the provisions of this **Section 7**, at any time and from time to time, any holder of Series B Preferred Stock shall have the right by written election to the Company to convert all or any portion of the outstanding Shares of Series B Preferred Stock held by such holder into an aggregate number of shares of Common Stock as is determined by (i) multiplying the number of Shares to be converted by the Liquidation Value thereof, (ii) adding to the result all accrued and unpaid dividends on such Shares to be converted, and then (iii) dividing the result by the Conversion Price in effect immediately prior to such conversion. The initial conversion price per Share (the "Conversion Price") shall be the Liquidation Value of such Share, subject to adjustment as applicable in accordance with **Section 7.5** below. Unless and until such time as the Company has received Requisite Stockholder Approval a holder of Shares of Series B Preferred Stock shall not be permitted to effect any conversion of any Shares of Series B Preferred Stock to the extent that the shares of Common Stock issuable upon such conversion when taken together with the shares of Common Stock previously issued with respect to (i) prior conversions of Shares of Series B Preferred Stock, and/or (ii) prior conversions of any 9.5% Convertible Notes and/or (iii)

the payment of dividends on any 9.5% Convertible Notes in shares of Common Stock and/or (iv) otherwise in connection with the issuance of the 9.5% Convertible Notes shall result in the issuance of shares of Common Stock that constitute more than 19.99% of the Common Stock outstanding immediately prior to the closing date of the Acquisition (the "Conversion Limit")

7.2 Procedures for Conversion: Effect of Conversion

(a) Procedures for Holder Conversion. In order to effectuate a conversion of Shares of Series B Preferred Stock pursuant to **Section 7.1**, a holder shall (a) submit a written election to the Company that such holder elects to convert Shares, the number of Shares elected to be converted and (b) surrender, along with such written election, to the Company the certificate or certificates representing the Shares being converted, duly assigned or endorsed for transfer to the Company (or accompanied by duly executed stock powers relating thereto) or, in the event the certificate or certificates are lost, stolen or missing, accompanied by an affidavit of loss executed by the holder. The conversion of such Shares hereunder shall be deemed effective as of the date of surrender of such Series B Preferred Stock certificate or certificates or delivery of such affidavit of loss. Upon the receipt by the Company of a written election and the surrender of such certificate(s) and accompanying materials, the Company shall as promptly as practicable (but in any event within five (5) days thereafter) deliver to the relevant holder (a) a certificate in such holder's name (or the name of such holder's designee as stated in the written election) for the number of shares of Common Stock to which such holder shall be entitled upon conversion of the applicable Shares as calculated pursuant to **Section 7.1** and, if applicable (b) a certificate in such holder's (or the name of such holder's designee as stated in the written election) for the number of Shares of Series B Preferred Stock represented by the certificate or certificates delivered to the Company for conversion but otherwise not elected to be converted pursuant to the written election. All shares of capital stock issued hereunder by the Company shall be duly and validly issued, fully paid and nonassessable, free and clear of all taxes, liens, charges and encumbrances with respect to the issuance thereof and listed for trading on the NYSE MKT or other principal market on which the Common Stock is then traded..

(b) The Company shall, promptly upon its receipt of a written election to convert Shares, notify the holder by telephone and by facsimile of the number of shares of Common Stock outstanding on such date and the number of shares of Common Stock which would be issuable to the holder if the conversion requested in such written election to convert were effected in full, whereupon, notwithstanding anything to the contrary set forth herein, the holder may, to the extent that the holder determines that such conversion would result in the holder and its affiliates beneficially owning more than 4.99% of the Company's outstanding shares of Common Stock, within one trading day of its receipt of the Company's written election to convert, revoke such conversion in whole or in part by notifying the Company by telephone or facsimile.

(c) Effect of Conversion. All Shares of Series B Preferred Stock converted as provided in this **Section 7** shall no longer be deemed outstanding as of the effective time of the applicable conversion and all rights with respect to such Shares shall immediately cease and terminate as of

such time, other than the right of the holder to receive shares of Common Stock in exchange therefor.

7.3 Reservation of Stock. The Company shall at all times when any Shares of Series B Preferred Stock is outstanding reserve and keep available out of its authorized but unissued shares of capital stock, solely for the purpose of issuance upon the conversion of the Series B Preferred Stock, such number of shares of Common Stock issuable upon the conversion of all outstanding Series B Preferred Stock pursuant to this Section 7, taking into account any adjustment to such number of shares so issuable in accordance with Section 7.5 hereof. The Company shall take all such actions as may be necessary to assure that all such shares of Common Stock may be so issued without violation of any applicable law or governmental regulation or any requirements of any domestic securities exchange upon which shares of Common Stock may be listed (except for official notice of issuance which shall be immediately delivered by the Company upon each such issuance).

7.4 No Charge or Payment. The issuance of certificates for shares of Common Stock upon conversion of Shares of Series B Preferred Stock pursuant to Section 7.1 shall be made without payment of additional consideration by, or other charge, cost or tax to, the holder in respect thereof.

7.5 Adjustment to Conversion Price and Number of Conversion Shares. In order to prevent dilution of the conversion rights granted under this Section 7, the Conversion Price and the number of Conversion Shares issuable on conversion of the Shares of Series B Preferred Stock shall be subject to adjustment from time to time as provided in this Section 7.5.

(a) Adjustment to Conversion Price and Conversion Shares Upon Subdivision or Combination of Common Stock. If the Company shall, at any time after the Date of Issuance subdivide (by any stock split, recapitalization or otherwise) its outstanding shares of Common Stock into a greater number of shares, the Conversion Price in effect immediately prior to any such dividend, distribution or subdivision shall be proportionately reduced and the number of Conversion Shares issuable upon conversion of the Series B Preferred Stock shall be proportionately increased. If the Company shall at any time after the Date of Issuance combine (by combination, reverse stock split or otherwise) its outstanding shares of Common Stock into a smaller number of shares, the Conversion Price in effect immediately prior to such combination shall be proportionately increased and the number of Conversion Shares issuable upon conversion of the Series B Preferred Stock shall be proportionately decreased. Any adjustment under this Section 7.5(a) shall become effective at the close of business on the date the subdivision or combination becomes effective.

(b) Adjustment to Conversion Price and Conversion Shares Upon Reorganization, Reclassification, Consolidation or Merger. In the event of any (i) capital reorganization of the Company, (ii) reclassification of the stock of the Company (other than a change in par value or from par value to without par value or from without par value to par value or as a result of a subdivision, split-up or combination of shares), (iii) consolidation or merger of the Company

with or into another Person, (iv) sale of all or substantially all of the Company's assets to another Person or (v) other similar transaction, in each case which entitles the holders of Common Stock to receive (either directly or upon subsequent liquidation) stock, securities or assets with respect to or in exchange for Common Stock, each Share of Series B Preferred Stock shall, immediately after such reorganization, reclassification, consolidation, merger, sale or similar transaction, remain outstanding and shall thereafter, in lieu of or in addition to (as the case may be) the number of Conversion Shares then convertible for such Share, be exercisable for the kind and number of shares of stock or other securities or assets of the Company or of the successor Person resulting from such transaction to which such Share would have been entitled upon such reorganization, reclassification, consolidation, merger, sale or similar transaction if the Share had been converted in full immediately prior to the time of such reorganization, reclassification, consolidation, merger, sale or similar transaction and acquired the applicable number of Conversion Shares then issuable hereunder as a result of such conversion (without taking into account any limitations or restrictions on the convertibility of such Share, if any); and, in such case, appropriate adjustment shall be made with respect to such holder's rights hereunder to insure that the provisions of this Section 7 shall thereafter be applicable, as nearly as possible, to the Series B Preferred Stock in relation to any shares of stock, securities or assets thereafter acquirable upon conversion of Series B Preferred Stock (including, in the case of any consolidation, merger, sale or similar transaction in which the successor or purchasing Person is other than the Company, an immediate adjustment in the Conversion Price to the value per share for the Common Stock reflected by the terms of such consolidation, merger, sale or similar transaction, and a corresponding immediate adjustment to the number of Conversion Shares acquirable upon conversion of the Series B Preferred Stock without regard to any limitations or restrictions on conversion, if the value so reflected is less than the Conversion Price in effect immediately prior to such consolidation, merger, sale or similar transaction). The provisions of this Section 7.5(b) shall similarly apply to successive reorganizations, reclassifications, consolidations, mergers, sales or similar transactions. The Company shall not effect any such reorganization, reclassification, consolidation, merger, sale or similar transaction unless, prior to the consummation thereof, the successor Person (if other than the Company) resulting from such reorganization, reclassification, consolidation, merger, sale or similar transaction, shall assume, by written instrument, the obligation to deliver to the holders of Series B Preferred Stock such shares of stock, securities or assets which, in accordance with the foregoing provisions, such holders shall be entitled to receive upon conversion of the Series B Preferred Stock. Notwithstanding anything to the contrary contained herein, with respect to any corporate event or other transaction contemplated by the provisions of this Section 7.5(b), each holder of Shares of Series B Preferred Stock shall have the right to elect prior to the consummation of such event or transaction, to give effect to the provisions of Section 5.1(b) (if applicable to such event or transaction) hereunder, instead of giving effect to the provisions contained in this Section 7.5(b) with respect to such holder's Series B Preferred Stock.

(c) Certificate as to Adjustment.

- (i) As promptly as reasonably practicable following any adjustment of the Conversion Price, but in any event not later than ten (10) days thereafter, the Company shall furnish to each holder of record of Series B Preferred Stock at the address specified for such holder in the books and records of the Company (or at such other address as may be provided to the Company in writing by such holder) a certificate of an executive officer setting forth in reasonable detail such adjustment and the facts upon which it is based and certifying the calculation thereof.
 - (ii) As promptly as reasonably practicable following the receipt by the Company of a written request by any holder of Series B Preferred Stock, but in any event not later than five (5) days thereafter, the Company shall furnish to such holder a certificate of an executive officer certifying the Conversion Price then in effect and the number of Conversion Shares or the amount, if any, of other shares of stock, securities or assets then issuable to such holder upon conversion of the Shares of Series B Preferred Stock held by such holder.
- (d) Notices. In the event:
- (i) that the Company shall take a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon conversion of the Series B Preferred Stock) for the purpose of entitling or enabling them to receive any dividend or other distribution; or
 - (ii) of any capital reorganization of the Company, any reclassification of the Common Stock of the Company, any consolidation or merger of the Company with or into another Person, or sale of all or substantially all of the Company's assets to another Person; or
 - (iii) of the voluntary or involuntary dissolution, liquidation or winding-up of the Company;

then, and in each such case, the Company shall send or cause to be sent to each holder of record of Series B Preferred Stock at the address specified for such holder in the books and records of the Company (or at such other address as may be provided to the Company in writing by such holder) at least five (5) days prior to the applicable record date or the applicable expected effective date, as the case may be, for the event, a written notice specifying, as the case may be, (A) the record date for such dividend or distribution and a description of such dividend or distribution, or (B) the effective date on which such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation or winding-up is proposed to take place, and the date, if any is to be fixed, as of which the books of the Company shall close or a record shall be taken with respect to which the holders of record of Common Stock (or such other capital stock or securities at the time issuable upon conversion of the Series B Preferred Stock) shall be entitled to exchange their shares of Common Stock (or such other capital stock or securities) for

securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation or winding-up, and the amount per share and character of such exchange applicable to the Series B Preferred Stock and the Conversion Shares.

8. Reissuance of Series B Preferred Stock. Any Shares of Series B Preferred Stock converted or otherwise acquired by the Company shall be cancelled and retired as authorized and issued shares of capital stock of the Company and no such Shares shall thereafter be reissued, sold or transferred.

9. Notices. Except as otherwise provided herein, all notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent (a) to the Company, at its principal executive offices and (b) to any stockholder, at such holder's address as it appears in the stock records of the Company (or at such other address for a stockholder as shall be specified in a notice given in accordance with this **Section 9**).


10. Amendment and Waiver. No term of the Series B Preferred Stock may be amended, modified or waived except by an instrument in writing executed by the Company and the holders of at least a majority of the then outstanding Shares of Series B Preferred Stock, and any such written amendment, modification or waiver will be binding upon the Company and each holder of Series B Preferred Stock. No amendment, modification or waiver of the terms or relative priorities of the Series B Preferred Stock may be accomplished by the merger, consolidation or other transaction of the Company with another corporation or entity unless the Company has obtained the prior written consent of the holders in accordance with this **Section 10**.

The undersigned corporation has caused this statement to be signed by its duly authorized officers, each of whom affirm, under penalties of perjury, that the facts stated herein are true.

Dated: April 3, 2017

GEE Group Inc.
(Exact Name of Corporation)

Attested by: 
(Signature of Secretary)
Andrew J. Norstrom, Secretary

GEE Group Inc.
(Exact Name of Corporation)
By: 
(Signature of President)
Derek DeWan, Chief Executive Officer and
Chairman of the Board

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS, AND ACCORDINGLY, MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED EXCEPT PURSUANT TO (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) EXEMPTION FROM THE REGISTRATION REQUIREMENTS THEREUNDER. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

Original Issue Date: April 3, 2017

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9.5% CONVERTIBLE SUBORDINATED NOTE

DUE October 3, 2021

THIS CONVERTIBLE SUBORDINATED NOTE is one of a series of duly authorized and validly issued 9.5% Convertible Subordinated Notes of GEE Group, Inc., an Illinois corporation, with headquarters at 184 Shuman Blvd Ste 420, Naperville, Illinois 60563 (the "Company"), designated as its 9.5% Convertible Subordinated Note, due on the four and a half year anniversary of the Original Issue Date (this note, the "Note" and, collectively with the other such series of notes, the "Notes").

FOR VALUE RECEIVED, the Company promises to pay to _____ or its registered assigns (the "Holder"), or shall have paid pursuant to the terms hereunder, the principal sum of \$ _____ (_____ DOLLARS) by the four and a half year anniversary of the Original Issue Date, or such earlier date as this Note is required or permitted to be repaid as provided hereunder (the "Maturity Date"), and to pay interest to the Holder on the aggregate unconverted and then outstanding principal amount of this Note in accordance with the provisions hereof. This Note is subject to the following additional provisions:

Section 1. Definitions. For the purposes hereof, in addition to the terms defined elsewhere in this Note, the following terms shall have the following meanings:

"9.5% Convertible Notes" or "Notes" means the 9.5% Convertible Notes issued by the Company on the date hereof, including this Note.

"Acquisition" means the Company's acquisition of SNI Holdco and its subsidiaries pursuant to the Merger Agreement.

"Alternate Consideration" shall have the meaning set forth in Section 5(b).

“Bankruptcy Event” means any of the following events: (a) the Company or any Significant Subsidiary (as such term is defined in Rule 1-02(w) of Regulation S-X) thereof commences a case or other proceeding under any bankruptcy, reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction relating to the Company or any Significant Subsidiary thereof; (b) there is commenced against the Company or any Significant Subsidiary thereof any such case or proceeding that is not dismissed within 60 days after commencement; (c) the Company or any Significant Subsidiary thereof is adjudicated insolvent or bankrupt or any order of relief or other order approving any such case or proceeding is entered; (d) the Company or any Significant Subsidiary thereof suffers any appointment of any custodian or the like for it or any substantial part of its property that is not discharged or stayed within 60 calendar days after such appointment; (e) the Company or any Significant Subsidiary thereof makes a general assignment for the benefit of creditors; (f) the Company or any Significant Subsidiary thereof calls a meeting of its creditors with a view to arranging a composition, adjustment or restructuring of its debts; or (g) the Company or any Significant Subsidiary thereof, by any act or failure to act, expressly indicates its consent to, approval of or acquiescence in any of the foregoing or takes any corporate or other action for the purpose of effecting any of the foregoing.

“Business Day” means any day except Saturday, Sunday, any day which shall be a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

“Buy-In” shall have the meaning set forth in Section 4(c)(iv).

“Change of Control” shall mean any of the following: (A) the Company effects any sale of all or substantially all of its assets in one transaction or a series of related transactions or (B) the consummation of any transaction (including, without limitation, any merger or consolidation), the result of which is that any person or entity together with their affiliates, becomes the beneficial owner, directly or indirectly, of more than 50% of the Common Stock of the Company.

“Common Stock” means the common stock, without par value per share, of the Company and stock of any other class of securities into which such securities may hereafter be reclassified or changed into.

“Conversion Date” shall have the meaning set forth in Section 4(a).

“Conversion Limit” shall have the meaning set forth in Section 4(a).

“Conversion Price” shall have the meaning set forth in Section 4(b).

“Conversion Shares” means, collectively, the shares of Common Stock issuable upon conversion of this Note in accordance with the terms hereof.

“Event of Default” shall have the meaning set forth in Section 8(a).

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“Fundamental Transaction” shall have the meaning set forth in Section 5(b).

“Holder” shall have the meaning set forth in the second paragraph of this Note.

“Interest Payment Date” shall have the meaning set forth in Section 2(a).

“Maturity Date” shall have the meaning set forth in the second paragraph of this Note.

“Merger Agreement” means the Agreement and Plan of Merger dated as of March 31, 2017 by and among the Company, GEE Group Portfolio, Inc., a Delaware corporation, SNI Holdco, Ronald R. Smith as representative of the stockholders of SNI Holdco and the stockholders of SNI Holdco named therein.

“New York Courts” shall have the meaning set forth in Section 9(e).

“Note” or “Notes” shall have the meaning set forth in the first paragraph of this Note.

“Note Register” shall have the meaning set forth in Section 2(b).

“Notice of Conversion” shall have the meaning set forth in Section 4(a).

“Original Conversion Price” shall mean \$5.83 per share of Common Stock.

“Original Issue Date” means the date of the first issuance of the Notes, regardless of any transfers of any Note and regardless of the number of instruments which may be issued to evidence such Notes.

“Person” means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

“Requisite Stockholder Approval” means approval by the stockholders of the Company in compliance with Section 712 of the NYSE MKT Company Guide and Regulation 14A under the Securities Exchange Act of 1934, as amended, of the issuance of shares of Common Stock in excess of the Conversion Limit upon (i) the conversion of the Company’s Series B Convertible Preferred Stock, and/or (ii) the conversion of the Notes and/or (iii) the payment of interest on the Notes in shares of Common Stock and/or (iv) any other issuance of Common Stock in connection with the issuance of the Notes.

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“Share Delivery Date” shall have the meaning set forth in Section 4(c)(ii).

“SNI Holdco” means SNI Holdco, Inc. , a Delaware corporation.

“Subordination Agreement” means the Subordination and Intercreditor Agreement entered into as of March 31, 2017, by and among PNC Bank, National Association, as administrative agent and collateral agent for the Senior Lenders referred to therein, the Holder, the Company, each subsidiary of the Company listed as a “Borrower” on the signature pages thereto and each subsidiary of the Company listed as a “Guarantor” on the signature pages thereto.

“Trading Day” means a day on which the principal Trading Market is open for business.

“Trading Market” means the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE MKT, the Nasdaq Capital Market, the Nasdaq Global Market, the New York Stock Exchange or the OTC Bulletin Board.

“VWAP” means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted for trading as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)); (b) if the Common Stock is not then quoted for trading on the OTC Bulletin Board and if prices for the Common Stock are then reported in the “Pink Sheets” published by Pink Sheets, LLC (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported; or (c) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Holder and reasonably acceptable to the Company.

Section 2. Interest.

a) Payment of Interest. The Company shall pay interest to the Holder on the aggregate unconverted and then outstanding principal amount of this Note at the rate of 9.5% per annum. Interest shall be paid quarterly in arrears on June 30, September 30, December 31 and March 31, beginning on June 30, 2017, on each Conversion Date (as to that principal amount then being converted), and on the Maturity Date (except that, if any such date is not a Business Day, then such payment shall be due on the next succeeding Business Day) (each such date, an “Interest Payment Date”). At the option of the Company, interest may be paid on an Interest Payment Date either in cash or in shares of Common Stock of the Company, which Common Stock shall be valued at the average daily VWAP of the Common Stock for the 20 Trading Days immediately prior to such Interest Payment Date provided, however, that unless and until such time as the Company has received Requisite Stockholder Approval the Company shall not be permitted to make any interest payment in shares of Common Stock to the extent that such issuance would cause the Company to exceed the Conversion Limit.

b) Interest Calculations. Interest shall be calculated on the basis of a 360-day year and shall accrue daily commencing on the Original Issue Date until payment in full of the principal sum, together with all accrued and unpaid interest and other amounts which may become due hereunder, has been made. Interest shall cease to accrue with respect to any principal amount converted, provided that the Company actually delivers the Conversion Shares within the time period as set forth in Section 4(c)(ii). Interest hereunder will be paid to the Person in whose name this Note is registered on the records of the Company regarding registration and transfers of this Note (the “Note Register”).

c) Prepayment. Except as otherwise set forth in this Note, the Company may not prepay any portion of the principal amount of this Note without the prior written consent of the Holder. Any prepayments of the 9.5% Convertible Notes shall be made on a pro rata basis to all holders of 9.5% Convertible Notes based on the aggregate principal amount of 9.5% Convertible Notes held by such holders.

d) Mandatory Repayment. The principal amount of this Note together with accrued and unpaid interest thereon shall be immediately due and payable by the Company upon the consummation by the Company of any Change of Control.

Section 3. Registration of Transfers and Exchanges.

a) Denominations. This Note is exchangeable for an equal aggregate principal amount of Notes of different authorized denominations, as requested by the Holder surrendering the same. No service charge will be payable for such registration of transfer or exchange.

b) Investment Representations. This Note has been issued subject to certain investment representations of the original Holder set forth in the Merger Agreement and may be transferred or exchanged only in compliance with the Merger Agreement and applicable federal and state securities laws and regulations.

c) Reliance on Note Register. The Company and any agent of the Company may treat the Person in whose name this Note is duly registered on the Note Register as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Note is overdue.

Section 4. Conversion.

a) Voluntary Conversion. At any time after the Original Issue Date until this Note is no longer outstanding, this Note and any accrued and unpaid interest shall be convertible, in whole or in part, into shares of Common Stock at the option of the Holder, at any time and from time to time; provided, however, that unless and until such time as the Company has received Requisite Stockholder Approval the Holder shall not be permitted to effect any conversion of this Note to the extent that the shares of Common Stock issuable upon such conversion when taken together with the shares of Common Stock previously issued with respect to (i) prior conversions of any shares of the Company's Series B Convertible Preferred Stock and/or (ii) prior conversions of any other 9.5% Convertible Notes and/or (iii) the payment of dividends on any 9.5% Convertible Notes in shares of Common Stock and/or (iv) otherwise in connection with the issuance of the 9.5% Convertible Notes shall result in the issuance of shares of Common Stock that constitute more than 19.99% of the Common Stock outstanding immediately prior to the closing date of the Acquisition (the "Conversion Limit"). In the event that the Holder elects to effect a conversion that would exceed the Conversion Limit prior to the Company's receipt of Requisite Stockholder Approval, the Company shall, in lieu of effecting such conversion, pay to the Holder in cash, an amount per share equal to the then applicable Conversion Price per share. The Holder shall effect conversions by delivering to the Company a Notice of Conversion, the form of which is attached hereto as Annex A (a "Notice of Conversion"), specifying therein the principal amount of this Note to be converted and the date on which such conversion shall be effected (a "Conversion Date"). If no Conversion Date is specified in a Notice of Conversion, the Conversion Date shall be the date that such Notice of Conversion is deemed delivered hereunder. The Company shall, promptly upon its receipt of a Notice of Conversion, notify the Holder by telephone and by facsimile of the number of shares of Common Stock outstanding on such date and the number of Conversion Shares which would be issuable to the Holder if the conversion requested in such Notice of Conversion were effected in full, whereupon, notwithstanding anything to the contrary set forth in this Note, the Holder may, to the extent that the Holder determines that such conversion would result in the Holder and its affiliates beneficially owning more than 4.99% of the Company's outstanding shares of Common Stock, within one Trading Day of its receipt of the Company's notice as required by this sentence, revoke such conversion in whole or in part by notifying the Company by telephone or facsimile. To effect conversions hereunder, the Holder shall not be required to physically surrender this Note to the Company unless the entire principal amount of this Note plus all accrued and unpaid interest thereon has been so converted. Conversions hereunder shall have the effect of lowering the outstanding principal amount of this Note in an amount equal to the applicable conversion. The Holder and the Company shall maintain records showing the principal amount(s) converted and the date of such conversion(s). The Holder, and any assignee by acceptance of this Note, acknowledge and agree that, by reason of the provisions of this paragraph, following conversion of a portion of this Note, the unpaid and unconverted principal amount of this Note may be less than the amount stated on the face hereof.

b) Conversion Price. The “Conversion Price” shall be an amount equal to the Original Conversion Price, subject to adjustment as provided in Section 5.

c) Mechanics of Conversion.

i. Conversion Shares Issuable Upon Conversion of Principal Amount. The number of shares of Common Stock issuable upon a conversion hereunder shall be determined by the quotient obtained by dividing (x) the outstanding principal amount and any accrued and unpaid interest of this Note to be converted by (y) the Conversion Price then in effect.

ii. Delivery of Certificate Upon Conversion. Not later than three (3) Trading Days after each Conversion Date (the “Share Delivery Date”), the Company shall deliver, or cause to be delivered, to the Holder a certificate or certificates representing the Conversion Shares representing the number of shares of Common Stock being acquired upon the conversion of this Note.

iii. Failure to Deliver Certificates. If in the case of any Notice of Conversion such certificate or certificates are not delivered to or as directed by the applicable Holder by the third Trading Day after the Conversion Date, the Holder shall be entitled to elect by written notice to the Company at any time on or before its receipt of such certificate or certificates, to rescind such conversion, in which event the Company shall promptly return to the Holder any original Note delivered to the Company and the Holder shall promptly return the Common Stock certificates representing the principal amount of this Note tendered for conversion to the Company, if any such certificates have been delivered to the Holder.

iv. Compensation for Buy-In on Failure to Timely Deliver Certificates Upon Conversion. In addition to any other rights available to the Holder, if the Company fails for any reason to deliver to the Holder such certificate or certificates by the Share Delivery Date pursuant to Section 4(c)(ii), and if after such Share Delivery Date the Holder is required by its brokerage firm to purchase (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by such Holder of the Conversion Shares which the Holder was entitled to receive upon the conversion relating to such Share Delivery Date (a “Buy-In”), then the Company shall (A) pay in cash to the Holder (in addition to any other remedies available to or elected by the Holder) the amount by which (x) the Holder’s total purchase price (including any brokerage commissions) for the Common Stock so purchased exceeds (y) the product of (1) the aggregate number of shares of Common Stock that such Holder was entitled to receive from the conversion at issue multiplied by (2) the Conversion Price of such conversion and (B) at the option of the Holder, either reissue (if surrendered) this Note in a principal amount equal to the principal amount of the attempted conversion or deliver to the Holder the number of shares of Common Stock that would have been issued if the Company had timely complied with its delivery requirements under Section 4(c)(ii). For example, if the Holder purchases 1,000 shares of Common Stock having a total purchase price of \$5,000 (including brokerage commissions) to cover a Buy-In with respect to an attempted conversion of this Note into 1,000 shares of Common Stock at a Conversion Price of \$4.00 per share, under clause (A) of the immediately preceding sentence, the Company shall be required to pay the Holder \$1,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder’s right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company’s failure to timely deliver certificates representing shares of Common Stock upon conversion of this Note as required pursuant to the terms hereof.

v. Reservation of Shares Issuable Upon Conversion. The Company covenants that it will at all times reserve and keep available out of its authorized and unissued shares of Common Stock for the sole purpose of issuance upon conversion of this Note and payment of interest on this Note, each as herein provided, free from preemptive rights or any other actual contingent purchase rights of Persons other than the Holder (and the other holders of the Notes), not less than such aggregate number of shares of the Common Stock as shall be issuable (taking into account the adjustments and restrictions of Section 5 and Section 5.1) upon the conversion of the outstanding principal amount of this Note and payment of interest hereunder. The Company covenants that all shares of Common Stock that shall be so issuable shall, upon issue, be duly authorized, validly issued, fully paid and nonassessable and shall be listed for trading on the Trading Market.

vi. Fractional Shares. Upon a conversion hereunder the Company shall not be required to issue stock certificates representing fractions of shares of Common Stock, but may if otherwise permitted, make a cash payment in respect of any final fraction of a share based on the VWAP at such time. If the Company elects not, or is unable, to make such a cash payment, the Holder shall be entitled to receive, in lieu of the final fraction of a share, one (1) whole share of Common Stock.

vii. Transfer Taxes. The issuance of certificates for shares of the Common Stock on conversion of this Note shall be made without charge to the Holder hereof for any documentary stamp or similar taxes that may be payable in respect of the issue or delivery of such certificates, provided that the Company shall not be required to pay any tax that may be payable in respect of any transfer involved in the issuance and delivery of any such certificate upon conversion in a name other than that of the Holder of this Note so converted and the Company shall not be required to issue or deliver such certificates unless or until the person or persons requesting the issuance thereof shall have paid to the Company the amount of such tax or shall have established to the satisfaction of the Company that such tax has been paid.

Section 5. Certain Adjustments.

a) Stock Dividends, Stock Combinations and Stock Splits If the Company, at any time while this Note is outstanding: (A) pays a stock dividend or otherwise makes a distribution or distributions payable in shares of Common Stock on shares of Common Stock; (B) subdivides outstanding shares of Common Stock into a larger number of shares; or (C) combines (including by way of a reverse stock split) outstanding shares of Common Stock into a smaller number of shares; then the Conversion Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding any treasury shares of the Company) outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event. Any adjustment made pursuant to this Section shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

b) Fundamental Transaction. If, at any time while this Note is outstanding, (A) the Company effects any merger or consolidation of the Company with or into another Person other than to change the state of incorporation of the Company and other than merger or consolidation that results in a Change of Control of the Company, (B) any tender offer or exchange offer (whether by the Company or another Person) is completed pursuant to which holders of Common Stock are permitted to tender or exchange their shares for other securities, cash or property other than a tender offer or exchange offer that results in a Change of Control of the Company, or (C) the Company effects any reclassification of the Common Stock (other than a change in par value or from par value to without par value or from without par value to par value or as a result of a subdivision, split-up or combination of shares) or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property (in any such case, a “Fundamental Transaction”), then, upon any subsequent conversion of this Note, the Holder shall have the right to receive, for each Conversion Share that would have been issuable upon such conversion immediately prior to the occurrence of such Fundamental Transaction, the same kind and amount of securities, cash or property as it would have been entitled to receive upon the occurrence of such Fundamental Transaction if it had been, immediately prior to such Fundamental Transaction, the holder of one (1) share of Common Stock (the “Alternate Consideration”). For purposes of any such conversion, the determination of the Conversion Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one (1) share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Conversion Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any conversion of this Note following such Fundamental Transaction. To the extent necessary to effectuate the foregoing provisions, any successor to the Company or surviving entity in such Fundamental Transaction shall issue to the Holder a new note consistent with this Note and evidencing the Holder’s right to convert such note into Alternate Consideration. The terms of any agreement pursuant to which a Fundamental Transaction is effected shall include, without limitation, terms requiring any such successor or surviving entity to comply with the provisions of this Section 5 and insuring that this Note (or any such replacement security) will be similarly adjusted upon any subsequent transaction analogous to the transactions set forth in this Section 5.

Section 5.1

a) Calculations. All calculations under Section 5 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of Section 5, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding any treasury shares of the Company) issued and outstanding.

b) Notice to the Holder.

i. Adjustment to Conversion Price. Whenever the Conversion Price is adjusted pursuant to any provision of Section 5, the Company shall promptly mail to each Holder a notice setting forth the Conversion Price after such adjustment and setting forth a brief statement of the facts requiring such adjustment.

ii. Notice to Allow Conversion by Holder. Subject to the requirements of applicable law, including, but not limited to, Regulation FD, if (A) the Company shall declare a dividend (or any other distribution in whatever form) on the Common Stock, (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the Common Stock, (C) the Company shall authorize the granting to all holders of the Common Stock of rights or warrants to subscribe for or purchase any shares of capital stock of any class or of any rights, (D) the approval of any stockholders of the Company shall be required in connection with any reclassification of the Common Stock, any consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, of any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property or (E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, then, in each case, the Company shall cause to be filed at each office or agency maintained for the purpose of conversion of this Note, and shall cause to be delivered to the Holder at its last address as it shall appear upon the Note Register, at least 20 calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares of the Common Stock for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange, provided that the failure to deliver such notice or any defect therein or in the delivery thereof shall not affect the validity of the corporate action required to be specified in such notice. The Holder is entitled to convert this Note during the 20-day period commencing on the date of such notice through the effective date of the event triggering such notice.

Section 6. Redemption.

a) Redemption. On or after the one year anniversary of the Original Issue Date, at any time that the average daily VWAP of the Common Stock reported on the principal Trading Market for the Common Stock exceeds the then applicable Conversion Price for a period of 20 Trading Days, the Company shall have the right to redeem in cash all or any portion of this Note for an amount equal to 100% of the then outstanding principal amount of this Note being redeemed, plus accrued and unpaid interest thereon. Any election by the Company to redeem this Note shall be submitted in writing to the Holder not less than 20 calendar days prior to the date selected for such redemption. Any call for redemption of any portion of this Note by the Company pursuant to this Section 6(a) shall be made on a pro rata basis with the other outstanding 9.5% Convertible Notes. Even after receipt of any call for redemption, Holder may elect to convert the outstanding principal amount of the Note pursuant to Section 4 by the delivery of a Notice of Conversion to the Company at any time prior to 20 calendar days prior to receipt of any call for redemption under this Section 6.

Section 7. Subordination.

The Company and the Holder each acknowledge and agree that all obligations under this Note are subject to the terms of the Subordination Agreement.

Section 8. Events of Default.

a) Definition of Event of Default “Event of Default” means, wherever used herein, any of the following events (whatever the reason for such event and whether such event shall be voluntary or involuntary or effected by operation of law or pursuant to any judgment, decree or order of any court, or any order, rule or regulation of any administrative or governmental body):

i. any default in the payment of (A) the principal amount of any Note or (B) interest and other amounts owing to a Holder on any Note, as and when the same shall become due and payable (whether on a Conversion Date or the Maturity Date or by acceleration or otherwise) which default, solely in the case of an interest payment or other default under clause (B) above, is not cured within five (5) Trading Days;

ii. the Company shall fail to observe or perform any other covenant or agreement contained in the Notes which failure is not cured, if possible to cure, within the earlier to occur of (A) five (5) Trading Days after notice of such failure sent by the Holder to the Company and (B) ten (10) Trading Days after the Company has become aware of such failure;

iii. the Company shall be subject to a Bankruptcy Event;

iv. any monetary judgment, writ or similar final process shall be entered against the Company, any subsidiary or any of its or their respective property or other assets for more than \$250,000, and such judgment, writ or similar final process shall remain unvacated, unbonded or unstayed for a period of 45 calendar days.

b) Remedies Upon Event of Default. If any Event of Default occurs, the outstanding principal amount of this Note, plus accrued but unpaid interest and other amounts owing in respect thereof through the date of acceleration, shall become, at the election of holder(s) of a majority of the then outstanding principal amount of the 9.5% Convertible Notes, immediately due and payable in cash; provided however, that notwithstanding the foregoing, the 9.5% Convertible Notes shall become immediately due and payable in cash without the need for any action on the part of the holder(s) thereof upon the occurrence of any Bankruptcy Event with respect to the Company. Commencing on the date of any Event of Default that results in the eventual acceleration of this Note, the interest rate on this Note shall accrue at an interest rate equal to the greater of 18% per annum or the maximum rate permitted under applicable law. Upon the payment in full of the outstanding principal amount of this Note, plus accrued but unpaid interest and other amounts owing in respect thereof through the date of acceleration, the Holder shall promptly surrender this Note to or as directed by the Company. In connection with such acceleration described herein, the Holders need not provide, and the Company hereby waives, any presentment, demand, protest or other notice of any kind, and the Holder may immediately and without expiration of any grace period enforce any and all of its rights and remedies hereunder and all other remedies available to it under applicable law. Such acceleration may be rescinded and annulled by the holders of a majority of the then outstanding principal amount of the 9.5% Convertible Notes at any time prior to payment hereunder and the Holder shall have all rights as a holder of this Note until such time, if any, as the Holder receives full payment pursuant to this Section 8(b). No such rescission or annulment shall affect any subsequent Event of Default or impair any right consequent thereon.

Section 9. Miscellaneous.

a) Notices. Any and all notices or other communications or deliveries to be provided by the Holder hereunder, including, without limitation, any Notice of Conversion, shall be in writing and delivered personally, by facsimile, or sent by a nationally recognized overnight courier service, addressed to the Company, at the address set forth above, facsimile number 770-234-5730, Attn: Andrew Norstrud, Chief Financial Officer, or such other facsimile number or address as the Company may specify for such purpose by notice to the Holder delivered in accordance with this Section 9. Any and all notices or other communications or deliveries to be provided by the Company hereunder shall be in writing and delivered personally, by facsimile, or sent by a nationally recognized overnight courier service addressed to each Holder at the facsimile number or address of such Holder appearing on the books of the Company, or if no such facsimile number or address appears, at the principal place of business of the Holder. Any notice or other communication or deliveries hereunder shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number specified in this Section 9 prior to 5:30 p.m. (New York City time), (ii) the date immediately following the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number specified in this Section 9 between 5:30 p.m. (New York City time) and 11:59 p.m. (New York City time) on any date, (iii) the second Business Day following the date of mailing, if sent by nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice is required to be given.

b) Right of Set-Off. Notwithstanding any other term of this Note, the Company shall have the right at any time and from time to time, to the extent provided in the Merger Agreement, to set off any amounts payable to the holders of the Notes against amounts owing by the SNIH Stockholders (as defined in the Merger Agreement) to the Company or the other Buyer Indemnified Parties (as defined in the Merger Agreement) pursuant to Section 10 or Section 10A of the Merger Agreement. The Company agrees to notify each holder of Notes promptly after any such setoff, which notification shall include a statement describing in reasonable detail the amounts owing to the Company pursuant to Section 10 or Section 10A of the Merger Agreement as to which it exercised such right of setoff, provided however, that the failure to give such notice shall not affect the validity of such setoff. If, however, it is ultimately determined that such amounts were not due to the Company or the other Buyer Indemnified Parties pursuant to Section 10 or Section 10A of the Merger Agreement, then any amounts to which the Company exercised its right of set-off under this 9(b) shall be promptly reinstated under this Note as obligations of the Company.

c) Absolute Obligation. Except as expressly provided herein, no provision of this Note shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and accrued interest, as applicable, on this Note at the time, place, and rate, and in the coin or currency, herein prescribed. This Note is a direct debt obligation of the Company. This Note ranks pari passu with all other Notes now or hereafter issued under the terms set forth herein.

d) Lost or Mutilated Note. If this Note shall be mutilated, lost, stolen or destroyed, the Company shall execute and deliver, in exchange and substitution for and upon cancellation of a mutilated Note, or in lieu of or in substitution for a lost, stolen or destroyed Note, a new Note for the principal amount of this Note so mutilated, lost, stolen or destroyed, but only upon receipt of evidence of such loss, theft or destruction of such Note, and of the ownership hereof, reasonably satisfactory to the Company.

e) Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Note shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflict of laws thereof. Each party agrees that all legal proceedings concerning the interpretation, enforcement and defense of the transactions contemplated by any of the Transaction Documents (whether brought against a party hereto or its respective Affiliates (as defined in Rule 12b-2 of the Exchange Act), directors, officers, shareholders, employees or agents) shall be commenced in the state and federal courts sitting in the City of New York, Borough of Manhattan (the "New York Courts"). Each party hereto hereby irrevocably submits to the exclusive jurisdiction of the New York Courts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of such New York Courts, or such New York Courts are improper or inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Note and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by applicable law. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Note or the transactions contemplated hereby. If either party shall commence an action or proceeding to enforce any provisions of this Note, then the prevailing party in such action or proceeding shall be reimbursed by the other party for its attorneys' fees and other costs and expenses incurred in the investigation, preparation and prosecution of such action or proceeding.

f) Waiver. No provision of this Note may be amended or waived without the written consent of the Company and the holders of a majority of the outstanding principal amount of the 9.5% Convertible Notes and the Company; provided, however, that notwithstanding the foregoing, no amendment or waiver of any provision of this Note that would change the interest rate of this Note or extend the Maturity Date of this Note may be made without the prior written consent of the Holder of this Note. Any waiver by the Company or a holder of a breach of any provision of this Note shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Note. The failure of the Company or the Holder to insist upon strict adherence to any term of this Note on one or more occasions shall not be considered a waiver or deprive that party of the right thereafter to insist upon strict adherence to that term or any other term of this Note. Any waiver by the Company or the Holder must be in writing.

g) Severability. If any provision of this Note is invalid, illegal or unenforceable, the balance of this Note shall remain in effect, and if any provision is inapplicable to any Person or circumstance, it shall nevertheless remain applicable to all other Persons and circumstances. If it shall be found that any interest or other amount deemed interest due hereunder violates the applicable law governing usury, the applicable rate of interest due hereunder shall automatically be lowered to equal the maximum rate of interest permitted under applicable law. The Company covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law or other law which would prohibit or forgive the Company from paying all or any portion of the principal of or interest on this Note as contemplated herein, wherever enacted, now or at any time hereafter in force, or which may affect the covenants or the performance of this indenture, and the Company (to the extent it may lawfully do so) hereby expressly waives all benefits or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impeded the execution of any power herein granted to the Holder, but will suffer and permit the execution of every such as though no such law has been enacted.

h) Next Business Day. Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day.

i) Headings. The headings contained herein are for convenience only, do not constitute a part of this Note and shall not be deemed to limit or affect any of the provisions hereof.

IN WITNESS WHEREOF, the Company has caused this Note to be duly executed by a duly authorized officer as of the date first above indicated.

GEE GROUP, INC.

By: /s/ Derek Dewan

Derek Dewan

Title: Chief Executive Officer

ANNEX A

NOTICE OF CONVERSION

The undersigned hereby elects to convert principal under the 9.5% Convertible Subordinated Note of GEE Group, Inc., an Illinois corporation (the "Company"), due on October 3, 2021, into shares of common stock, without par value per share (the "Common Stock"), of the Company according to the conditions hereof, as of the date written below. If shares are to be issued in the name of a person other than the undersigned, the undersigned will pay all transfer taxes payable with respect thereto and is delivering herewith such certificates and opinions as reasonably requested by the Company in accordance therewith. No fee will be charged to the holder for any conversion, except for such transfer taxes, if any.

The undersigned agrees to comply with the prospectus delivery requirements under the applicable securities laws in connection with any transfer of the aforesaid shares of Common Stock.

Conversion calculations:

Date to Effect Conversion:

Principal Amount of Note to be Converted:

Number of shares of Common Stock to be issued:

Signature:

Name:

Address:

SUBORDINATION AND INTERCREDITOR AGREEMENT

This Subordination AND INTERCREDITOR Agreement (this "Agreement") is entered into as of March 31, 2017, by and among PNC Bank, National Association, as administrative agent and collateral agent for the Senior Lenders referred to below ("Senior Agent"), Madison Capital Funding LLC, a Delaware limited liability company ("Subordinated Creditor"), GEE Group Inc., an Illinois corporation (the "Parent"), each Subsidiary of the Parent listed as a "Borrower" on the signature pages hereto (together with the Parent and each Person joined hereto as a borrower from time to time, collectively, the "Borrowers" and each a "Borrower"), each Subsidiary of the Parent listed as a "Guarantor" on the signature pages hereto (together with each other Person joined hereto as a guarantor from time to time, collectively, the "Guarantors", and each a "Guarantor", and together with the Borrowers, collectively, the "Loan Parties" and each a "Loan Party").

RECITALS

WHEREAS, Senior Agent, certain lenders from time to time party to the Senior Credit Agreement (collectively with the Senior Agent, the "Senior Lenders"), and the Loan Parties are party to that certain Revolving Credit, Term Loan and Security Agreement, dated as of the date hereof (such agreement, as amended, restated, supplemented, modified or otherwise changed from time to time, including any replacement agreement therefor, being hereinafter referred to as the "Senior Credit Agreement"), pursuant to which the Senior Lenders agreed to make certain term and revolving loans to the Borrowers;

WHEREAS, the Parent is party to (a) the 9.5% Convertible Subordinated Note dated April 3, 2017, in the original principal amount of \$645,939.84, and (b) the 9.5% Convertible Subordinated Note dated April 3, 2017, in the original principal amount of \$71,771.09 (such notes, as amended, restated, supplemented, modified or otherwise changed from time to time, including any replacement notes therefor, being hereinafter collectively referred to as the "Subordinated Note"), pursuant to which Subordinated Creditor agreed to make subordinated loans to the Parent; and

WHEREAS, it is a condition precedent to the Senior Lenders making any loan and/or providing any other financial accommodation to the Borrowers pursuant to the Senior Credit Agreement that Subordinated Creditor and the Loan Parties enter into this Agreement.

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Definitions.

(a) Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Senior Credit Agreement. The following terms shall have the meanings set forth below:

“Agreement” means this Subordination and Intercreditor Agreement, as amended, restated, renewed, extended, supplemented or otherwise modified from time to time.

“Bankruptcy Code” means Title 11 of the United States Code, as amended from time to time and any successor statute or any similar federal or state law for the relief of debtors.

“Collateral” means all of the property and assets and all interests therein and proceeds thereof now owned or hereafter acquired by any Grantor upon which a Lien is granted or purported to be granted by such Grantor as security for all or any part of the Senior Indebtedness.

“Debtor Relief Law” means the Bankruptcy Code and any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief law of the United States or other applicable jurisdiction from time to time in effect.

“DIP Financing” has the meaning specified therefor in Section 5(c) hereof.

“Disposition” or “Dispose” means any transaction, or series of related transactions, pursuant to which any Person or any of its Subsidiaries sells, assigns, transfers, leases, licenses (as licensor) or otherwise disposes of any property or assets (whether now owned or hereafter acquired) to any other Person, in each case, whether or not the consideration therefor consists of cash, securities or other assets owned by the acquiring Person.

“Distribution” means, with respect to any indebtedness or obligation, (a) any direct or indirect payment or distribution by any Person of cash, securities or other property, by set-off or otherwise, on account of such indebtedness or obligation, (b) any direct or indirect redemption, purchase or other acquisition of such indebtedness or obligation by any Person, or (c) any direct or indirect acquisition by any Borrower or any of its Affiliates of any equity or other interest in any Person that holds any such indebtedness or obligation.

“Effective Date Amount” has the specified therefor in Section 6(a) hereof.

“Enforcement Action” means any action to enforce or attempt to enforce any right or remedy available with respect to the Subordinated Indebtedness under the Subordinated Documents, applicable law or otherwise, including any action to (a) accelerate the maturity of, or demand as immediately due and payable, all or any part of the Subordinated Indebtedness, (b) exercise any put option, any right of mandatory redemption or any similar right or otherwise cause any Loan Party to honor any redemption or mandatory prepayment or any obligation to make an offer to repurchase under any Subordinated Document, (c) exercise any right of set-off, (d) realize or foreclose upon, repossess, sell or otherwise dispose of, liquidate, or otherwise restrict or interfere with the use of, any Collateral, (e) commence, continue or participate in (other than as a defendant or co-defendant (or in a comparable capacity) in defense of its own interests or in reply to any Insolvency Proceeding brought against Subordinated Creditor) any Insolvency Proceeding or other collection or enforcement action of any kind, against any Loan Party or any other Grantor (including any insolvency, bankruptcy, dissolution or liquidation proceeding), in any case, seeking, directly or indirectly, to enforce any rights or remedies, or to enforce any of the obligations incurred by the Loan Parties or other Grantors, under or in connection with the Subordinated Indebtedness or the Subordinated Documents, or (f) commence or pursue any judicial, arbitral or other proceeding or legal action of any kind, seeking injunctive or other equitable relief to prohibit, limit or impair the commencement or pursuit by the Senior Creditors of any of their rights or remedies under or in connection with the Senior Documents or otherwise available to the Senior Creditors under applicable law; provided, however, that the term “Enforcement Action” shall not include (i) if an Insolvency Proceeding has been commenced by or against any Grantor, subject to Section 5(b) hereof, filing of a Proof of Claim with respect to the Subordinated Indebtedness, (ii) any suit or action initiated or maintained to prevent the loss of a claim as a result of the running of any applicable statute of limitations or other similar restriction on claims, (iii) filing any necessary responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding, or other pleading made by any Person objecting to or otherwise seeking the disallowance of the claims of Subordinated Creditor, (iv) any non-judicial procedural actions that may be required or desired as a precondition to acceleration or relating to preservation of rights (such as giving a notice of default or reservation of rights (including acceleration subject to the terms of this Agreement)), (v) the automatic acceleration of the Subordinated Indebtedness upon the initiation of an Insolvency Proceeding under the Bankruptcy Code or (vi) conversion of the outstanding principal of and accrued interest on the Subordinated Indebtedness into common Equity Interests of the Parent pursuant to the Subordinated Note.

“Equity Interests” means (a) all shares of capital stock (whether denominated as common stock or preferred stock), equity interests, beneficial, partnership or membership interests, joint venture interests, participations or other ownership or profit interests in or equivalents (regardless of how designated) of or in a Person (other than an individual), whether voting or non-voting and (b) all securities convertible into or exchangeable for any of the foregoing and all warrants, options or other rights to purchase, subscribe for or otherwise acquire any of the foregoing, whether or not presently convertible, exchangeable or exercisable.

“Finally Paid” or “Final Payment,” when used in connection with the Senior Indebtedness means the full and final payment in immediately available funds of all of the Senior Indebtedness and the termination in writing of the Senior Lenders’ obligations to make loans or other advances or financial accommodations to the Loan Parties under the Senior Documents. The repayment of any Senior Indebtedness pursuant to a Refinancing permitted hereunder shall not constitute “Final Payment” of the Senior Indebtedness being Refinanced.

“Grantor” means any Loan Party or any other Person that may from time to time execute and deliver an agreement, document, or instrument pursuant to which a Lien is granted securing any Senior Indebtedness or Subordinated Indebtedness or under which rights or remedies with respect to such Liens are governed, as a “debtor,” “grantor,” or “pledgor” (or the equivalent thereof).

“Insolvency Proceeding” means any proceeding commenced by or against any Person under any provision of any Debtor Relief Law.

“Lien” means any mortgage, deed of trust, pledge, lien (statutory or otherwise), security interest, charge or other encumbrance or security or preferential arrangement of any nature, including any conditional sale or title retention arrangement, any capitalized lease and any assignment, deposit arrangement or financing lease intended as, or having the effect of, security.

“Loan Party” has the meaning specified therefor in the preamble hereto.

“Obligor” has the meaning specified therefor in Section 10 hereof.

“Permitted Payments” means, with respect to the Subordinated Indebtedness, payment of (a) common Equity Interests of the Parent in connection with (i) the payment of interest under Section 2 of the Subordinated Note or (ii) the conversion of the outstanding principal of and accrued interest on the Subordinated Indebtedness into common Equity Interests of the Parent pursuant to Section 4 of the Subordinated Note, (b) Restructuring Securities in connection with an Insolvency Proceeding, (c) PIK Payments, and (d) from January 1, 2018, through and including December 31, 2018, such amounts (not exceeding the Effective Date Amount) as are permitted to be paid by the Loan Parties under Section 7.17(b) (iv) of the Senior Loan Agreement.

“Person” means an individual, corporation, limited liability company, partnership, association, joint-stock company, trust, unincorporated organization, joint venture or other enterprise or entity or Governmental Authority.

“PIK Payments” means payments of interest as required by the Subordinated Documents (as in effect on the date hereof or amended in accordance with the terms hereof) that are in the form of additional Subordinated Notes (or the increase of the principal amount of the Subordinated Notes), and the accrual or capitalization of interest otherwise prohibited by the terms of this Agreement, in each case, in lieu of cash payments and that are in all respects subordinate and junior in right of payment to the Senior Indebtedness to at least the same extent as the Subordinated Indebtedness as set forth in this Agreement.

“Proof of Claim” has the meaning specified therefor in Section 5(b) hereof.

“Recovery” has the meaning specified therefor in Section 5(h) hereof.

“Refinance” means, in respect of any Senior Indebtedness or Subordinated Indebtedness, to refinance, extend, renew, defease, restructure, replace, refund or repay, or to issue other indebtedness, in exchange or replacement for, such indebtedness in whole or in part in accordance with the terms of this Agreement. “Refinanced” and “Refinancing” shall have correlative meanings.

“Restructuring Securities” means any debt or equity securities that are distributed to Subordinated Creditor in respect of the Subordinated Indebtedness pursuant to a confirmed plan of reorganization or adjustment and that (a) are subordinated in right of payment to the Senior Indebtedness (or any debt or equity securities issued in substitution of all or any portion of the Senior Indebtedness) to at least the same extent as the Subordinated Indebtedness is subordinated to the Senior Indebtedness pursuant to the terms of this Agreement (including, with respect to any covenants, defaults or other provisions that have corresponding provisions in the Senior Documents, with cushions consistent with the cushions included on the date hereof), (b) do not have the benefit of any obligation of any entity (whether as issuer, guarantor or otherwise) unless the Senior Indebtedness has a prior right to the same benefit of the obligation of such entity, and (c) do not have any terms, and are not subject to or entitled to the benefit of any agreement or instrument that has terms, that are more burdensome to the issuer of or other obligor on such debt or equity securities than are the terms of the Senior Indebtedness (or any debt or equity securities issued in substitution of all or any portion of the Senior Indebtedness).

“Senior Agent” has the meaning specified therefor in the Recitals hereto.

“Senior Creditors” means the Senior Agent, the Senior Lenders and any other Person who holds Senior Indebtedness.

“Senior Documents” means the Senior Credit Agreement and the other “Loan Documents” as such term is defined in the Senior Credit Agreement and shall include this Agreement, in each case, as the same may be amended, modified, restated or Refinanced from time to time.

“Senior Credit Agreement” has the meaning specified therefor in the Recitals hereto.

“Senior Indebtedness” means all principal, interest and other Obligations at any time due and owing by any Loan Party to the Senior Lenders and/or any other Senior Creditors, or any of them, arising out of or incurred in connection with the Senior Documents or other documents executed in connection with the obligations thereunder (and any indebtedness which Refinances such principal, interest, fees (including any prepayment premium) or other Obligations), as modified, extended, renewed or restated, whether direct or contingent, and whether now existing or hereafter created. Senior Indebtedness shall include interest which accrues on the principal amount of the Senior Indebtedness, and expenses incurred, subsequent to the commencement of an Insolvency Proceeding, whether or not such interest or expenses is an allowed claim under applicable law.

“Senior Lenders” has the meaning specified therefor in the Recitals hereto.

“Subordinated Creditor” has the meaning specified therefor in the Preamble hereto.

“Subordinated Documents” means the Subordinated Note and any and all other documents, agreements, writings or instruments executed in connection therewith or pursuant thereto evidencing the amounts payable thereunder (other than, for the avoidance of doubt, the SNI Acquisition Agreement), in each case, as in effect on the date hereof and as amended, modified, restated or Refinanced in accordance with the terms hereof.

“Subordinated Indebtedness” means all indebtedness and other obligations of any Loan Party of any kind or nature whatsoever to Subordinated Creditor arising under or related to the Subordinated Documents, including all present and future loans, advances, debts, liabilities, obligations, and indebtedness otherwise owing by any Loan Party to Subordinated Creditor, whether evidenced by any note, guaranty or other instrument or document, whether absolute or contingent, due or to become due, including all interest, charges, expenses, fees, attorneys’ fees and any other sums chargeable to such Loan Party.

“Subordinated Note” has the meaning specified therefor in the Recitals hereto.

“UCC” means Article 9 of the Uniform Commercial Code, as in effect in any applicable jurisdiction.

(b) Terms Generally. The definitions of terms in this Agreement shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (ii) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (iii) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (iv) all references herein to Sections shall be construed to refer to Sections of this Agreement and (v) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any right or interest in or to assets and properties of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible.

2. Subordination.

(a) Subordination of Debt. Notwithstanding anything to the contrary in the Subordinated Documents, Subordinated Creditor hereby acknowledges the incurrence by the Loan Parties of the Senior Indebtedness and the consummation of each of the transactions contemplated by the Senior Documents, including the grant by each Loan Party of the Liens in favor of the Senior Agent for the benefit of the Senior Lenders. To the extent and the manner set forth in this Agreement, the Subordinated Indebtedness is hereby expressly made subordinate, junior and subject in right of payment to the Final Payment of the Senior Indebtedness. Such subordination is for the benefit of each present and future Senior Agent and Senior Lender, each of whom shall be entitled to enforce this Agreement as party hereto or as a third party beneficiary hereof. Each holder of Senior Indebtedness, whether now outstanding or hereafter incurred, shall be deemed to have acquired Senior Indebtedness in reliance upon the terms and provisions of this Agreement.

(b) Restriction on Payments. Notwithstanding anything in the Subordinated Documents to the contrary and in addition to any other limitations set forth herein or therein, except as expressly set forth in this Agreement, until the date on which the Senior Indebtedness is Finally Paid, no Loan Party shall make or agree to make and Subordinated Creditor shall not accept, take or receive, directly or indirectly, any Distribution on account of the Subordinated Indebtedness (other than, in connection with an Insolvency Proceeding, Restructuring Securities), and no Loan Party shall segregate or hold in trust money for any such Distribution. Notwithstanding anything to the contrary herein, the Loan Parties may make and Subordinated Creditor may receive Permitted Payments.

(c) Turnover. In the event that any Loan Party shall make or Subordinated Creditor shall collect any Distribution on account of the Subordinated Indebtedness in contravention of this Agreement (excluding Permitted Payments) (including in an Insolvency Proceeding), such payment or distribution shall not be commingled with any asset of Subordinated Creditor, shall be held in trust by Subordinated Creditor for the benefit of Senior Agent, and shall be promptly paid over to Senior Agent in precisely the form received by Subordinated Creditor (except for any necessary endorsement), for application to the payment of the Senior Indebtedness then remaining unpaid, until all of the Senior Indebtedness is Finally Paid. In the event Subordinated Creditor fails to pay over to Senior Agent any such Distribution, Senior Agent or any of its officers or employees are hereby irrevocably authorized on behalf of Subordinated Creditor to cause the same to be paid over.

3. Absence of Liens; Guaranties; Prohibition on Contesting Liens.

(a) Subordinated Creditor agrees that it does not have and will not acquire, without the prior written consent of the Senior Lenders, any Lien against any Loan Party, any other Grantor and/or any of the Collateral. If, notwithstanding the foregoing, Subordinated Creditor has or acquires any Lien of any kind against any Loan Party, any other Grantor and/or any of the Collateral, (i) any such Lien to which the Senior Lenders have not consented in writing shall be promptly released, discharged and terminated of record, and (ii) until released, discharged and terminated, such Lien shall be subordinate and subject to the Lien against any Loan Party, any other Grantor and/or the Collateral of the Senior Creditors arising from or out of the Senior Indebtedness, regardless of the order or time as of which any Lien attaches to any of the Collateral, the order or time of UCC filings or any other filings or recordings, the order or time of granting of any such Lien, or the physical possession of any of the Collateral, until the Senior Indebtedness is Finally Paid. Subordinated Creditor hereby appoints Senior Agent as its attorney-in-fact for purposes of releasing, discharging and terminating of record any such Lien (such appointment of Senior Agent as attorney-in-fact shall be deemed irrevocable until such time as the Senior Indebtedness has been Finally Paid).

(b) Guaranties. Subordinated Creditor shall not accept a guaranty from any Person with respect to any of the Subordinated Indebtedness unless such Person has given to Senior Agent, on behalf of the Senior Lenders, a like guaranty of the Senior Indebtedness and such Person's guaranty of the Subordinated Obligations is subordinate to such Person's guaranty of the Senior Indebtedness on the same terms and conditions contained herein.

(c) Prohibition on Contesting Liens. Subordinated Creditor, agrees that it will not (and hereby waives any right to), directly or indirectly, contest, or support any other person in contesting, in any proceeding (including any Insolvency Proceeding), the priority, validity, or enforceability of any Lien held by or on behalf of any Senior Creditor in the Collateral or the provisions of this Agreement; provided, however, that nothing in this Agreement shall be construed to prevent or impair the rights of Subordinated Creditor to enforce the terms of this Agreement.

4. Exercise of Remedies.

(a) Standstill. At any time that is prior to the Final Payment of the Senior Indebtedness, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, Subordinated Creditor will not exercise any Enforcement Action.

(b) Exclusive Enforcement Rights. At all times prior to the Final Payment of the Senior Indebtedness, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, Senior Agent and Senior Creditors shall have the exclusive right to exercise any Enforcement Action without any consultation with or the consent of Subordinated Creditor. Senior Agent and Senior Creditors may enforce the provisions of the Senior Documents and exercise remedies thereunder and related thereto, all in such order and in such manner as they may determine in the exercise of their sole discretion. Such exercise and enforcement shall include the rights of an agent appointed by them to Dispose of Collateral, to incur expenses in connection with such Disposition, and to exercise all the rights and remedies of a secured creditor under applicable law.

(c) Non-Interference. At all times prior to the Final Payment of the Senior Indebtedness, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, Subordinated Creditor, hereby:

(i) agrees it will not contest, protest, oppose or object to (or support any other Person contesting, protesting, opposing or objecting to) any Enforcement Action by Senior Agent or any Senior Creditor and that it will not otherwise take any action that would restrain, hinder, limit, delay, or otherwise interfere with any Enforcement Action by Senior Agent or any Senior Creditor, or that is otherwise prohibited hereunder;

(ii) waives any and all rights it may have to object to the manner in which Senior Agent or Senior Creditors seek to enforce or collect the Senior Indebtedness or the Liens securing the Senior Indebtedness, regardless of whether any action or failure to act by or on behalf of Senior Agent or Senior Creditors is adverse to the interest of Subordinated Creditor; and

(iii) acknowledges and agrees that no covenant, agreement or restriction contained in the Subordinated Documents shall be deemed to restrict in any way the rights and remedies of Senior Agent or Senior Creditors with respect to the Collateral as set forth in this Agreement and the Senior Documents.

(d) Legend. At the request of Senior Agent, Subordinated Creditor and the Loan Parties will the cause the Subordinated Note and any instrument or document issued after the date hereof by a Loan Party evidencing the Subordinated Indebtedness, if any, to be indorsed with substantially the following legend:

“Notwithstanding anything herein to the contrary, this [instrument/document] is subject to the terms and provisions of that certain Subordination and Intercreditor Agreement, dated as of March 31, 2017 (the “Subordination and Intercreditor Agreement”), by and among PNC Bank, National Association, as agent for certain lenders, Madison Capital Funding LLC, and the other parties signatory thereto from time to time. In the event of any conflict between the provisions of this instrument and the Subordination and Intercreditor Agreement, the terms of the Subordination and Intercreditor Agreement shall govern.”

In the event any legend is omitted, Senior Agent, or any of its officers or employees, are hereby irrevocably authorized on behalf of Subordinated Creditors to make the same. No specific legend, further assignment or endorsement or delivery of notes, guarantees or instruments shall be necessary to subject any Subordinated Indebtedness to the subordination thereof contained in this Agreement. In addition, each Loan Party's books shall be marked to evidence the subordination of all of the Subordinated Indebtedness to the holders of Senior Indebtedness, in accordance with the terms of this Agreement. Senior Agent is authorized to examine such books from time to time and to make any notations required by this Agreement.

5. Insolvency Proceedings.

(a) Enforceability and Continuing Priority. This Agreement shall be applicable both before and after the commencement of any Insolvency Proceeding and all converted or succeeding cases in respect thereof. The Senior Indebtedness shall continue to be treated as Senior Indebtedness and the provisions of this Agreement shall continue to govern the relative rights and priorities of the Senior Creditors, on the one hand, and Subordinated Creditor, on the other hand, even if all or part of the Liens securing such Senior Indebtedness are subordinated, set aside, avoided or disallowed in connection with any such Insolvency Proceeding (or if all or part of the Senior Indebtedness is subordinated, set aside, avoided or disallowed in connection with any such Insolvency Proceeding as a result of a fraudulent conveyance or fraudulent transfer statute or if any interest accruing on the Senior Indebtedness following the commencement of such Insolvency Proceeding is otherwise disallowed). Accordingly, the provisions of this Agreement are intended to be and shall be enforceable as a subordination agreement within the meaning of Section 510 of the Bankruptcy Code.

(b) Proof of Claim: Voting.

(i) In the event of any Insolvency Proceeding, if Subordinated Creditor has not filed any proof of claim or other instrument of similar character necessary to enforce the obligations of any Loan Party in respect of the Subordinated Indebtedness (a "Proof of Claim") 10 days before the expiration of the time to file the same, then and in such event, but only in such event, the Senior Agent may (but shall not be required to), as attorney-in-fact for Subordinated Creditor, duly file such Proof of Claim, and Subordinated Creditor, by its acceptance of the Subordinated Indebtedness, appoints the Senior Agent as an attorney-in-fact for Subordinated Creditor for the limited purpose of filing any such Proof of Claim in accordance with the terms of this Section 5(b). In the event the Senior Agent makes any filing in accordance with the authority granted hereby, Subordinated Creditor shall not be entitled to amend or otherwise modify such filing without the prior written consent of the Senior Agent.

(ii) Without limiting the covenants of Subordinated Creditor in this Section 5 but subject to the specific rights of Subordinated Creditor set forth in this Section 5, in no event shall Subordinated Creditor support or vote in favor of any plan of reorganization (and each shall be deemed to have voted to reject any plan of reorganization) unless such plan (A) provides for the Final Payment of all Senior Indebtedness or (B) is accepted by the class of holders of the Senior Indebtedness voting thereon and is supported by Senior Agent.

(c) Financing. If, at any time prior to the Final Payment of the Senior Indebtedness, any Grantor shall be subject to any Insolvency Proceeding and Senior Agent consents to the use of cash collateral (as such term is defined in Section 363(a) of the Bankruptcy Code, "Cash Collateral") on which Senior Agent has a Lien or permits any Grantor to obtain financing under Section 364 of the Bankruptcy Code or any similar bankruptcy law (such financing, a "DIP Financing"), then Subordinated Creditor shall consent to, and raise no objection to such Cash Collateral use or DIP Financing. Subordinated Creditor shall not, directly or indirectly, provide or offer to provide, any DIP Financing to any Grantor, or support any DIP Financing to any Grantor that is offered or proposed by a Person other than Senior Agent or Senior Creditors.

(d) Sales. Until the Final Payment of the Senior Indebtedness, Subordinated Creditor will consent, and will not object to or oppose a motion to Dispose of any Collateral free and clear of the Liens or other claims in favor of Subordinated Creditor under Section 363 of the Bankruptcy Code if Senior Agent has consented to such Disposition of such assets.

(e) Relief from the Automatic Stay. Until the Final Payment of the Senior Indebtedness, Subordinated Creditor agrees not to (i) seek (or support any other person seeking) relief from the automatic stay or any other stay in any Insolvency Proceeding in respect of the Collateral, without the prior written consent of Senior Agent, or (ii) oppose any request by the Senior Agent or any Senior Creditor to seek relief from the automatic stay or any other stay in any Insolvency Proceeding in respect of the Collateral.

(f) Adequate Protection. In any Insolvency Proceeding involving a Grantor, Subordinated Creditor agrees that, until the Final Payment of the Senior Indebtedness, it shall not contest (or support any other Person contesting) (i) any request by Senior Agent or other Senior Creditors for adequate protection with respect to the Senior Creditors' rights in the Collateral or (ii) any objection by Senior Agent or Senior Creditors to any motion, relief, action, or proceeding based on Senior Agent or other Senior Creditors claiming a lack of adequate protection.

(g) Waivers. Subordinated Creditor shall not object to, oppose, take any action or vote in any way so as to directly or indirectly challenge or contest (in an Insolvency Proceeding or otherwise) (i) any claim by Senior Agent or any Senior Creditor for allowance in any Insolvency Proceeding of Senior Indebtedness consisting of post-petition interest, fees, or expenses, (ii) the validity, perfection, priority or the enforceability of the Senior Credit Agreement, the other Senior Documents or the Liens granted to Senior Agent and the Senior Creditors with respect to the Senior Indebtedness, (iii) the validity or enforceability of the subordination provisions contained in this Agreement or (iv) the rights and duties of Senior Agent and the Senior Creditors established in the Senior Credit Agreement or any other Senior Document to the extent such rights and duties are not, and/or have not been exercised in a manner, prohibited by any of the terms of this Agreement. At any time prior to the Final Payment of the Senior Indebtedness, nothing contained herein shall prohibit or in any way limit Senior Agent or any Senior Creditor from objecting in any Insolvency Proceeding to any action taken by Subordinated Creditor, including the assertion by Subordinated Creditor of any of its rights and remedies under the Subordinated Documents.

(h) Avoidance Issues. If any Senior Creditor is required in any Insolvency Proceeding or otherwise to turn over, disgorge or otherwise pay to the estate of any Grantor any amount paid (a "Recovery") in respect of Senior Indebtedness, then such Senior Creditors shall be entitled to a reinstatement of the Senior Indebtedness with respect to all such recovered amounts, and all rights, interests, priorities and privileges recognized in this Agreement shall apply with respect to any such Recovery. If this Agreement shall have been terminated prior to such Recovery, this Agreement shall be reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair, or otherwise affect the obligations of the parties hereto from such date of reinstatement.

(i) Plan of Reorganization. If, in any Insolvency Proceeding, debt obligations of the reorganized debtor are distributed pursuant to a plan of reorganization or similar dispositive restructuring plan, both on account of the Senior Indebtedness and on account of the Subordinated Indebtedness, then, the provisions of this Agreement will survive the distribution of such debt obligations pursuant to such plan and will apply with like effect to such debt obligations. Nothing in this Agreement prohibits or limits the right of Subordinated Creditor to receive and retain any Restructuring Securities that are issued by a reorganized debtor pursuant to a confirmed plan of reorganization or similar dispositive restructuring plan in connection with an Insolvency Proceeding, so long as (i) in the case of equity securities, if such equity securities provide for mandatory redemption or mandatory dividend payments, the payment thereof shall be in accordance with, and subject to the relative priorities provided in, this Agreement and (ii) in the case of debt securities, any payment and Liens in respect of such debt securities shall be in accordance with, and subject to the relative priorities provided in, this Agreement.

6. Representations and Warranties.

(a) Loan Parties. As of the date hereof, each Loan Party hereby represents and warrants that (i) the Senior Agent has been furnished with true and correct copies of all instruments and securities evidencing the Subordinated Indebtedness, (ii) the aggregate principal amount of the Subordinated Indebtedness outstanding as of the date hereof is \$717,711 (the "Effective Date Amount"), and (iii) this Agreement has been duly executed and delivered by such Loan Party and constitutes a legal, valid and binding obligation of such Loan Party, enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws from time to time in effect affecting generally the enforcement of creditors' rights and remedies and general principles of equity.

(b) Subordinated Creditor. Subordinated Creditor represents and warrants to the Senior Creditors that (i) Subordinated Creditor is a limited liability company, duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (ii) Subordinated Creditor has full power and authority to enter into, execute, deliver and carry out the terms of this Agreement, all of which have been duly authorized by all proper and necessary action, (iii) the execution of this Agreement by Subordinated Creditor will not violate or conflict with the organizational documents of Subordinated Creditor or, to the knowledge of Subordinated Creditor, any law, regulation or order applicable to Subordinated Creditor, or, to the knowledge of Subordinated Creditor, require any consent or approval which has not been obtained, (iv) this Agreement has been duly executed and delivered by Subordinated Creditor and constitutes a legal, valid and binding obligation of Subordinated Creditor, enforceable against Subordinated Creditor in accordance with its terms, except to the extent that the enforceability thereof may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws from time to time in effect affecting generally the enforcement of creditors' rights and remedies and general principles of equity, (v) Subordinated Creditor is the sole owner, beneficially and of record, of the Subordinated Indebtedness, and (vi) the Subordinated Indebtedness is, and at all times prior to the termination of this Agreement shall remain, an unsecured obligation of the Parent.

(c) Senior Agent. Senior Agent represents and warrants to Subordinated Creditor that as of the date hereof: (i) it is duly formed, validly existing and in good standing under the laws of the state or jurisdiction of its organization, (ii) it has full power and authority to enter into, execute, deliver and carry out the terms of this Agreement, all of which have been duly authorized by all proper and necessary action, (iii) the execution of this Agreement by Senior Agent will not violate or conflict with its organizational documents, any material agreement binding upon Senior Agent or any law, regulation or order or require any consent or approval which has not been obtained, and (iv) this Agreement has been duly executed and delivered by Senior Agent and constitutes a legal, valid and binding obligation of Senior Agent, enforceable against Senior Agent in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally or by equitable principles.

7. Affirmative and Negative Covenants. Until all of the Senior Indebtedness has been Finally Paid, without the prior written consent of Senior Lenders: (a) no Loan Party shall discharge the Subordinated Indebtedness other than in accordance with its terms and the terms hereof; (b) Subordinated Creditor shall not demand or accept from any Loan Party or other Person any consideration which would result in a discharge of the Subordinated Indebtedness other than in accordance with its terms and the terms hereof; (c) Subordinated Creditor shall not hereafter give any subordination in respect of the Subordinated Indebtedness; (d) no Loan Party shall hereafter issue any instrument, security or other writing evidencing any part of the Subordinated Indebtedness, and Subordinated Creditor shall not receive any such writing, except upon the condition that such instrument, security or other writing shall bear the legend referred to herein and a complete copy thereof shall be furnished to Senior Agent; and (e) neither any Loan Party nor Subordinated Creditor shall take any action contrary to Senior Agent's and Senior Lenders' priority position over Subordinated Creditor that is created by this Agreement. In addition to the foregoing, Subordinated Creditor acknowledges and agrees that: (i) the Senior Creditors have relied on the terms and provisions of this Agreement in executing and delivering the Senior Documents and in making the extensions of credit contemplated thereby and shall continue to rely on such terms and provisions in making extensions of credit from time to time pursuant to the Senior Documents, and (ii) Subordinated Creditor shall not contest or challenge (or support any other Person in contesting or challenging) (A) the validity, perfection, priority or enforceability of the Senior Indebtedness, the Senior Documents or any Liens of the Senior Agent and the Senior Lenders in the Collateral securing the Senior Indebtedness or (B) the validity or enforceability of the subordination provisions contained in this Agreement.

8. Obligation of Loan Parties Unconditional. The provisions hereof are solely for the purpose of defining the relative rights of the holders of Senior Indebtedness, on the one hand, and Subordinated Creditor, on the other hand, and nothing contained herein is intended to or shall impair, as between the Loan Parties, on the one hand, and Subordinated Creditor, on the other hand, the obligation of the Loan Parties, which are absolute and unconditional, to pay the Subordinated Indebtedness as and when the same shall become due and payable in accordance with its terms, or to affect the relative rights of Subordinated Creditor and creditors of the Loan Parties, other than the Senior Lenders. The failure to make any payment with respect to the Subordinated Indebtedness by reason of this Agreement shall not be construed as preventing the occurrence of a default under any Subordinated Document.

9. Amendments of the Credit Documents.

(a) Subordinated Documents. Until the Senior Indebtedness has been Finally Paid, Subordinated Creditor agrees that it will not, without the prior written consent of the Senior Agent, amend or modify in any manner whatsoever the Subordinated Documents the effect of which is to (i) increase the maximum principal amount of the Subordinated Indebtedness (other than to the extent permitted by the Senior Credit Agreement and as a result of PIK Payments), (ii) increase the yield payable on any of the Subordinated Indebtedness (it being understood that invoking the default rate set forth in the Subordinated Documents on the date hereof shall not be restricted hereunder), (iii) accelerate the dates upon which payments of principal or interest on the Subordinated Indebtedness are due, (iv) add or make more burdensome, in any material respect, any covenant or event of default with respect to the Subordinated Indebtedness, (v) make more burdensome the redemption or prepayment provisions of the Subordinated Indebtedness (other than notice or other provisions that do not involve payments), (vi) change or amend any other term of the Subordinated Documents if such change or amendment would increase in any material respect the obligations of the Loan Parties or confer additional material rights on Subordinated Creditor in a manner adverse to the Loan Parties or Senior Lenders, or (vii) take any Liens in the Collateral or any other assets securing Senior Indebtedness. The Subordinated Indebtedness may be Refinanced to the extent the terms and conditions of such Refinanced indebtedness are not less favorable (as determined by the Senior Lenders in their reasonable discretion) in the aggregate to the Senior Lenders than the terms and conditions of the Subordinated Documents as in effect on the date hereof (with such amendments as are permitted under this Section 10); provided, that (A) the maturity date thereof is the same or later than the maturity date of the Subordinated Documents as in effect on the date hereof, (B) prior to consummation of such Refinancing the holders of such Refinanced indebtedness shall have become party to this Agreement (pursuant to a joinder in form and substance reasonably satisfactory to Senior Agent), and (C) such Refinanced indebtedness shall be Subordinated Indebtedness, and the documents evidencing such Refinanced indebtedness shall be Subordinated Documents, for all purposes hereunder.

(b) Senior Documents. The Senior Lenders and the Loan Parties may modify, amend, restate, supplement, replace, Refinance, restructure or otherwise modify the Senior Documents, or waive any of the provisions thereof, in any manner whatsoever, all without consent of, or notice to, Subordinated Creditor without affecting the subordination set forth in this Agreement or the liabilities and obligations of Subordinated Creditor hereunder. Any Refinancing of the Senior Indebtedness shall be subject to the restrictions set forth in the preceding sentence. Additionally, (A) prior to consummation of any Refinancing of the Senior Indebtedness, the holders of such Refinanced indebtedness shall have become party to this Agreement (pursuant to a joinder in form and substance reasonably satisfactory to Subordinated Creditor), and (B) such Refinanced indebtedness shall be Senior Indebtedness, and the documents evidencing such Refinanced indebtedness shall be Senior Documents, for all purposes hereunder.

10. Continued Effectiveness. No right of any present or future holder of any Senior Indebtedness to enforce the subordination as provided herein shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of any Loan Party or other Grantor; by any act or failure to act by any such holder; by any act or failure to act by any other holder of the Senior Indebtedness; or by any noncompliance by any Loan Party or other Grantor with the terms hereof, regardless of any knowledge thereof with which any such holder may have or be otherwise charged. Subordinated Creditor shall not be released, nor shall Subordinated Creditor's obligation hereunder be in any way diminished, by any of the following: (a) the exercise or the failure to exercise by any Senior Creditor of any rights or remedies conferred on it or them under the Senior Documents, hereunder or existing at law, or against any of the Collateral; (b) the commencement of an action at law or the recovery of a judgment at law against any Loan Party or any obligor ("Obligor") for the performance of the Senior Indebtedness and the enforcement thereof through levy or execution or otherwise; (c) the taking or institution or any other action or proceeding against any Loan Party or any Obligor; (d) any lack of validity or enforceability of any Senior Document or any other agreement or instrument related thereto; (e) any delay in taking, pursuing, or exercising any of the foregoing actions, rights, powers, or remedies (even though requested by Subordinated Creditor) by any Senior Lender or anyone acting for any Senior Lender; or (f) any other circumstance which might otherwise constitute a defense available to, or a discharge of, any Obligor in respect of the Senior Indebtedness or Subordinated Creditor or the Obligors in respect of this Agreement. Without limiting the generality of the foregoing, and anything else contained herein to the contrary notwithstanding, Senior Creditors, from time to time, without prior notice to or the consent of Subordinated Creditor, may take all or any of the following actions without in any manner affecting or impairing the obligation or liability of Subordinated Creditor hereunder: (i) obtain a Lien or a security interest in any property to secure any of the Senior Indebtedness; (ii) obtain the primary and secondary liability of any party or parties with respect to any of the Senior Indebtedness; (iii) subject to Section 10(b) hereof, renew, extend, or otherwise change the time for payment of the Senior Indebtedness or any installment thereof for any period; (iv) release or compromise any liability of any nature of any Person or entity with respect to the Senior Indebtedness; (v) exchange, enforce, waive, release, and apply any of the Collateral and direct the order or manner of sale thereof as Senior Agent may in its discretion determine; (vi) enforce their respective rights hereunder, whether or not such Senior Lender shall proceed against any other Person or entity; (vii) exercise their respective rights to consent to any action or non-action of any Loan Party which may violate the covenants and agreements contained in the Senior Documents, with or without consideration, on such terms and conditions as may be acceptable to them; (viii) exercise any of their respective rights conferred by the Senior Documents or by law; or (ix) subject to Section 10(b) hereof, amend or modify in any manner the Senior Credit Agreement or other Senior Documents.

11. Waivers. To the fullest extent permitted by law and except as to any notice specified in this Agreement, any notice which may not be waived in accordance with the UCC, or, with respect to the Loan Parties, any notice expressly required under the Senior Documents, each Loan Party and Subordinated Creditor hereby further waives: presentment, demand, protest, notice of protest, notice of default or dishonor, notice of payment or nonpayment and any and all other notices and demands of any kind in connection with all negotiable instruments evidencing all or any portion of the Senior Indebtedness or the Subordinated Indebtedness to which such Loan Party or Subordinated Creditor may be a party; prior notice of and consent to any loans made, extensions granted or other action taken in reliance thereon; and all other demands and notices of every kind in connection with this Agreement, the Senior Indebtedness or the Subordinated Indebtedness. Subordinated Creditor further waives, to the extent permitted by applicable law, any rights it may have under applicable law to assert the doctrine of marshaling or otherwise to require the Senior Lenders to marshal any Collateral for the benefit of Subordinated Creditor.

12. Cumulative Remedies; Indulgences Not Waivers; Specific Performance. Each right, remedy and power granted to Senior Agent and Senior Creditors hereunder shall be cumulative and in addition to any other right, remedy or power specifically granted herein, in the Senior Documents or now or hereafter existing in equity, at law, by virtue of statute or otherwise, and may be exercised by Senior Agent or Senior Creditors, from time to time, concurrently or independently and as often and in such order as Senior Agent and/or Senior Creditors may deem expedient. Neither the failure nor any delay on the part of any Senior Creditor to exercise any right, remedy, power or privilege hereunder shall operate as a waiver thereof or give rise to an estoppel, nor be construed as an agreement to modify the terms of this Agreement, nor shall any single or partial exercise of any right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No waiver of a right or obligation hereunder by a party hereunder shall be effective unless it is in writing and signed by the party making such waiver, and then only to the extent specifically stated in such writing. Should Subordinated Creditor in any way take, attempt to, or threaten to take any action contrary to terms of this Agreement, including with respect to the Collateral, or fail to take any action required by this Agreement, Senior Agent or any Senior Creditor may seek relief against Subordinated Creditor by injunction, specific performance, or other appropriate equitable relief, it being understood and agreed that (a) Senior Creditors' damages from such actions may at that time be difficult to ascertain and may be irreparable, and (b) Subordinated Creditor waives any defense that such Grantor and/or Senior Creditors cannot demonstrate damage and/or be made whole by the awarding of damages. Subordinated Creditor hereby irrevocably waives any defense based on the adequacy of a remedy at law and any other defense which might be asserted to bar the remedy of specific performance in any action which may be brought by Senior Agent or Senior Creditors.

13. Inconsistent or Conflicting Provisions. In the event a provision of the Senior Documents or the Subordinated Documents is inconsistent or conflicts with the provisions of this Agreement, the provisions of this Agreement shall govern and prevail.

14. Notices. All notices, requests, demands and other communications required or permitted under this Agreement or by law shall be in writing and may be personally served or sent by facsimile, overnight courier service or certified or registered United States mail and shall be deemed to have been duly given, made and received (a) if delivered in person, when delivered; (b) if delivered by facsimile, on the date of transmission if transmitted on a Business Day before 5:00 p.m. (New York City time) or, if not, on the next succeeding Business Day; (c) if delivered by overnight courier, one Business Day after delivery to such courier properly addressed with courier fees prepaid; or (d) if by United States mail, 3 Business Days after deposit in the United States mail, postage prepaid and properly addressed as set forth below.

If to Senior Agent or any Senior Creditor:

PNC Bank, National Association
200 South Wacker Drive, Suite 600
Chicago, Illinois 60606
Attention: Portfolio Manager
Telephone: (312) 454-2901
Facsimile: (312) 454-2919

with a copy to:

Blank Rome LLP
The Chrysler Building
405 Lexington Avenue
New York, NY 10174-0208
Attention: Michael J. Loesberg, Esq.
Telephone: (212) 885-5000
Facsimile: (212) 885-5001

If to Subordinated Creditor:

Madison Capital Funding LLC
30 S. Wacker Drive, Suite 3700
Chicago, IL 60606
Attention: Jennifer L. Cotton
Facsimile: (312) 596-6950

with a copy to:

Winston & Strawn LLP
35 W. Wacker Drive
Chicago, IL 60601
Attention: James A. Snyder
Facsimile: (312) 558-5700

If to any Loan Party:

GEE Group Inc.
12950 Race Track Rd., Suite 216
Tampa, FL 33626
Attention: Andrew J. Norstrud, CFO
Telephone: (813) 803-8275
Email: andrew.norstrud@geegroup.com

with a copy to:

McDermott Will & Emery LLP
340 Madison Avenue
New York, NY 10173-1922
Attention: John J. Sullivan, Esq.
Telephone: (212) 547 5567
Email: jsullivan@mwe.com

Any addressee may alter the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section for the giving of notice.

15. Benefit. Subordinated Creditor acknowledges that Senior Creditors would not have consented to the incurrence of the Subordinated Indebtedness but for the execution of this Agreement; therefore, Subordinated Creditor has received good, sufficient and adequate consideration for the making of this Agreement. Except as expressly provided in this Agreement, this Agreement is solely for the benefit of the Senior Creditors, Subordinated Creditor and their respective successors, participants and assigns, and no other person shall have any right, benefit, priority or interest under, or because of the existence of, this Agreement.

16. Entire Agreement. This Agreement constitutes and expresses the entire understanding between the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, inducements or conditions, whether express or implied, oral or written. Neither this Agreement nor any portion or provision hereof may be changed, waived or amended orally or in any manner other than by an agreement in writing signed by Senior Agent, Subordinated Creditor and the Loan Parties.

17. Additional Documentation. Each Loan Party and Subordinated Creditor shall execute and deliver to Senior Agent such further instruments and shall take such further action as Senior Lenders may at any time or times reasonably request in order to carry out the provisions and intent of this Agreement.

18. Successors and Assigns. This Agreement shall inure to the benefit of each Senior Creditor and Subordinated Creditor and their respective successors and assigns, and shall be binding upon each Loan Party, Senior Creditor and Subordinated Creditor and their respective successors and assigns, including any subsequent holders of the Senior Indebtedness or Subordinated Indebtedness. All references to Borrowers, Loan Parties and Grantors shall include such Person as debtor and debtor-in-possession and any receiver or trustee for any such Person in any Insolvency Proceeding. Each Senior Lender, without prior notice or consent of any kind, may sell, assign or transfer the Senior Indebtedness in accordance with the Senior Credit Agreement, and in such event each and every immediate and successive assignee or transferee thereof may be given the right by such Senior Lender to enforce this Agreement in full against each Loan Party and Subordinated Creditor, by suit or otherwise, for its own respective benefit; provided, that such successor, assignee or transferee agrees to be bound by the terms of this Agreement. Subordinated Creditor may not sell, assign or transfer the Subordinated Indebtedness without the prior consent of Senior Agent; provided, that prior to the consummation of any such transfer or assignment, the transferee thereof shall have become party to this Agreement (pursuant to a joinder in form and substance reasonably satisfactory to Senior Agent) to provide for the continued subordination of the Subordinated Indebtedness to the Senior Indebtedness as provided herein and for the continued effectiveness of all of the rights of the Senior Lenders arising under this Agreement; provided, further, that notwithstanding the failure of Subordinated Creditor to comply with the foregoing and the failure of any transferee to execute or deliver such joinder agreement, the subordination effected hereby shall survive any sale, assignment, pledge, Disposition or other transfer of all or any portion of the Subordinated Indebtedness, and the terms of this Agreement shall be binding upon the successors and assigns of Subordinated Creditor.

19. Subrogation. At such time as the Senior Indebtedness has been Finally Paid (and is not subject to avoidance under Section 547 of the Bankruptcy Code), Subordinated Creditor shall be subrogated, to the extent of the Senior Indebtedness so paid, to the rights of the holder of the Senior Indebtedness to receive Distributions until all amounts owing on the Subordinated Indebtedness shall be paid in full. For the purpose of such subrogation no Distributions to the holders of the Senior Indebtedness by or on behalf of such Loan Party or Subordinated Creditor by virtue of the provisions hereof which otherwise would have been made to Subordinated Creditor shall, as between the Loan Party, a creditor of such Loan Party (other than Subordinated Creditor and the Senior Lenders), and Subordinated Creditor, be deemed to be payment by such Loan Party to or on account of the Subordinated Indebtedness; it being understood that the provisions of this Agreement are, and are intended solely, for the purpose of defining the relative rights of Subordinated Creditor, on the one hand, and the Senior Lenders, on the other hand.

20. Termination; Reinstatement. This Agreement shall continue and shall be irrevocable until the earlier of (a) the date on which all of the Senior Indebtedness has been Finally Paid or otherwise discharged and released in writing by the Senior Lenders and (b) the date on which Senior Agent has received evidence reasonably satisfactory to Senior Agent of the satisfaction, in the form of common Equity Interests of the Parent, of all of the Parent's obligations under the Subordinated Note, together with a termination and release agreement reasonably satisfactory to Senior Agent with respect to the Subordinated Documents, duly executed by the Parent and Subordinated Creditor; provided, that, in the case of any termination of this Agreement under the preceding clause (a), (i) the obligations of Subordinated Creditor under this Agreement shall continue to be effective, or be reinstated, as the case may be, if at any time any payment in respect of any Senior Indebtedness is rescinded, set aside or is otherwise required to be restored or returned by Senior Agent or any Senior Creditor by reason of any bankruptcy, reorganization, arrangement, composition or similar proceeding, such payment being declared fraudulent or preferential, or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, any Loan Party or any substantial part of its respective property, or otherwise, all as though such payment had not been made and (ii) Section 19 hereof shall continue in full force and effect until the Subordinated Indebtedness is paid in full. Subordinated Creditor agrees that it shall not be entitled to benefit from any avoidance action affecting or otherwise relating to any distribution or allocation made in accordance with this Agreement, whether by preference or otherwise, it being understood and agreed that the benefit of such avoidance action otherwise allocable to it shall instead by allocated and turned over for application in accordance with the priorities set forth in this Agreement.

21. Governing Law. THE VALIDITY, CONSTRUCTION AND ENFORCEMENT OF THIS AGREEMENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW) THEREOF. EACH LOAN PARTY AND SUBORDINATED CREDITOR HEREBY AGREE THAT ALL ACTIONS OR PROCEEDINGS INITIATED BY ANY LOAN PARTY OR SUBORDINATED CREDITOR AND ARISING DIRECTLY OR INDIRECTLY OUT OF THIS AGREEMENT SHALL BE LITIGATED IN THE STATE AND FEDERAL COURTS LOCATED IN NEW YORK COUNTY, NEW YORK OR, IF SENIOR AGENT OR ANY SENIOR CREDITOR INITIATES SUCH ACTION, IN ADDITION TO THE FOREGOING COURTS, ANY COURT IN WHICH SENIOR AGENT OR SUCH SENIOR CREDITOR SHALL INITIATE SUCH ACTION, TO THE EXTENT SUCH COURT HAS JURISDICTION. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR HEREBY EXPRESSLY SUBMITS AND CONSENTS IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR PROCEEDING COMMENCED IN ACCORDANCE WITH THE FOREGOING AND HEREBY WAIVES ANY CLAIM THAT SUCH COURTS ARE AN INCONVENIENT FORUM OR AN IMPROPER FORUM BASED UPON LACK OF VENUE. THE EXCLUSIVE CHOICE OF FORUM AS SET FORTH IN THIS SECTION SHALL NOT BE DEEMED TO PRECLUDE THE ENFORCEMENT, BY SENIOR AGENT OR SENIOR CREDITORS, OF ANY JUDGMENT OBTAINED IN ANY OTHER FORUM OR THE TAKING, BY SENIOR AGENT OR SENIOR CREDITORS, OF ANY ACTION TO ENFORCE THE SAME IN ANY OTHER APPROPRIATE JURISDICTION, AND EACH LOAN PARTY AND SUBORDINATED CREDITOR HEREBY WAIVE THE RIGHT TO COLLATERALLY ATTACK SUCH JUDGMENT OR ACTION.

22. **Jury Trial.** EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR HEREBY WAIVES ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING HEREUNDER OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS TRANSACTION. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 22 AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS HERETO. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

23. **Severability.** The provisions of this Agreement are independent of and separable from each other. If any provision hereof shall for any reason be held invalid or unenforceable, it is the intent of the parties that such invalidity or unenforceability shall not affect the validity or enforceability of any other provision hereof, and that this Agreement shall be construed as if such invalid or unenforceable provision had never been contained herein.

24. **Counterparts.** This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by telecopier or electronic mail shall be equally as effective as delivery of an original executed counterpart of this Agreement.

25. **Headings.** The section headings used in this Agreement are for convenience only and shall not affect the interpretation of any of the provisions hereof.

26. **Disclosures, Non-Reliance.** Each Senior Creditor and Subordinated Creditor has the means to, and shall in the future remain, fully informed as to the financial condition and other affairs of each Loan Party and no Senior Creditor or Subordinated Creditor shall have any obligation or duty to disclose any such information to any other Senior Creditor or Subordinated Creditor, as the case may be. Except as expressly set forth in this Agreement, the parties hereto have not otherwise made to each other nor do they hereby make to each other any warranties, express or implied, nor do they assume any liability to each other with respect to: (a) the enforceability, validity, value or collectability of any of the Subordinated Indebtedness or the Senior Indebtedness or any collateral or guaranty which may have been granted to any of them in connection therewith, (b) the title to or right to any Collateral by any Loan Party or (c) any other matter except as expressly set forth in this Agreement.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

SUBORDINATED CREDITOR:

MADISON CAPITAL FUNDING LLC

By: /s/ Jennifer Cotton

Name: Jennifer Cotton

Title: Managing Director

[Signature Page to Subordination and Intercreditor Agreement (Madison Capital Funding LLC)]

SENIOR AGENT:

PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent and Collateral Agent

By: /s/ Walt Hill

Name: Walt Hill

Title: Senior Vice President

[Signature Page to Subordination and Intercreditor Agreement (Madison Capital Funding LLC)]

ACKNOWLEDGED AND AGREED:

BORROWERS:

GEE GROUP INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

SCRIBE SOLUTIONS INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

AGILE RESOURCES, INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

ACCESS DATA CONSULTING CORPORATION

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

TRIAD PERSONNEL SERVICES, INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

TRIAD LOGISTICS, INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

PALADIN CONSULTING, INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

BMCH, INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

GEE GROUP PORTFOLIO INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

SNI COMPANIES

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

[Signature Page to Subordination and Intercreditor Agreement (Madison Capital Funding LLC)]

SUBORDINATION AND INTERCREDITOR AGREEMENT

This Subordination AND INTERCREDITOR Agreement (this "Agreement") is entered into as of March 31, 2017, by and among PNC Bank, National Association, as administrative agent and collateral agent for the Senior Lenders referred to below ("Senior Agent"), Peter J. Langlois ("Subordinated Creditor"), GEE Group Inc., an Illinois corporation (the "Parent"), each Subsidiary of the Parent listed as a "Borrower" on the signature pages hereto (together with the Parent and each Person joined hereto as a borrower from time to time, collectively, the "Borrowers" and each a "Borrower"), each Subsidiary of the Parent listed as a "Guarantor" on the signature pages hereto (together with each other Person joined hereto as a guarantor from time to time, collectively, the "Guarantors", and each a "Guarantor", and together with the Borrowers, collectively, the "Loan Parties" and each a "Loan Party").

RECITALS

WHEREAS, Senior Agent, certain lenders from time to time party to the Senior Credit Agreement (collectively with the Senior Agent, the "Senior Lenders"), and the Loan Parties are party to that certain Revolving Credit, Term Loan and Security Agreement, dated as of the date hereof (such agreement, as amended, restated, supplemented, modified or otherwise changed from time to time, including any replacement agreement therefor, being hereinafter referred to as the "Senior Credit Agreement"), pursuant to which the Senior Lenders agreed to make certain term and revolving loans to the Borrowers;

WHEREAS, the Parent is party to (a) the 9.5% Convertible Subordinated Note dated April 3, 2017, in the original principal amount of \$434,824.68, and (b) the 9.5% Convertible Subordinated Note dated April 3, 2017, in the original principal amount of \$48,313.85 (such notes, as amended, restated, supplemented, modified or otherwise changed from time to time, including any replacement notes therefor, being hereinafter collectively referred to as the "Subordinated Note"), pursuant to which Subordinated Creditor agreed to make subordinated loans to the Parent; and

WHEREAS, it is a condition precedent to the Senior Lenders making any loan and/or providing any other financial accommodation to the Borrowers pursuant to the Senior Credit Agreement that Subordinated Creditor and the Loan Parties enter into this Agreement.

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Definitions.

(a) Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Senior Credit Agreement. The following terms shall have the meanings set forth below:

"Agreement" means this Subordination and Intercreditor Agreement, as amended, restated, renewed, extended, supplemented or otherwise modified from time to time.

“Bankruptcy Code” means Title 11 of the United States Code, as amended from time to time and any successor statute or any similar federal or state law for the relief of debtors.

“Collateral” means all of the property and assets and all interests therein and proceeds thereof now owned or hereafter acquired by any Grantor upon which a Lien is granted or purported to be granted by such Grantor as security for all or any part of the Senior Indebtedness.

“Debtor Relief Law” means the Bankruptcy Code and any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief law of the United States or other applicable jurisdiction from time to time in effect.

“DIP Financing” has the meaning specified therefor in Section 5(c) hereof.

“Disposition” or “Dispose” means any transaction, or series of related transactions, pursuant to which any Person or any of its Subsidiaries sells, assigns, transfers, leases, licenses (as licensor) or otherwise disposes of any property or assets (whether now owned or hereafter acquired) to any other Person, in each case, whether or not the consideration therefor consists of cash, securities or other assets owned by the acquiring Person.

“Distribution” means, with respect to any indebtedness or obligation, (a) any direct or indirect payment or distribution by any Person of cash, securities or other property, by set-off or otherwise, on account of such indebtedness or obligation, (b) any direct or indirect redemption, purchase or other acquisition of such indebtedness or obligation by any Person, or (c) any direct or indirect acquisition by any Borrower or any of its Affiliates of any equity or other interest in any Person that holds any such indebtedness or obligation.

“Effective Date Amount” has the specified therefor in Section 6(a) hereof.

“Enforcement Action” means any action to enforce or attempt to enforce any right or remedy available with respect to the Subordinated Indebtedness under the Subordinated Documents, applicable law or otherwise, including any action to (a) accelerate the maturity of, or demand as immediately due and payable, all or any part of the Subordinated Indebtedness, (b) exercise any put option, any right of mandatory redemption or any similar right or otherwise cause any Loan Party to honor any redemption or mandatory prepayment or any obligation to make an offer to repurchase under any Subordinated Document, (c) exercise any right of set-off, (d) realize or foreclose upon, repossess, sell or otherwise dispose of, liquidate, or otherwise restrict or interfere with the use of, any Collateral, (e) commence, continue or participate in (other than as a defendant or co-defendant (or in a comparable capacity) in defense of its own interests or in reply to any Insolvency Proceeding brought against Subordinated Creditor) any Insolvency Proceeding or other collection or enforcement action of any kind, against any Loan Party or any other Grantor (including any insolvency, bankruptcy, dissolution or liquidation proceeding), in any case, seeking, directly or indirectly, to enforce any rights or remedies, or to enforce any of the obligations incurred by the Loan Parties or other Grantors, under or in connection with the Subordinated Indebtedness or the Subordinated Documents, or (f) commence or pursue any judicial, arbitral or other proceeding or legal action of any kind, seeking injunctive or other equitable relief to prohibit, limit or impair the commencement or pursuit by the Senior Creditors of any of their rights or remedies under or in connection with the Senior Documents or otherwise available to the Senior Creditors under applicable law; provided, however, that the term “Enforcement Action” shall not include (i) if an Insolvency Proceeding has been commenced by or against any Grantor, subject to Section 5(b) hereof, filing of a Proof of Claim with respect to the Subordinated Indebtedness, (ii) any suit or action initiated or maintained to prevent the loss of a claim as a result of the running of any applicable statute of limitations or other similar restriction on claims, (iii) filing any necessary responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding, or other pleading made by any Person objecting to or otherwise seeking the disallowance of the claims of Subordinated Creditor, (iv) any non-judicial procedural actions that may be required or desired as a precondition to acceleration or relating to preservation of rights (such as giving a notice of default or reservation of rights (including acceleration subject to the terms of this Agreement)), (v) the automatic acceleration of the Subordinated Indebtedness upon the initiation of an Insolvency Proceeding under the Bankruptcy Code or (vi) conversion of the outstanding principal of and accrued interest on the Subordinated Indebtedness into common Equity Interests of the Parent pursuant to the Subordinated Note.

“Equity Interests” means (a) all shares of capital stock (whether denominated as common stock or preferred stock), equity interests, beneficial, partnership or membership interests, joint venture interests, participations or other ownership or profit interests in or equivalents (regardless of how designated) of or in a Person (other than an individual), whether voting or non-voting and (b) all securities convertible into or exchangeable for any of the foregoing and all warrants, options or other rights to purchase, subscribe for or otherwise acquire any of the foregoing, whether or not presently convertible, exchangeable or exercisable.

“Finally Paid” or “Final Payment,” when used in connection with the Senior Indebtedness means the full and final payment in immediately available funds of all of the Senior Indebtedness and the termination in writing of the Senior Lenders’ obligations to make loans or other advances or financial accommodations to the Loan Parties under the Senior Documents. The repayment of any Senior Indebtedness pursuant to a Refinancing permitted hereunder shall not constitute “Final Payment” of the Senior Indebtedness being Refinanced.

“Grantor” means any Loan Party or any other Person that may from time to time execute and deliver an agreement, document, or instrument pursuant to which a Lien is granted securing any Senior Indebtedness or Subordinated Indebtedness or under which rights or remedies with respect to such Liens are governed, as a “debtor,” “grantor,” or “pledgor” (or the equivalent thereof).

“Insolvency Proceeding” means any proceeding commenced by or against any Person under any provision of any Debtor Relief Law.

“Lien” means any mortgage, deed of trust, pledge, lien (statutory or otherwise), security interest, charge or other encumbrance or security or preferential arrangement of any nature, including any conditional sale or title retention arrangement, any capitalized lease and any assignment, deposit arrangement or financing lease intended as, or having the effect of, security.

“Loan Party” has the meaning specified therefor in the preamble hereto.

“Obligor” has the meaning specified therefor in Section 10 hereof.

“Permitted Payments” means, with respect to the Subordinated Indebtedness, payment of (a) common Equity Interests of the Parent in connection with (i) the payment of interest under Section 2 of the Subordinated Note or (ii) the conversion of the outstanding principal of and accrued interest on the Subordinated Indebtedness into common Equity Interests of the Parent pursuant to Section 4 of the Subordinated Note, (b) Restructuring Securities in connection with an Insolvency Proceeding, (c) PIK Payments, and (d) from January 1, 2018, through and including December 31, 2018, such amounts (not exceeding the Effective Date Amount) as are permitted to be paid by the Loan Parties under Section 7.17(b) (iv) of the Senior Loan Agreement.

“Person” means an individual, corporation, limited liability company, partnership, association, joint-stock company, trust, unincorporated organization, joint venture or other enterprise or entity or Governmental Authority.

“PIK Payments” means payments of interest as required by the Subordinated Documents (as in effect on the date hereof or amended in accordance with the terms hereof) that are in the form of additional Subordinated Notes (or the increase of the principal amount of the Subordinated Notes), and the accrual or capitalization of interest otherwise prohibited by the terms of this Agreement, in each case, in lieu of cash payments and that are in all respects subordinate and junior in right of payment to the Senior Indebtedness to at least the same extent as the Subordinated Indebtedness as set forth in this Agreement.

“Proof of Claim” has the meaning specified therefor in Section 5(b) hereof.

“Recovery” has the meaning specified therefor in Section 5(h) hereof.

“Refinance” means, in respect of any Senior Indebtedness or Subordinated Indebtedness, to refinance, extend, renew, defease, restructure, replace, refund or repay, or to issue other indebtedness, in exchange or replacement for, such indebtedness in whole or in part in accordance with the terms of this Agreement. “Refinanced” and “Refinancing” shall have correlative meanings.

“Restructuring Securities” means any debt or equity securities that are distributed to Subordinated Creditor in respect of the Subordinated Indebtedness pursuant to a confirmed plan of reorganization or adjustment and that (a) are subordinated in right of payment to the Senior Indebtedness (or any debt or equity securities issued in substitution of all or any portion of the Senior Indebtedness) to at least the same extent as the Subordinated Indebtedness is subordinated to the Senior Indebtedness pursuant to the terms of this Agreement (including, with respect to any covenants, defaults or other provisions that have corresponding provisions in the Senior Documents, with cushions consistent with the cushions included on the date hereof), (b) do not have the benefit of any obligation of any entity (whether as issuer, guarantor or otherwise) unless the Senior Indebtedness has a prior right to the same benefit of the obligation of such entity, and (c) do not have any terms, and are not subject to or entitled to the benefit of any agreement or instrument that has terms, that are more burdensome to the issuer of or other obligor on such debt or equity securities than are the terms of the Senior Indebtedness (or any debt or equity securities issued in substitution of all or any portion of the Senior Indebtedness).

“Senior Agent” has the meaning specified therefor in the Recitals hereto.

“Senior Creditors” means the Senior Agent, the Senior Lenders and any other Person who holds Senior Indebtedness.

“Senior Documents” means the Senior Credit Agreement and the other “Loan Documents” as such term is defined in the Senior Credit Agreement and shall include this Agreement, in each case, as the same may be amended, modified, restated or Refinanced from time to time.

“Senior Credit Agreement” has the meaning specified therefor in the Recitals hereto.

“Senior Indebtedness” means all principal, interest and other Obligations at any time due and owing by any Loan Party to the Senior Lenders and/or any other Senior Creditors, or any of them, arising out of or incurred in connection with the Senior Documents or other documents executed in connection with the obligations thereunder (and any indebtedness which Refinances such principal, interest, fees (including any prepayment premium) or other Obligations), as modified, extended, renewed or restated, whether direct or contingent, and whether now existing or hereafter created. Senior Indebtedness shall include interest which accrues on the principal amount of the Senior Indebtedness, and expenses incurred, subsequent to the commencement of an Insolvency Proceeding, whether or not such interest or expenses is an allowed claim under applicable law.

“Senior Lenders” has the meaning specified therefor in the Recitals hereto.

“Subordinated Creditor” has the meaning specified therefor in the Preamble hereto.

“Subordinated Documents” means the Subordinated Note and any and all other documents, agreements, writings or instruments executed in connection therewith or pursuant thereto evidencing the amounts payable thereunder (other than, for the avoidance of doubt, the SNI Acquisition Agreement), in each case, as in effect on the date hereof and as amended, modified, restated or Refinanced in accordance with the terms hereof.

“Subordinated Indebtedness” means all indebtedness and other obligations of any Loan Party of any kind or nature whatsoever to Subordinated Creditor arising under or related to the Subordinated Documents, including all present and future loans, advances, debts, liabilities, obligations, and indebtedness otherwise owing by any Loan Party to Subordinated Creditor, whether evidenced by any note, guaranty or other instrument or document, whether absolute or contingent, due or to become due, including all interest, charges, expenses, fees, attorneys’ fees and any other sums chargeable to such Loan Party.

“Subordinated Note” has the meaning specified therefor in the Recitals hereto.

“UCC” means Article 9 of the Uniform Commercial Code, as in effect in any applicable jurisdiction.

(b) Terms Generally. The definitions of terms in this Agreement shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (ii) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (iii) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (iv) all references herein to Sections shall be construed to refer to Sections of this Agreement and (v) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any right or interest in or to assets and properties of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible.

2. Subordination.

(a) Subordination of Debt. Notwithstanding anything to the contrary in the Subordinated Documents, Subordinated Creditor hereby acknowledges the incurrence by the Loan Parties of the Senior Indebtedness and the consummation of each of the transactions contemplated by the Senior Documents, including the grant by each Loan Party of the Liens in favor of the Senior Agent for the benefit of the Senior Lenders. To the extent and the manner set forth in this Agreement, the Subordinated Indebtedness is hereby expressly made subordinate, junior and subject in right of payment to the Final Payment of the Senior Indebtedness. Such subordination is for the benefit of each present and future Senior Agent and Senior Lender, each of whom shall be entitled to enforce this Agreement as party hereto or as a third party beneficiary hereof. Each holder of Senior Indebtedness, whether now outstanding or hereafter incurred, shall be deemed to have acquired Senior Indebtedness in reliance upon the terms and provisions of this Agreement.

(b) Restriction on Payments. Notwithstanding anything in the Subordinated Documents to the contrary and in addition to any other limitations set forth herein or therein, except as expressly set forth in this Agreement, until the date on which the Senior Indebtedness is Finally Paid, no Loan Party shall make or agree to make and Subordinated Creditor shall not accept, take or receive, directly or indirectly, any Distribution on account of the Subordinated Indebtedness (other than, in connection with an Insolvency Proceeding, Restructuring Securities), and no Loan Party shall segregate or hold in trust money for any such Distribution. Notwithstanding anything to the contrary herein, the Loan Parties may make and Subordinated Creditor may receive Permitted Payments.

(c) Turnover. In the event that any Loan Party shall make or Subordinated Creditor shall collect any Distribution on account of the Subordinated Indebtedness in contravention of this Agreement (excluding Permitted Payments) (including in an Insolvency Proceeding), such payment or distribution shall not be commingled with any asset of Subordinated Creditor, shall be held in trust by Subordinated Creditor for the benefit of Senior Agent, and shall be promptly paid over to Senior Agent in precisely the form received by Subordinated Creditor (except for any necessary endorsement), for application to the payment of the Senior Indebtedness then remaining unpaid, until all of the Senior Indebtedness is Finally Paid. In the event Subordinated Creditor fails to pay over to Senior Agent any such Distribution, Senior Agent or any of its officers or employees are hereby irrevocably authorized on behalf of Subordinated Creditor to cause the same to be paid over.

3. Absence of Liens; Guaranties; Prohibition on Contesting Liens.

(a) Subordinated Creditor agrees that it does not have and will not acquire, without the prior written consent of the Senior Lenders, any Lien against any Loan Party, any other Grantor and/or any of the Collateral. If, notwithstanding the foregoing, Subordinated Creditor has or acquires any Lien of any kind against any Loan Party, any other Grantor and/or any of the Collateral, (i) any such Lien to which the Senior Lenders have not consented in writing shall be promptly released, discharged and terminated of record, and (ii) until released, discharged and terminated, such Lien shall be subordinate and subject to the Lien against any Loan Party, any other Grantor and/or the Collateral of the Senior Creditors arising from or out of the Senior Indebtedness, regardless of the order or time as of which any Lien attaches to any of the Collateral, the order or time of UCC filings or any other filings or recordings, the order or time of granting of any such Lien, or the physical possession of any of the Collateral, until the Senior Indebtedness is Finally Paid. Subordinated Creditor hereby appoints Senior Agent as its attorney-in-fact for purposes of releasing, discharging and terminating of record any such Lien (such appointment of Senior Agent as attorney-in-fact shall be deemed irrevocable until such time as the Senior Indebtedness has been Finally Paid).

(b) Guaranties. Subordinated Creditor shall not accept a guaranty from any Person with respect to any of the Subordinated Indebtedness unless such Person has given to Senior Agent, on behalf of the Senior Lenders, a like guaranty of the Senior Indebtedness and such Person's guaranty of the Subordinated Obligations is subordinate to such Person's guaranty of the Senior Indebtedness on the same terms and conditions contained herein.

(c) Prohibition on Contesting Liens. Subordinated Creditor, agrees that it will not (and hereby waives any right to), directly or indirectly, contest, or support any other person in contesting, in any proceeding (including any Insolvency Proceeding), the priority, validity, or enforceability of any Lien held by or on behalf of any Senior Creditor in the Collateral or the provisions of this Agreement; provided, however, that nothing in this Agreement shall be construed to prevent or impair the rights of Subordinated Creditor to enforce the terms of this Agreement.

4. Exercise of Remedies.

(a) Standstill. At any time that is prior to the Final Payment of the Senior Indebtedness, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, Subordinated Creditor will not exercise any Enforcement Action.

(b) Exclusive Enforcement Rights. At all times prior to the Final Payment of the Senior Indebtedness, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, Senior Agent and Senior Creditors shall have the exclusive right to exercise any Enforcement Action without any consultation with or the consent of Subordinated Creditor. Senior Agent and Senior Creditors may enforce the provisions of the Senior Documents and exercise remedies thereunder and related thereto, all in such order and in such manner as they may determine in the exercise of their sole discretion. Such exercise and enforcement shall include the rights of an agent appointed by them to Dispose of Collateral, to incur expenses in connection with such Disposition, and to exercise all the rights and remedies of a secured creditor under applicable law.

(c) Non-Interference. At all times prior to the Final Payment of the Senior Indebtedness, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, Subordinated Creditor, hereby:

(i) agrees it will not contest, protest, oppose or object to (or support any other Person contesting, protesting, opposing or objecting to) any Enforcement Action by Senior Agent or any Senior Creditor and that it will not otherwise take any action that would restrain, hinder, limit, delay, or otherwise interfere with any Enforcement Action by Senior Agent or any Senior Creditor, or that is otherwise prohibited hereunder;

(ii) waives any and all rights it may have to object to the manner in which Senior Agent or Senior Creditors seek to enforce or collect the Senior Indebtedness or the Liens securing the Senior Indebtedness, regardless of whether any action or failure to act by or on behalf of Senior Agent or Senior Creditors is adverse to the interest of Subordinated Creditor; and

(iii) acknowledges and agrees that no covenant, agreement or restriction contained in the Subordinated Documents shall be deemed to restrict in any way the rights and remedies of Senior Agent or Senior Creditors with respect to the Collateral as set forth in this Agreement and the Senior Documents.

(d) Legend. At the request of Senior Agent, Subordinated Creditor and the Loan Parties will the cause the Subordinated Note and any instrument or document issued after the date hereof by a Loan Party evidencing the Subordinated Indebtedness, if any, to be indorsed with substantially the following legend:

“Notwithstanding anything herein to the contrary, this [instrument/document] is subject to the terms and provisions of that certain Subordination and Intercreditor Agreement, dated as of March 31, 2017 (the “Subordination and Intercreditor Agreement”), by and among PNC Bank, National Association, as agent for certain lenders, Peter J. Langlois and the other parties signatory thereto from time to time. In the event of any conflict between the provisions of this instrument and the Subordination and Intercreditor Agreement, the terms of the Subordination and Intercreditor Agreement shall govern.”

In the event any legend is omitted, Senior Agent, or any of its officers or employees, are hereby irrevocably authorized on behalf of Subordinated Creditors to make the same. No specific legend, further assignment or endorsement or delivery of notes, guarantees or instruments shall be necessary to subject any Subordinated Indebtedness to the subordination thereof contained in this Agreement. In addition, each Loan Party's books shall be marked to evidence the subordination of all of the Subordinated Indebtedness to the holders of Senior Indebtedness, in accordance with the terms of this Agreement. Senior Agent is authorized to examine such books from time to time and to make any notations required by this Agreement.

5. Insolvency Proceedings.

(a) Enforceability and Continuing Priority. This Agreement shall be applicable both before and after the commencement of any Insolvency Proceeding and all converted or succeeding cases in respect thereof. The Senior Indebtedness shall continue to be treated as Senior Indebtedness and the provisions of this Agreement shall continue to govern the relative rights and priorities of the Senior Creditors, on the one hand, and Subordinated Creditor, on the other hand, even if all or part of the Liens securing such Senior Indebtedness are subordinated, set aside, avoided or disallowed in connection with any such Insolvency Proceeding (or if all or part of the Senior Indebtedness is subordinated, set aside, avoided or disallowed in connection with any such Insolvency Proceeding as a result of a fraudulent conveyance or fraudulent transfer statute or if any interest accruing on the Senior Indebtedness following the commencement of such Insolvency Proceeding is otherwise disallowed). Accordingly, the provisions of this Agreement are intended to be and shall be enforceable as a subordination agreement within the meaning of Section 510 of the Bankruptcy Code.

(b) Proof of Claim; Voting.

(i) In the event of any Insolvency Proceeding, if Subordinated Creditor has not filed any proof of claim or other instrument of similar character necessary to enforce the obligations of any Loan Party in respect of the Subordinated Indebtedness (a "Proof of Claim") 10 days before the expiration of the time to file the same, then and in such event, but only in such event, the Senior Agent may (but shall not be required to), as attorney-in-fact for Subordinated Creditor, duly file such Proof of Claim, and Subordinated Creditor, by its acceptance of the Subordinated Indebtedness, appoints the Senior Agent as an attorney-in-fact for Subordinated Creditor for the limited purpose of filing any such Proof of Claim in accordance with the terms of this Section 5(b). In the event the Senior Agent makes any filing in accordance with the authority granted hereby, Subordinated Creditor shall not be entitled to amend or otherwise modify such filing without the prior written consent of the Senior Agent.

(ii) Without limiting the covenants of Subordinated Creditor in this Section 5 but subject to the specific rights of Subordinated Creditor set forth in this Section 5, in no event shall Subordinated Creditor support or vote in favor of any plan of reorganization (and each shall be deemed to have voted to reject any plan of reorganization) unless such plan (A) provides for the Final Payment of all Senior Indebtedness or (B) is accepted by the class of holders of the Senior Indebtedness voting thereon and is supported by Senior Agent.

(c) Financing. If, at any time prior to the Final Payment of the Senior Indebtedness, any Grantor shall be subject to any Insolvency Proceeding and Senior Agent consents to the use of cash collateral (as such term is defined in Section 363(a) of the Bankruptcy Code, "Cash Collateral") on which Senior Agent has a Lien or permits any Grantor to obtain financing under Section 364 of the Bankruptcy Code or any similar bankruptcy law (such financing, a "DIP Financing"), then Subordinated Creditor shall consent to, and raise no objection to such Cash Collateral use or DIP Financing. Subordinated Creditor shall not, directly or indirectly, provide or offer to provide, any DIP Financing to any Grantor, or support any DIP Financing to any Grantor that is offered or proposed by a Person other than Senior Agent or Senior Creditors.

(d) Sales. Until the Final Payment of the Senior Indebtedness, Subordinated Creditor will consent, and will not object to or oppose a motion to Dispose of any Collateral free and clear of the Liens or other claims in favor of Subordinated Creditor under Section 363 of the Bankruptcy Code if Senior Agent has consented to such Disposition of such assets.

(e) Relief from the Automatic Stay. Until the Final Payment of the Senior Indebtedness, Subordinated Creditor agrees not to (i) seek (or support any other person seeking) relief from the automatic stay or any other stay in any Insolvency Proceeding in respect of the Collateral, without the prior written consent of Senior Agent, or (ii) oppose any request by the Senior Agent or any Senior Creditor to seek relief from the automatic stay or any other stay in any Insolvency Proceeding in respect of the Collateral.

(f) Adequate Protection. In any Insolvency Proceeding involving a Grantor, Subordinated Creditor agrees that, until the Final Payment of the Senior Indebtedness, it shall not contest (or support any other Person contesting) (i) any request by Senior Agent or other Senior Creditors for adequate protection with respect to the Senior Creditors' rights in the Collateral or (ii) any objection by Senior Agent or Senior Creditors to any motion, relief, action, or proceeding based on Senior Agent or other Senior Creditors claiming a lack of adequate protection.

(g) Waivers. Subordinated Creditor shall not object to, oppose, take any action or vote in any way so as to directly or indirectly challenge or contest (in an Insolvency Proceeding or otherwise) (i) any claim by Senior Agent or any Senior Creditor for allowance in any Insolvency Proceeding of Senior Indebtedness consisting of post-petition interest, fees, or expenses, (ii) the validity, perfection, priority or the enforceability of the Senior Credit Agreement, the other Senior Documents or the Liens granted to Senior Agent and the Senior Creditors with respect to the Senior Indebtedness, (iii) the validity or enforceability of the subordination provisions contained in this Agreement or (iv) the rights and duties of Senior Agent and the Senior Creditors established in the Senior Credit Agreement or any other Senior Document to the extent such rights and duties are not, and/or have not been exercised in a manner, prohibited by any of the terms of this Agreement. At any time prior to the Final Payment of the Senior Indebtedness, nothing contained herein shall prohibit or in any way limit Senior Agent or any Senior Creditor from objecting in any Insolvency Proceeding to any action taken by Subordinated Creditor, including the assertion by Subordinated Creditor of any of its rights and remedies under the Subordinated Documents.

(h) Avoidance Issues. If any Senior Creditor is required in any Insolvency Proceeding or otherwise to turn over, disgorge or otherwise pay to the estate of any Grantor any amount paid (a "Recovery") in respect of Senior Indebtedness, then such Senior Creditors shall be entitled to a reinstatement of the Senior Indebtedness with respect to all such recovered amounts, and all rights, interests, priorities and privileges recognized in this Agreement shall apply with respect to any such Recovery. If this Agreement shall have been terminated prior to such Recovery, this Agreement shall be reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair, or otherwise affect the obligations of the parties hereto from such date of reinstatement.

(i) Plan of Reorganization. If, in any Insolvency Proceeding, debt obligations of the reorganized debtor are distributed pursuant to a plan of reorganization or similar dispositive restructuring plan, both on account of the Senior Indebtedness and on account of the Subordinated Indebtedness, then, the provisions of this Agreement will survive the distribution of such debt obligations pursuant to such plan and will apply with like effect to such debt obligations. Nothing in this Agreement prohibits or limits the right of Subordinated Creditor to receive and retain any Restructuring Securities that are issued by a reorganized debtor pursuant to a confirmed plan of reorganization or similar dispositive restructuring plan in connection with an Insolvency Proceeding, so long as (i) in the case of equity securities, if such equity securities provide for mandatory redemption or mandatory dividend payments, the payment thereof shall be in accordance with, and subject to the relative priorities provided in, this Agreement and (ii) in the case of debt securities, any payment and Liens in respect of such debt securities shall be in accordance with, and subject to the relative priorities provided in, this Agreement.

6. Representations and Warranties.

(a) Loan Parties. As of the date hereof, each Loan Party hereby represents and warrants that (i) the Senior Agent has been furnished with true and correct copies of all instruments and securities evidencing the Subordinated Indebtedness, (ii) the aggregate principal amount of the Subordinated Indebtedness outstanding as of the date hereof is \$483,139 (the "Effective Date Amount"), and (iii) this Agreement has been duly executed and delivered by such Loan Party and constitutes a legal, valid and binding obligation of such Loan Party, enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws from time to time in effect affecting generally the enforcement of creditors' rights and remedies and general principles of equity.

(b) Subordinated Creditor. Subordinated Creditor represents and warrants to the Senior Creditors that (i) Subordinated Creditor is an individual, (ii) Subordinated Creditor has full power and authority to enter into, execute, deliver and carry out the terms of this Agreement, (iii) the execution of this Agreement by Subordinated Creditor will not, to the knowledge of Subordinated Creditor, violate or conflict with any law, regulation or order applicable to Subordinated Creditor, or require any consent or approval which has not been obtained, (iv) this Agreement has been duly executed and delivered by Subordinated Creditor and constitutes a legal, valid and binding obligation of Subordinated Creditor, enforceable against Subordinated Creditor in accordance with its terms, except to the extent that the enforceability thereof may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws from time to time in effect affecting generally the enforcement of creditors' rights and remedies and general principles of equity, (v) Subordinated Creditor is the sole owner, beneficially and of record, of the Subordinated Indebtedness, and (vi) the Subordinated Indebtedness is, and at all times prior to the termination of this Agreement shall remain, an unsecured obligation of the Parent.

(c) Senior Agent. Senior Agent represents and warrants to Subordinated Creditor that as of the date hereof: (i) it is duly formed, validly existing and in good standing under the laws of the state or jurisdiction of its organization, (ii) it has full power and authority to enter into, execute, deliver and carry out the terms of this Agreement, all of which have been duly authorized by all proper and necessary action, (iii) the execution of this Agreement by Senior Agent will not violate or conflict with its organizational documents, any material agreement binding upon Senior Agent or any law, regulation or order or require any consent or approval which has not been obtained, and (iv) this Agreement has been duly executed and delivered by Senior Agent and constitutes a legal, valid and binding obligation of Senior Agent, enforceable against Senior Agent in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally or by equitable principles.

7. Affirmative and Negative Covenants. Until all of the Senior Indebtedness has been Finally Paid, without the prior written consent of Senior Lenders: (a) no Loan Party shall discharge the Subordinated Indebtedness other than in accordance with its terms and the terms hereof; (b) Subordinated Creditor shall not demand or accept from any Loan Party or other Person any consideration which would result in a discharge of the Subordinated Indebtedness other than in accordance with its terms and the terms hereof; (c) Subordinated Creditor shall not hereafter give any subordination in respect of the Subordinated Indebtedness; (d) no Loan Party shall hereafter issue any instrument, security or other writing evidencing any part of the Subordinated Indebtedness, and Subordinated Creditor shall not receive any such writing, except upon the condition that such instrument, security or other writing shall bear the legend referred to herein and a complete copy thereof shall be furnished to Senior Agent; and (e) neither any Loan Party nor Subordinated Creditor shall take any action contrary to Senior Agent's and Senior Lenders' priority position over Subordinated Creditor that is created by this Agreement. In addition to the foregoing, Subordinated Creditor acknowledges and agrees that: (i) the Senior Creditors have relied on the terms and provisions of this Agreement in executing and delivering the Senior Documents and in making the extensions of credit contemplated thereby and shall continue to rely on such terms and provisions in making extensions of credit from time to time pursuant to the Senior Documents, and (ii) Subordinated Creditor shall not contest or challenge (or support any other Person in contesting or challenging) (A) the validity, perfection, priority or enforceability of the Senior Indebtedness, the Senior Documents or any Liens of the Senior Agent and the Senior Lenders in the Collateral securing the Senior Indebtedness or (B) the validity or enforceability of the subordination provisions contained in this Agreement.

8. Obligation of Loan Parties Unconditional. The provisions hereof are solely for the purpose of defining the relative rights of the holders of Senior Indebtedness, on the one hand, and Subordinated Creditor, on the other hand, and nothing contained herein is intended to or shall impair, as between the Loan Parties, on the one hand, and Subordinated Creditor, on the other hand, the obligation of the Loan Parties, which are absolute and unconditional, to pay the Subordinated Indebtedness as and when the same shall become due and payable in accordance with its terms, or to affect the relative rights of Subordinated Creditor and creditors of the Loan Parties, other than the Senior Lenders. The failure to make any payment with respect to the Subordinated Indebtedness by reason of this Agreement shall not be construed as preventing the occurrence of a default under any Subordinated Document.

9. Amendments of the Credit Documents.

(a) Subordinated Documents. Until the Senior Indebtedness has been Finally Paid, Subordinated Creditor agrees that it will not, without the prior written consent of the Senior Agent, amend or modify in any manner whatsoever the Subordinated Documents the effect of which is to (i) increase the maximum principal amount of the Subordinated Indebtedness (other than to the extent permitted by the Senior Credit Agreement and as a result of PIK Payments), (ii) increase the yield payable on any of the Subordinated Indebtedness (it being understood that invoking the default rate set forth in the Subordinated Documents on the date hereof shall not be restricted hereunder), (iii) accelerate the dates upon which payments of principal or interest on the Subordinated Indebtedness are due, (iv) add or make more burdensome, in any material respect, any covenant or event of default with respect to the Subordinated Indebtedness, (v) make more burdensome the redemption or prepayment provisions of the Subordinated Indebtedness (other than notice or other provisions that do not involve payments), (vi) change or amend any other term of the Subordinated Documents if such change or amendment would increase in any material respect the obligations of the Loan Parties or confer additional material rights on Subordinated Creditor in a manner adverse to the Loan Parties or Senior Lenders, or (vii) take any Liens in the Collateral or any other assets securing Senior Indebtedness. The Subordinated Indebtedness may be Refinanced to the extent the terms and conditions of such Refinanced indebtedness are not less favorable (as determined by the Senior Lenders in their reasonable discretion) in the aggregate to the Senior Lenders than the terms and conditions of the Subordinated Documents as in effect on the date hereof (with such amendments as are permitted under this Section 10); provided, that (A) the maturity date thereof is the same or later than the maturity date of the Subordinated Documents as in effect on the date hereof, (B) prior to consummation of such Refinancing the holders of such Refinanced indebtedness shall have become party to this Agreement (pursuant to a joinder in form and substance reasonably satisfactory to Senior Agent), and (C) such Refinanced indebtedness shall be Subordinated Indebtedness, and the documents evidencing such Refinanced indebtedness shall be Subordinated Documents, for all purposes hereunder.

(b) Senior Documents. The Senior Lenders and the Loan Parties may modify, amend, restate, supplement, replace, Refinance, restructure or otherwise modify the Senior Documents, or waive any of the provisions thereof, in any manner whatsoever, all without consent of, or notice to, Subordinated Creditor without affecting the subordination set forth in this Agreement or the liabilities and obligations of Subordinated Creditor hereunder. Any Refinancing of the Senior Indebtedness shall be subject to the restrictions set forth in the preceding sentence. Additionally, (A) prior to consummation of any Refinancing of the Senior Indebtedness, the holders of such Refinanced indebtedness shall have become party to this Agreement (pursuant to a joinder in form and substance reasonably satisfactory to Subordinated Creditor), and (B) such Refinanced indebtedness shall be Senior Indebtedness, and the documents evidencing such Refinanced indebtedness shall be Senior Documents, for all purposes hereunder.

10. Continued Effectiveness. No right of any present or future holder of any Senior Indebtedness to enforce the subordination as provided herein shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of any Loan Party or other Grantor; by any act or failure to act by any such holder; by any act or failure to act by any other holder of the Senior Indebtedness; or by any noncompliance by any Loan Party or other Grantor with the terms hereof, regardless of any knowledge thereof with which any such holder may have or be otherwise charged. Subordinated Creditor shall not be released, nor shall Subordinated Creditor's obligation hereunder be in any way diminished, by any of the following: (a) the exercise or the failure to exercise by any Senior Creditor of any rights or remedies conferred on it or them under the Senior Documents, hereunder or existing at law, or against any of the Collateral; (b) the commencement of an action at law or the recovery of a judgment at law against any Loan Party or any obligor ("Obligor") for the performance of the Senior Indebtedness and the enforcement thereof through levy or execution or otherwise; (c) the taking or institution or any other action or proceeding against any Loan Party or any Obligor; (d) any lack of validity or enforceability of any Senior Document or any other agreement or instrument related thereto; (e) any delay in taking, pursuing, or exercising any of the foregoing actions, rights, powers, or remedies (even though requested by Subordinated Creditor) by any Senior Lender or anyone acting for any Senior Lender; or (f) any other circumstance which might otherwise constitute a defense available to, or a discharge of, any Obligor in respect of the Senior Indebtedness or Subordinated Creditor or the Obligors in respect of this Agreement. Without limiting the generality of the foregoing, and anything else contained herein to the contrary notwithstanding, Senior Creditors, from time to time, without prior notice to or the consent of Subordinated Creditor, may take all or any of the following actions without in any manner affecting or impairing the obligation or liability of Subordinated Creditor hereunder: (i) obtain a Lien or a security interest in any property to secure any of the Senior Indebtedness; (ii) obtain the primary and secondary liability of any party or parties with respect to any of the Senior Indebtedness; (iii) subject to Section 10(b) hereof, renew, extend, or otherwise change the time for payment of the Senior Indebtedness or any installment thereof for any period; (iv) release or compromise any liability of any nature of any Person or entity with respect to the Senior Indebtedness; (v) exchange, enforce, waive, release, and apply any of the Collateral and direct the order or manner of sale thereof as Senior Agent may in its discretion determine; (vi) enforce their respective rights hereunder, whether or not such Senior Lender shall proceed against any other Person or entity; (vii) exercise their respective rights to consent to any action or non-action of any Loan Party which may violate the covenants and agreements contained in the Senior Documents, with or without consideration, on such terms and conditions as may be acceptable to them; (viii) exercise any of their respective rights conferred by the Senior Documents or by law; or (ix) subject to Section 10(b) hereof, amend or modify in any manner the Senior Credit Agreement or other Senior Documents.

11. Waivers. To the fullest extent permitted by law and except as to any notice specified in this Agreement, any notice which may not be waived in accordance with the UCC, or, with respect to the Loan Parties, any notice expressly required under the Senior Documents, each Loan Party and Subordinated Creditor hereby further waives: presentment, demand, protest, notice of protest, notice of default or dishonor, notice of payment or nonpayment and any and all other notices and demands of any kind in connection with all negotiable instruments evidencing all or any portion of the Senior Indebtedness or the Subordinated Indebtedness to which such Loan Party or Subordinated Creditor may be a party; prior notice of and consent to any loans made, extensions granted or other action taken in reliance thereon; and all other demands and notices of every kind in connection with this Agreement, the Senior Indebtedness or the Subordinated Indebtedness. Subordinated Creditor further waives, to the extent permitted by applicable law, any rights it may have under applicable law to assert the doctrine of marshaling or otherwise to require the Senior Lenders to marshal any Collateral for the benefit of Subordinated Creditor.

12. Cumulative Remedies; Indulgences Not Waivers; Specific Performance. Each right, remedy and power granted to Senior Agent and Senior Creditors hereunder shall be cumulative and in addition to any other right, remedy or power specifically granted herein, in the Senior Documents or now or hereafter existing in equity, at law, by virtue of statute or otherwise, and may be exercised by Senior Agent or Senior Creditors, from time to time, concurrently or independently and as often and in such order as Senior Agent and/or Senior Creditors may deem expedient. Neither the failure nor any delay on the part of any Senior Creditor to exercise any right, remedy, power or privilege hereunder shall operate as a waiver thereof or give rise to an estoppel, nor be construed as an agreement to modify the terms of this Agreement, nor shall any single or partial exercise of any right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No waiver of a right or obligation hereunder by a party hereunder shall be effective unless it is in writing and signed by the party making such waiver, and then only to the extent specifically stated in such writing. Should Subordinated Creditor in any way take, attempt to, or threaten to take any action contrary to terms of this Agreement, including with respect to the Collateral, or fail to take any action required by this Agreement, Senior Agent or any Senior Creditor may seek relief against Subordinated Creditor by injunction, specific performance, or other appropriate equitable relief, it being understood and agreed that (a) Senior Creditors' damages from such actions may at that time be difficult to ascertain and may be irreparable, and (b) Subordinated Creditor waives any defense that such Grantor and/or Senior Creditors cannot demonstrate damage and/or be made whole by the awarding of damages. Subordinated Creditor hereby irrevocably waives any defense based on the adequacy of a remedy at law and any other defense which might be asserted to bar the remedy of specific performance in any action which may be brought by Senior Agent or Senior Creditors.

13. Inconsistent or Conflicting Provisions. In the event a provision of the Senior Documents or the Subordinated Documents is inconsistent or conflicts with the provisions of this Agreement, the provisions of this Agreement shall govern and prevail.

14. Notices. All notices, requests, demands and other communications required or permitted under this Agreement or by law shall be in writing and may be personally served or sent by facsimile, overnight courier service or certified or registered United States mail and shall be deemed to have been duly given, made and received (a) if delivered in person, when delivered; (b) if delivered by facsimile, on the date of transmission if transmitted on a Business Day before 5:00 p.m. (New York City time) or, if not, on the next succeeding Business Day; (c) if delivered by overnight courier, one Business Day after delivery to such courier properly addressed with courier fees prepaid; or (d) if by United States mail, 3 Business Days after deposit in the United States mail, postage prepaid and properly addressed as set forth below.

If to Senior Agent or any Senior Creditor:

PNC Bank, National Association
200 South Wacker Drive, Suite 600
Chicago, Illinois 60606
Attention: Portfolio Manager
Telephone: (312) 454-2901
Facsimile: (312) 454-2919

with a copy to:

Blank Rome LLP
The Chrysler Building
405 Lexington Avenue
New York, NY 10174-0208
Attention: Michael J. Loesberg, Esq.
Telephone: (212) 885-5000
Facsimile: (212) 885-5001

If to Subordinated Creditor:

Peter J. Langlois
13447 Isla Vista Drive
Jacksonville, FL 32224
Telephone: (904) 304-4033
Email: planglois@snicompanies.com

If to any Loan Party:

GEE Group Inc.
12950 Race Track Rd., Suite 216
Tampa, FL 33626
Attention: Andrew J. Norstrud, CFO
Telephone: (813) 803-8275
Email: andrew.norstrud@geegroup.com

with a copy to:

McDermott Will & Emery LLP
340 Madison Avenue
New York, NY 10173-1922
Attention: John J. Sullivan, Esq.
Telephone: (212) 547 5567
Email: jsullivan@mwe.com

Any addressee may alter the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section for the giving of notice.

15. Benefit. Subordinated Creditor acknowledges that Senior Creditors would not have consented to the incurrence of the Subordinated Indebtedness but for the execution of this Agreement; therefore, Subordinated Creditor has received good, sufficient and adequate consideration for the making of this Agreement. Except as expressly provided in this Agreement, this Agreement is solely for the benefit of the Senior Creditors, Subordinated Creditor and their respective successors, participants and assigns, and no other person shall have any right, benefit, priority or interest under, or because of the existence of, this Agreement.

16. Entire Agreement. This Agreement constitutes and expresses the entire understanding between the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, inducements or conditions, whether express or implied, oral or written. Neither this Agreement nor any portion or provision hereof may be changed, waived or amended orally or in any manner other than by an agreement in writing signed by Senior Agent, Subordinated Creditor and the Loan Parties.

17. Additional Documentation. Each Loan Party and Subordinated Creditor shall execute and deliver to Senior Agent such further instruments and shall take such further action as Senior Lenders may at any time or times reasonably request in order to carry out the provisions and intent of this Agreement.

18. Successors and Assigns. This Agreement shall inure to the benefit of each Senior Creditor and Subordinated Creditor and their respective successors and assigns, and shall be binding upon each Loan Party, Senior Creditor and Subordinated Creditor and their respective successors and assigns, including any subsequent holders of the Senior Indebtedness or Subordinated Indebtedness. All references to Borrowers, Loan Parties and Grantors shall include such Person as debtor and debtor-in-possession and any receiver or trustee for any such Person in any Insolvency Proceeding. Each Senior Lender, without prior notice or consent of any kind, may sell, assign or transfer the Senior Indebtedness in accordance with the Senior Credit Agreement, and in such event each and every immediate and successive assignee or transferee thereof may be given the right by such Senior Lender to enforce this Agreement in full against each Loan Party and Subordinated Creditor, by suit or otherwise, for its own respective benefit; provided, that such successor, assignee or transferee agrees to be bound by the terms of this Agreement. Subordinated Creditor may not sell, assign or transfer the Subordinated Indebtedness without the prior consent of Senior Agent; provided, that prior to the consummation of any such transfer or assignment, the transferee thereof shall have become party to this Agreement (pursuant to a joinder in form and substance reasonably satisfactory to Senior Agent) to provide for the continued subordination of the Subordinated Indebtedness to the Senior Indebtedness as provided herein and for the continued effectiveness of all of the rights of the Senior Lenders arising under this Agreement; provided, further, that notwithstanding the failure of Subordinated Creditor to comply with the foregoing and the failure of any transferee to execute or deliver such joinder agreement, the subordination effected hereby shall survive any sale, assignment, pledge, Disposition or other transfer of all or any portion of the Subordinated Indebtedness, and the terms of this Agreement shall be binding upon the successors and assigns of Subordinated Creditor.

19. Subrogation. At such time as the Senior Indebtedness has been Finally Paid (and is not subject to avoidance under Section 547 of the Bankruptcy Code), Subordinated Creditor shall be subrogated, to the extent of the Senior Indebtedness so paid, to the rights of the holder of the Senior Indebtedness to receive Distributions until all amounts owing on the Subordinated Indebtedness shall be paid in full. For the purpose of such subrogation no Distributions to the holders of the Senior Indebtedness by or on behalf of such Loan Party or Subordinated Creditor by virtue of the provisions hereof which otherwise would have been made to Subordinated Creditor shall, as between the Loan Party, a creditor of such Loan Party (other than Subordinated Creditor and the Senior Lenders), and Subordinated Creditor, be deemed to be payment by such Loan Party to or on account of the Subordinated Indebtedness; it being understood that the provisions of this Agreement are, and are intended solely, for the purpose of defining the relative rights of Subordinated Creditor, on the one hand, and the Senior Lenders, on the other hand.

20. Termination; Reinstatement. This Agreement shall continue and shall be irrevocable until the earlier of (a) the date on which all of the Senior Indebtedness has been Finally Paid or otherwise discharged and released in writing by the Senior Lenders and (b) the date on which Senior Agent has received evidence reasonably satisfactory to Senior Agent of the satisfaction, in the form of common Equity Interests of the Parent, of all of the Parent's obligations under the Subordinated Note, together with a termination and release agreement reasonably satisfactory to Senior Agent with respect to the Subordinated Documents, duly executed by the Parent and Subordinated Creditor; provided, that, in the case of any termination of this Agreement under the preceding clause (a), (i) the obligations of Subordinated Creditor under this Agreement shall continue to be effective, or be reinstated, as the case may be, if at any time any payment in respect of any Senior Indebtedness is rescinded, set aside or is otherwise required to be restored or returned by Senior Agent or any Senior Creditor by reason of any bankruptcy, reorganization, arrangement, composition or similar proceeding, such payment being declared fraudulent or preferential, or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, any Loan Party or any substantial part of its respective property, or otherwise, all as though such payment had not been made and (ii) Section 19 hereof shall continue in full force and effect until the Subordinated Indebtedness is paid in full. Subordinated Creditor agrees that it shall not be entitled to benefit from any avoidance action affecting or otherwise relating to any distribution or allocation made in accordance with this Agreement, whether by preference or otherwise, it being understood and agreed that the benefit of such avoidance action otherwise allocable to it shall instead by allocated and turned over for application in accordance with the priorities set forth in this Agreement.

21. Governing Law. THE VALIDITY, CONSTRUCTION AND ENFORCEMENT OF THIS AGREEMENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW) THEREOF. EACH LOAN PARTY AND SUBORDINATED CREDITOR HEREBY AGREE THAT ALL ACTIONS OR PROCEEDINGS INITIATED BY ANY LOAN PARTY OR SUBORDINATED CREDITOR AND ARISING DIRECTLY OR INDIRECTLY OUT OF THIS AGREEMENT SHALL BE LITIGATED IN THE STATE AND FEDERAL COURTS LOCATED IN NEW YORK COUNTY, NEW YORK OR, IF SENIOR AGENT OR ANY SENIOR CREDITOR INITIATES SUCH ACTION, IN ADDITION TO THE FOREGOING COURTS, ANY COURT IN WHICH SENIOR AGENT OR SUCH SENIOR CREDITOR SHALL INITIATE SUCH ACTION, TO THE EXTENT SUCH COURT HAS JURISDICTION. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR HEREBY EXPRESSLY SUBMITS AND CONSENTS IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR PROCEEDING COMMENCED IN ACCORDANCE WITH THE FOREGOING AND HEREBY WAIVES ANY CLAIM THAT SUCH COURTS ARE AN INCONVENIENT FORUM OR AN IMPROPER FORUM BASED UPON LACK OF VENUE. THE EXCLUSIVE CHOICE OF FORUM AS SET FORTH IN THIS SECTION SHALL NOT BE DEEMED TO PRECLUDE THE ENFORCEMENT, BY SENIOR AGENT OR SENIOR CREDITORS, OF ANY JUDGMENT OBTAINED IN ANY OTHER FORUM OR THE TAKING, BY SENIOR AGENT OR SENIOR CREDITORS, OF ANY ACTION TO ENFORCE THE SAME IN ANY OTHER APPROPRIATE JURISDICTION, AND EACH LOAN PARTY AND SUBORDINATED CREDITOR HEREBY WAIVE THE RIGHT TO COLLATERALLY ATTACK SUCH JUDGMENT OR ACTION.

22. **Jury Trial.** EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR HEREBY WAIVES ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING HEREUNDER OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS TRANSACTION. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 22 AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS HERETO. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

23. **Severability.** The provisions of this Agreement are independent of and separable from each other. If any provision hereof shall for any reason be held invalid or unenforceable, it is the intent of the parties that such invalidity or unenforceability shall not affect the validity or enforceability of any other provision hereof, and that this Agreement shall be construed as if such invalid or unenforceable provision had never been contained herein.

24. **Counterparts.** This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by telecopier or electronic mail shall be equally as effective as delivery of an original executed counterpart of this Agreement.

25. **Headings.** The section headings used in this Agreement are for convenience only and shall not affect the interpretation of any of the provisions hereof.

26. **Disclosures, Non-Reliance.** Each Senior Creditor and Subordinated Creditor has the means to, and shall in the future remain, fully informed as to the financial condition and other affairs of each Loan Party and no Senior Creditor or Subordinated Creditor shall have any obligation or duty to disclose any such information to any other Senior Creditor or Subordinated Creditor, as the case may be. Except as expressly set forth in this Agreement, the parties hereto have not otherwise made to each other nor do they hereby make to each other any warranties, express or implied, nor do they assume any liability to each other with respect to: (a) the enforceability, validity, value or collectability of any of the Subordinated Indebtedness or the Senior Indebtedness or any collateral or guaranty which may have been granted to any of them in connection therewith, (b) the title to or right to any Collateral by any Loan Party or (c) any other matter except as expressly set forth in this Agreement.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

SUBORDINATED CREDITOR:

/s/ Peter J. Langlois

Peter J. Langlois

[Signature Page to Subordination and Intercreditor Agreement (Pete Langlois)]

SENIOR AGENT:

PNC BANK, NATIONAL ASSOCIATION, as
Administrative Agent and Collateral Agent

By: /s/ Walt Hill

Name: Walt Hill

Title: Senior Vice President

[Signature Page to Subordination and Intercreditor Agreement (Pete Langlois)]

ACKNOWLEDGED AND AGREED:

BORROWERS:

GEE GROUP INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

SCRIBE SOLUTIONS INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

AGILE RESOURCES, INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

ACCESS DATA CONSULTING
CORPORATION

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

TRIAD PERSONNEL SERVICES, INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

TRIAD LOGISTICS, INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

PALADIN CONSULTING, INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

BMCH, INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

GEE GROUP PORTFOLIO INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

SNI COMPANIES

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

[Signature Page to Subordination and Intercreditor Agreement (Pete Langlois)]

SUBORDINATION AND INTERCREDITOR AGREEMENT

This Subordination AND INTERCREDITOR Agreement (this "Agreement") is entered into as of March 31, 2017, by and among PNC Bank, National Association, as administrative agent and collateral agent for the Senior Lenders referred to below ("Senior Agent"), Maurice R. Harrison IV ("Subordinated Creditor"), GEE Group Inc., an Illinois corporation (the "Parent"), each Subsidiary of the Parent listed as a "Borrower" on the signature pages hereto (together with the Parent and each Person joined hereto as a borrower from time to time, collectively, the "Borrowers" and each a "Borrower"), each Subsidiary of the Parent listed as a "Guarantor" on the signature pages hereto (together with each other Person joined hereto as a guarantor from time to time, collectively, the "Guarantors", and each a "Guarantor", and together with the Borrowers, collectively, the "Loan Parties" and each a "Loan Party").

RECITALS

WHEREAS, Senior Agent, certain lenders from time to time party to the Senior Credit Agreement (collectively with the Senior Agent, the "Senior Lenders"), and the Loan Parties are party to that certain Revolving Credit, Term Loan and Security Agreement, dated as of the date hereof (such agreement, as amended, restated, supplemented, modified or otherwise changed from time to time, including any replacement agreement therefor, being hereinafter referred to as the "Senior Credit Agreement"), pursuant to which the Senior Lenders agreed to make certain term and revolving loans to the Borrowers;

WHEREAS, the Parent is party to (a) the 9.5% Convertible Subordinated Note dated April 3, 2017, in the original principal amount of \$262,072.09, and (b) the 9.5% Convertible Subordinated Note dated April 3, 2017, in the original principal amount of \$29,119.12 (such notes, as amended, restated, supplemented, modified or otherwise changed from time to time, including any replacement notes therefor, being hereinafter collectively referred to as the "Subordinated Note"), pursuant to which Subordinated Creditor agreed to make subordinated loans to the Parent; and

WHEREAS, it is a condition precedent to the Senior Lenders making any loan and/or providing any other financial accommodation to the Borrowers pursuant to the Senior Credit Agreement that Subordinated Creditor and the Loan Parties enter into this Agreement.

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Definitions.

(a) Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Senior Credit Agreement. The following terms shall have the meanings set forth below:

"Agreement" means this Subordination and Intercreditor Agreement, as amended, restated, renewed, extended, supplemented or otherwise modified from time to time.

“Bankruptcy Code” means Title 11 of the United States Code, as amended from time to time and any successor statute or any similar federal or state law for the relief of debtors.

“Collateral” means all of the property and assets and all interests therein and proceeds thereof now owned or hereafter acquired by any Grantor upon which a Lien is granted or purported to be granted by such Grantor as security for all or any part of the Senior Indebtedness.

“Debtor Relief Law” means the Bankruptcy Code and any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief law of the United States or other applicable jurisdiction from time to time in effect.

“DIP Financing” has the meaning specified therefor in Section 5(c) hereof.

“Disposition” or “Dispose” means any transaction, or series of related transactions, pursuant to which any Person or any of its Subsidiaries sells, assigns, transfers, leases, licenses (as licensor) or otherwise disposes of any property or assets (whether now owned or hereafter acquired) to any other Person, in each case, whether or not the consideration therefor consists of cash, securities or other assets owned by the acquiring Person.

“Distribution” means, with respect to any indebtedness or obligation, (a) any direct or indirect payment or distribution by any Person of cash, securities or other property, by set-off or otherwise, on account of such indebtedness or obligation, (b) any direct or indirect redemption, purchase or other acquisition of such indebtedness or obligation by any Person, or (c) any direct or indirect acquisition by any Borrower or any of its Affiliates of any equity or other interest in any Person that holds any such indebtedness or obligation.

“Effective Date Amount” has the specified therefor in Section 6(a) hereof.

“Enforcement Action” means any action to enforce or attempt to enforce any right or remedy available with respect to the Subordinated Indebtedness under the Subordinated Documents, applicable law or otherwise, including any action to (a) accelerate the maturity of, or demand as immediately due and payable, all or any part of the Subordinated Indebtedness, (b) exercise any put option, any right of mandatory redemption or any similar right or otherwise cause any Loan Party to honor any redemption or mandatory prepayment or any obligation to make an offer to repurchase under any Subordinated Document, (c) exercise any right of set-off, (d) realize or foreclose upon, repossess, sell or otherwise dispose of, liquidate, or otherwise restrict or interfere with the use of, any Collateral, (e) commence, continue or participate in (other than as a defendant or co-defendant (or in a comparable capacity) in defense of its own interests or in reply to any Insolvency Proceeding brought against Subordinated Creditor) any Insolvency Proceeding or other collection or enforcement action of any kind, against any Loan Party or any other Grantor (including any insolvency, bankruptcy, dissolution or liquidation proceeding), in any case, seeking, directly or indirectly, to enforce any rights or remedies, or to enforce any of the obligations incurred by the Loan Parties or other Grantors, under or in connection with the Subordinated Indebtedness or the Subordinated Documents, or (f) commence or pursue any judicial, arbitral or other proceeding or legal action of any kind, seeking injunctive or other equitable relief to prohibit, limit or impair the commencement or pursuit by the Senior Creditors of any of their rights or remedies under or in connection with the Senior Documents or otherwise available to the Senior Creditors under applicable law; provided, however, that the term “Enforcement Action” shall not include (i) if an Insolvency Proceeding has been commenced by or against any Grantor, subject to Section 5(b) hereof, filing of a Proof of Claim with respect to the Subordinated Indebtedness, (ii) any suit or action initiated or maintained to prevent the loss of a claim as a result of the running of any applicable statute of limitations or other similar restriction on claims, (iii) filing any necessary responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding, or other pleading made by any Person objecting to or otherwise seeking the disallowance of the claims of Subordinated Creditor, (iv) any non-judicial procedural actions that may be required or desired as a precondition to acceleration or relating to preservation of rights (such as giving a notice of default or reservation of rights (including acceleration subject to the terms of this Agreement)), (v) the automatic acceleration of the Subordinated Indebtedness upon the initiation of an Insolvency Proceeding under the Bankruptcy Code or (vi) conversion of the outstanding principal of and accrued interest on the Subordinated Indebtedness into common Equity Interests of the Parent pursuant to the Subordinated Note.

“Equity Interests” means (a) all shares of capital stock (whether denominated as common stock or preferred stock), equity interests, beneficial, partnership or membership interests, joint venture interests, participations or other ownership or profit interests in or equivalents (regardless of how designated) of or in a Person (other than an individual), whether voting or non-voting and (b) all securities convertible into or exchangeable for any of the foregoing and all warrants, options or other rights to purchase, subscribe for or otherwise acquire any of the foregoing, whether or not presently convertible, exchangeable or exercisable.

“Finally Paid” or “Final Payment,” when used in connection with the Senior Indebtedness means the full and final payment in immediately available funds of all of the Senior Indebtedness and the termination in writing of the Senior Lenders’ obligations to make loans or other advances or financial accommodations to the Loan Parties under the Senior Documents. The repayment of any Senior Indebtedness pursuant to a Refinancing permitted hereunder shall not constitute “Final Payment” of the Senior Indebtedness being Refinanced.

“Grantor” means any Loan Party or any other Person that may from time to time execute and deliver an agreement, document, or instrument pursuant to which a Lien is granted securing any Senior Indebtedness or Subordinated Indebtedness or under which rights or remedies with respect to such Liens are governed, as a “debtor,” “grantor,” or “pledgor” (or the equivalent thereof).

“Insolvency Proceeding” means any proceeding commenced by or against any Person under any provision of any Debtor Relief Law.

“Lien” means any mortgage, deed of trust, pledge, lien (statutory or otherwise), security interest, charge or other encumbrance or security or preferential arrangement of any nature, including any conditional sale or title retention arrangement, any capitalized lease and any assignment, deposit arrangement or financing lease intended as, or having the effect of, security.

“Loan Party” has the meaning specified therefor in the preamble hereto.

“Obligor” has the meaning specified therefor in Section 10 hereof.

“Permitted Payments” means, with respect to the Subordinated Indebtedness, payment of (a) common Equity Interests of the Parent in connection with (i) the payment of interest under Section 2 of the Subordinated Note or (ii) the conversion of the outstanding principal of and accrued interest on the Subordinated Indebtedness into common Equity Interests of the Parent pursuant to Section 4 of the Subordinated Note, (b) Restructuring Securities in connection with an Insolvency Proceeding, (c) PIK Payments, and (d) from January 1, 2018, through and including December 31, 2018, such amounts (not exceeding the Effective Date Amount) as are permitted to be paid by the Loan Parties under Section 7.17(b) (iv) of the Senior Loan Agreement.

“Person” means an individual, corporation, limited liability company, partnership, association, joint-stock company, trust, unincorporated organization, joint venture or other enterprise or entity or Governmental Authority.

“PIK Payments” means payments of interest as required by the Subordinated Documents (as in effect on the date hereof or amended in accordance with the terms hereof) that are in the form of additional Subordinated Notes (or the increase of the principal amount of the Subordinated Notes), and the accrual or capitalization of interest otherwise prohibited by the terms of this Agreement, in each case, in lieu of cash payments and that are in all respects subordinate and junior in right of payment to the Senior Indebtedness to at least the same extent as the Subordinated Indebtedness as set forth in this Agreement.

“Proof of Claim” has the meaning specified therefor in Section 5(b) hereof.

“Recovery” has the meaning specified therefor in Section 5(h) hereof.

“Refinance” means, in respect of any Senior Indebtedness or Subordinated Indebtedness, to refinance, extend, renew, defease, restructure, replace, refund or repay, or to issue other indebtedness, in exchange or replacement for, such indebtedness in whole or in part in accordance with the terms of this Agreement. “Refinanced” and “Refinancing” shall have correlative meanings.

“Restructuring Securities” means any debt or equity securities that are distributed to Subordinated Creditor in respect of the Subordinated Indebtedness pursuant to a confirmed plan of reorganization or adjustment and that (a) are subordinated in right of payment to the Senior Indebtedness (or any debt or equity securities issued in substitution of all or any portion of the Senior Indebtedness) to at least the same extent as the Subordinated Indebtedness is subordinated to the Senior Indebtedness pursuant to the terms of this Agreement (including, with respect to any covenants, defaults or other provisions that have corresponding provisions in the Senior Documents, with cushions consistent with the cushions included on the date hereof), (b) do not have the benefit of any obligation of any entity (whether as issuer, guarantor or otherwise) unless the Senior Indebtedness has a prior right to the same benefit of the obligation of such entity, and (c) do not have any terms, and are not subject to or entitled to the benefit of any agreement or instrument that has terms, that are more burdensome to the issuer of or other obligor on such debt or equity securities than are the terms of the Senior Indebtedness (or any debt or equity securities issued in substitution of all or any portion of the Senior Indebtedness).

“Senior Agent” has the meaning specified therefor in the Recitals hereto.

“Senior Creditors” means the Senior Agent, the Senior Lenders and any other Person who holds Senior Indebtedness.

“Senior Documents” means the Senior Credit Agreement and the other “Loan Documents” as such term is defined in the Senior Credit Agreement and shall include this Agreement, in each case, as the same may be amended, modified, restated or Refinanced from time to time.

“Senior Credit Agreement” has the meaning specified therefor in the Recitals hereto.

“Senior Indebtedness” means all principal, interest and other Obligations at any time due and owing by any Loan Party to the Senior Lenders and/or any other Senior Creditors, or any of them, arising out of or incurred in connection with the Senior Documents or other documents executed in connection with the obligations thereunder (and any indebtedness which Refinances such principal, interest, fees (including any prepayment premium) or other Obligations), as modified, extended, renewed or restated, whether direct or contingent, and whether now existing or hereafter created. Senior Indebtedness shall include interest which accrues on the principal amount of the Senior Indebtedness, and expenses incurred, subsequent to the commencement of an Insolvency Proceeding, whether or not such interest or expenses is an allowed claim under applicable law.

“Senior Lenders” has the meaning specified therefor in the Recitals hereto.

“Subordinated Creditor” has the meaning specified therefor in the Preamble hereto.

“Subordinated Documents” means the Subordinated Note and any and all other documents, agreements, writings or instruments executed in connection therewith or pursuant thereto evidencing the amounts payable thereunder (other than, for the avoidance of doubt, the SNI Acquisition Agreement), in each case, as in effect on the date hereof and as amended, modified, restated or Refinanced in accordance with the terms hereof.

“Subordinated Indebtedness” means all indebtedness and other obligations of any Loan Party of any kind or nature whatsoever to Subordinated Creditor arising under or related to the Subordinated Documents, including all present and future loans, advances, debts, liabilities, obligations, and indebtedness otherwise owing by any Loan Party to Subordinated Creditor, whether evidenced by any note, guaranty or other instrument or document, whether absolute or contingent, due or to become due, including all interest, charges, expenses, fees, attorneys’ fees and any other sums chargeable to such Loan Party.

“Subordinated Note” has the meaning specified therefor in the Recitals hereto.

“UCC” means Article 9 of the Uniform Commercial Code, as in effect in any applicable jurisdiction.

(b) Terms Generally. The definitions of terms in this Agreement shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (ii) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (iii) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (iv) all references herein to Sections shall be construed to refer to Sections of this Agreement and (v) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any right or interest in or to assets and properties of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible.

2. Subordination.

(a) Subordination of Debt. Notwithstanding anything to the contrary in the Subordinated Documents, Subordinated Creditor hereby acknowledges the incurrence by the Loan Parties of the Senior Indebtedness and the consummation of each of the transactions contemplated by the Senior Documents, including the grant by each Loan Party of the Liens in favor of the Senior Agent for the benefit of the Senior Lenders. To the extent and the manner set forth in this Agreement, the Subordinated Indebtedness is hereby expressly made subordinate, junior and subject in right of payment to the Final Payment of the Senior Indebtedness. Such subordination is for the benefit of each present and future Senior Agent and Senior Lender, each of whom shall be entitled to enforce this Agreement as party hereto or as a third party beneficiary hereof. Each holder of Senior Indebtedness, whether now outstanding or hereafter incurred, shall be deemed to have acquired Senior Indebtedness in reliance upon the terms and provisions of this Agreement.

(b) Restriction on Payments. Notwithstanding anything in the Subordinated Documents to the contrary and in addition to any other limitations set forth herein or therein, except as expressly set forth in this Agreement, until the date on which the Senior Indebtedness is Finally Paid, no Loan Party shall make or agree to make and Subordinated Creditor shall not accept, take or receive, directly or indirectly, any Distribution on account of the Subordinated Indebtedness (other than, in connection with an Insolvency Proceeding, Restructuring Securities), and no Loan Party shall segregate or hold in trust money for any such Distribution. Notwithstanding anything to the contrary herein, the Loan Parties may make and Subordinated Creditor may receive Permitted Payments.

(c) Turnover. In the event that any Loan Party shall make or Subordinated Creditor shall collect any Distribution on account of the Subordinated Indebtedness in contravention of this Agreement (excluding Permitted Payments) (including in an Insolvency Proceeding), such payment or distribution shall not be commingled with any asset of Subordinated Creditor, shall be held in trust by Subordinated Creditor for the benefit of Senior Agent, and shall be promptly paid over to Senior Agent in precisely the form received by Subordinated Creditor (except for any necessary endorsement), for application to the payment of the Senior Indebtedness then remaining unpaid, until all of the Senior Indebtedness is Finally Paid. In the event Subordinated Creditor fails to pay over to Senior Agent any such Distribution, Senior Agent or any of its officers or employees are hereby irrevocably authorized on behalf of Subordinated Creditor to cause the same to be paid over.

3. Absence of Liens; Guaranties; Prohibition on Contesting Liens.

(a) Subordinated Creditor agrees that it does not have and will not acquire, without the prior written consent of the Senior Lenders, any Lien against any Loan Party, any other Grantor and/or any of the Collateral. If, notwithstanding the foregoing, Subordinated Creditor has or acquires any Lien of any kind against any Loan Party, any other Grantor and/or any of the Collateral, (i) any such Lien to which the Senior Lenders have not consented in writing shall be promptly released, discharged and terminated of record, and (ii) until released, discharged and terminated, such Lien shall be subordinate and subject to the Lien against any Loan Party, any other Grantor and/or the Collateral of the Senior Creditors arising from or out of the Senior Indebtedness, regardless of the order or time as of which any Lien attaches to any of the Collateral, the order or time of UCC filings or any other filings or recordings, the order or time of granting of any such Lien, or the physical possession of any of the Collateral, until the Senior Indebtedness is Finally Paid. Subordinated Creditor hereby appoints Senior Agent as its attorney-in-fact for purposes of releasing, discharging and terminating of record any such Lien (such appointment of Senior Agent as attorney-in-fact shall be deemed irrevocable until such time as the Senior Indebtedness has been Finally Paid).

(b) Guaranties. Subordinated Creditor shall not accept a guaranty from any Person with respect to any of the Subordinated Indebtedness unless such Person has given to Senior Agent, on behalf of the Senior Lenders, a like guaranty of the Senior Indebtedness and such Person's guaranty of the Subordinated Obligations is subordinate to such Person's guaranty of the Senior Indebtedness on the same terms and conditions contained herein.

(c) Prohibition on Contesting Liens. Subordinated Creditor, agrees that it will not (and hereby waives any right to), directly or indirectly, contest, or support any other person in contesting, in any proceeding (including any Insolvency Proceeding), the priority, validity, or enforceability of any Lien held by or on behalf of any Senior Creditor in the Collateral or the provisions of this Agreement; provided, however, that nothing in this Agreement shall be construed to prevent or impair the rights of Subordinated Creditor to enforce the terms of this Agreement.

4. Exercise of Remedies.

(a) Standstill. At any time that is prior to the Final Payment of the Senior Indebtedness, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, Subordinated Creditor will not exercise any Enforcement Action.

(b) Exclusive Enforcement Rights. At all times prior to the Final Payment of the Senior Indebtedness, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, Senior Agent and Senior Creditors shall have the exclusive right to exercise any Enforcement Action without any consultation with or the consent of Subordinated Creditor. Senior Agent and Senior Creditors may enforce the provisions of the Senior Documents and exercise remedies thereunder and related thereto, all in such order and in such manner as they may determine in the exercise of their sole discretion. Such exercise and enforcement shall include the rights of an agent appointed by them to Dispose of Collateral, to incur expenses in connection with such Disposition, and to exercise all the rights and remedies of a secured creditor under applicable law.

(c) Non-Interference. At all times prior to the Final Payment of the Senior Indebtedness, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, Subordinated Creditor, hereby:

(i) agrees it will not contest, protest, oppose or object to (or support any other Person contesting, protesting, opposing or objecting to) any Enforcement Action by Senior Agent or any Senior Creditor and that it will not otherwise take any action that would restrain, hinder, limit, delay, or otherwise interfere with any Enforcement Action by Senior Agent or any Senior Creditor, or that is otherwise prohibited hereunder;

(ii) waives any and all rights it may have to object to the manner in which Senior Agent or Senior Creditors seek to enforce or collect the Senior Indebtedness or the Liens securing the Senior Indebtedness, regardless of whether any action or failure to act by or on behalf of Senior Agent or Senior Creditors is adverse to the interest of Subordinated Creditor; and

(iii) acknowledges and agrees that no covenant, agreement or restriction contained in the Subordinated Documents shall be deemed to restrict in any way the rights and remedies of Senior Agent or Senior Creditors with respect to the Collateral as set forth in this Agreement and the Senior Documents.

(d) Legend. At the request of Senior Agent, Subordinated Creditor and the Loan Parties will the cause the Subordinated Note and any instrument or document issued after the date hereof by a Loan Party evidencing the Subordinated Indebtedness, if any, to be indorsed with substantially the following legend:

“Notwithstanding anything herein to the contrary, this [instrument/document] is subject to the terms and provisions of that certain Subordination and Intercreditor Agreement, dated as of March 31, 2017 (the “Subordination and Intercreditor Agreement”), by and among PNC Bank, National Association, as agent for certain lenders, Maurice R. Harrison IV and the other parties signatory thereto from time to time. In the event of any conflict between the provisions of this instrument and the Subordination and Intercreditor Agreement, the terms of the Subordination and Intercreditor Agreement shall govern.”

In the event any legend is omitted, Senior Agent, or any of its officers or employees, are hereby irrevocably authorized on behalf of Subordinated Creditors to make the same. No specific legend, further assignment or endorsement or delivery of notes, guarantees or instruments shall be necessary to subject any Subordinated Indebtedness to the subordination thereof contained in this Agreement. In addition, each Loan Party's books shall be marked to evidence the subordination of all of the Subordinated Indebtedness to the holders of Senior Indebtedness, in accordance with the terms of this Agreement. Senior Agent is authorized to examine such books from time to time and to make any notations required by this Agreement.

5. Insolvency Proceedings.

(a) Enforceability and Continuing Priority. This Agreement shall be applicable both before and after the commencement of any Insolvency Proceeding and all converted or succeeding cases in respect thereof. The Senior Indebtedness shall continue to be treated as Senior Indebtedness and the provisions of this Agreement shall continue to govern the relative rights and priorities of the Senior Creditors, on the one hand, and Subordinated Creditor, on the other hand, even if all or part of the Liens securing such Senior Indebtedness are subordinated, set aside, avoided or disallowed in connection with any such Insolvency Proceeding (or if all or part of the Senior Indebtedness is subordinated, set aside, avoided or disallowed in connection with any such Insolvency Proceeding as a result of a fraudulent conveyance or fraudulent transfer statute or if any interest accruing on the Senior Indebtedness following the commencement of such Insolvency Proceeding is otherwise disallowed). Accordingly, the provisions of this Agreement are intended to be and shall be enforceable as a subordination agreement within the meaning of Section 510 of the Bankruptcy Code.

(b) Proof of Claim; Voting.

(i) In the event of any Insolvency Proceeding, if Subordinated Creditor has not filed any proof of claim or other instrument of similar character necessary to enforce the obligations of any Loan Party in respect of the Subordinated Indebtedness (a "Proof of Claim") 10 days before the expiration of the time to file the same, then and in such event, but only in such event, the Senior Agent may (but shall not be required to), as attorney-in-fact for Subordinated Creditor, duly file such Proof of Claim, and Subordinated Creditor, by its acceptance of the Subordinated Indebtedness, appoints the Senior Agent as an attorney-in-fact for Subordinated Creditor for the limited purpose of filing any such Proof of Claim in accordance with the terms of this Section 5(b). In the event the Senior Agent makes any filing in accordance with the authority granted hereby, Subordinated Creditor shall not be entitled to amend or otherwise modify such filing without the prior written consent of the Senior Agent.

(ii) Without limiting the covenants of Subordinated Creditor in this Section 5 but subject to the specific rights of Subordinated Creditor set forth in this Section 5, in no event shall Subordinated Creditor support or vote in favor of any plan of reorganization (and each shall be deemed to have voted to reject any plan of reorganization) unless such plan (A) provides for the Final Payment of all Senior Indebtedness or (B) is accepted by the class of holders of the Senior Indebtedness voting thereon and is supported by Senior Agent.

(c) Financing. If, at any time prior to the Final Payment of the Senior Indebtedness, any Grantor shall be subject to any Insolvency Proceeding and Senior Agent consents to the use of cash collateral (as such term is defined in Section 363(a) of the Bankruptcy Code, "Cash Collateral") on which Senior Agent has a Lien or permits any Grantor to obtain financing under Section 364 of the Bankruptcy Code or any similar bankruptcy law (such financing, a "DIP Financing"), then Subordinated Creditor shall consent to, and raise no objection to such Cash Collateral use or DIP Financing. Subordinated Creditor shall not, directly or indirectly, provide or offer to provide, any DIP Financing to any Grantor, or support any DIP Financing to any Grantor that is offered or proposed by a Person other than Senior Agent or Senior Creditors.

(d) Sales. Until the Final Payment of the Senior Indebtedness, Subordinated Creditor will consent, and will not object to or oppose a motion to Dispose of any Collateral free and clear of the Liens or other claims in favor of Subordinated Creditor under Section 363 of the Bankruptcy Code if Senior Agent has consented to such Disposition of such assets.

(e) Relief from the Automatic Stay. Until the Final Payment of the Senior Indebtedness, Subordinated Creditor agrees not to (i) seek (or support any other person seeking) relief from the automatic stay or any other stay in any Insolvency Proceeding in respect of the Collateral, without the prior written consent of Senior Agent, or (ii) oppose any request by the Senior Agent or any Senior Creditor to seek relief from the automatic stay or any other stay in any Insolvency Proceeding in respect of the Collateral.

(f) Adequate Protection. In any Insolvency Proceeding involving a Grantor, Subordinated Creditor agrees that, until the Final Payment of the Senior Indebtedness, it shall not contest (or support any other Person contesting) (i) any request by Senior Agent or other Senior Creditors for adequate protection with respect to the Senior Creditors' rights in the Collateral or (ii) any objection by Senior Agent or Senior Creditors to any motion, relief, action, or proceeding based on Senior Agent or other Senior Creditors claiming a lack of adequate protection.

(g) Waivers. Subordinated Creditor shall not object to, oppose, take any action or vote in any way so as to directly or indirectly challenge or contest (in an Insolvency Proceeding or otherwise) (i) any claim by Senior Agent or any Senior Creditor for allowance in any Insolvency Proceeding of Senior Indebtedness consisting of post-petition interest, fees, or expenses, (ii) the validity, perfection, priority or the enforceability of the Senior Credit Agreement, the other Senior Documents or the Liens granted to Senior Agent and the Senior Creditors with respect to the Senior Indebtedness, (iii) the validity or enforceability of the subordination provisions contained in this Agreement or (iv) the rights and duties of Senior Agent and the Senior Creditors established in the Senior Credit Agreement or any other Senior Document to the extent such rights and duties are not, and/or have not been exercised in a manner, prohibited by any of the terms of this Agreement. At any time prior to the Final Payment of the Senior Indebtedness, nothing contained herein shall prohibit or in any way limit Senior Agent or any Senior Creditor from objecting in any Insolvency Proceeding to any action taken by Subordinated Creditor, including the assertion by Subordinated Creditor of any of its rights and remedies under the Subordinated Documents.

(h) Avoidance Issues. If any Senior Creditor is required in any Insolvency Proceeding or otherwise to turn over, disgorge or otherwise pay to the estate of any Grantor any amount paid (a "Recovery") in respect of Senior Indebtedness, then such Senior Creditors shall be entitled to a reinstatement of the Senior Indebtedness with respect to all such recovered amounts, and all rights, interests, priorities and privileges recognized in this Agreement shall apply with respect to any such Recovery. If this Agreement shall have been terminated prior to such Recovery, this Agreement shall be reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair, or otherwise affect the obligations of the parties hereto from such date of reinstatement.

(i) Plan of Reorganization. If, in any Insolvency Proceeding, debt obligations of the reorganized debtor are distributed pursuant to a plan of reorganization or similar dispositive restructuring plan, both on account of the Senior Indebtedness and on account of the Subordinated Indebtedness, then, the provisions of this Agreement will survive the distribution of such debt obligations pursuant to such plan and will apply with like effect to such debt obligations. Nothing in this Agreement prohibits or limits the right of Subordinated Creditor to receive and retain any Restructuring Securities that are issued by a reorganized debtor pursuant to a confirmed plan of reorganization or similar dispositive restructuring plan in connection with an Insolvency Proceeding, so long as (i) in the case of equity securities, if such equity securities provide for mandatory redemption or mandatory dividend payments, the payment thereof shall be in accordance with, and subject to the relative priorities provided in, this Agreement and (ii) in the case of debt securities, any payment and Liens in respect of such debt securities shall be in accordance with, and subject to the relative priorities provided in, this Agreement.

6. Representations and Warranties.

(a) Loan Parties. As of the date hereof, each Loan Party hereby represents and warrants that (i) the Senior Agent has been furnished with true and correct copies of all instruments and securities evidencing the Subordinated Indebtedness, (ii) the aggregate principal amount of the Subordinated Indebtedness outstanding as of the date hereof is \$291,191 (the "Effective Date Amount"), and (iii) this Agreement has been duly executed and delivered by such Loan Party and constitutes a legal, valid and binding obligation of such Loan Party, enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws from time to time in effect affecting generally the enforcement of creditors' rights and remedies and general principles of equity.

(b) Subordinated Creditor. Subordinated Creditor represents and warrants to the Senior Creditors that (i) Subordinated Creditor is an individual, (ii) Subordinated Creditor has full power and authority to enter into, execute, deliver and carry out the terms of this Agreement, (iii) the execution of this Agreement by Subordinated Creditor will not, to the knowledge of Subordinated Creditor, violate or conflict with any law, regulation or order applicable to Subordinated Creditor, or require any consent or approval which has not been obtained, (iv) this Agreement has been duly executed and delivered by Subordinated Creditor and constitutes a legal, valid and binding obligation of Subordinated Creditor, enforceable against Subordinated Creditor in accordance with its terms, except to the extent that the enforceability thereof may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws from time to time in effect affecting generally the enforcement of creditors' rights and remedies and general principles of equity, (v) Subordinated Creditor is the sole owner, beneficially and of record, of the Subordinated Indebtedness, and (vi) the Subordinated Indebtedness is, and at all times prior to the termination of this Agreement shall remain, an unsecured obligation of the Parent.

(c) Senior Agent. Senior Agent represents and warrants to Subordinated Creditor that as of the date hereof: (i) it is duly formed, validly existing and in good standing under the laws of the state or jurisdiction of its organization, (ii) it has full power and authority to enter into, execute, deliver and carry out the terms of this Agreement, all of which have been duly authorized by all proper and necessary action, (iii) the execution of this Agreement by Senior Agent will not violate or conflict with its organizational documents, any material agreement binding upon Senior Agent or any law, regulation or order or require any consent or approval which has not been obtained, and (iv) this Agreement has been duly executed and delivered by Senior Agent and constitutes a legal, valid and binding obligation of Senior Agent, enforceable against Senior Agent in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally or by equitable principles.

7. Affirmative and Negative Covenants. Until all of the Senior Indebtedness has been Finally Paid, without the prior written consent of Senior Lenders: (a) no Loan Party shall discharge the Subordinated Indebtedness other than in accordance with its terms and the terms hereof; (b) Subordinated Creditor shall not demand or accept from any Loan Party or other Person any consideration which would result in a discharge of the Subordinated Indebtedness other than in accordance with its terms and the terms hereof; (c) Subordinated Creditor shall not hereafter give any subordination in respect of the Subordinated Indebtedness; (d) no Loan Party shall hereafter issue any instrument, security or other writing evidencing any part of the Subordinated Indebtedness, and Subordinated Creditor shall not receive any such writing, except upon the condition that such instrument, security or other writing shall bear the legend referred to herein and a complete copy thereof shall be furnished to Senior Agent; and (e) neither any Loan Party nor Subordinated Creditor shall take any action contrary to Senior Agent's and Senior Lenders' priority position over Subordinated Creditor that is created by this Agreement. In addition to the foregoing, Subordinated Creditor acknowledges and agrees that: (i) the Senior Creditors have relied on the terms and provisions of this Agreement in executing and delivering the Senior Documents and in making the extensions of credit contemplated thereby and shall continue to rely on such terms and provisions in making extensions of credit from time to time pursuant to the Senior Documents, and (ii) Subordinated Creditor shall not contest or challenge (or support any other Person in contesting or challenging) (A) the validity, perfection, priority or enforceability of the Senior Indebtedness, the Senior Documents or any Liens of the Senior Agent and the Senior Lenders in the Collateral securing the Senior Indebtedness or (B) the validity or enforceability of the subordination provisions contained in this Agreement.

8. Obligation of Loan Parties Unconditional. The provisions hereof are solely for the purpose of defining the relative rights of the holders of Senior Indebtedness, on the one hand, and Subordinated Creditor, on the other hand, and nothing contained herein is intended to or shall impair, as between the Loan Parties, on the one hand, and Subordinated Creditor, on the other hand, the obligation of the Loan Parties, which are absolute and unconditional, to pay the Subordinated Indebtedness as and when the same shall become due and payable in accordance with its terms, or to affect the relative rights of Subordinated Creditor and creditors of the Loan Parties, other than the Senior Lenders. The failure to make any payment with respect to the Subordinated Indebtedness by reason of this Agreement shall not be construed as preventing the occurrence of a default under any Subordinated Document.

9. Amendments of the Credit Documents.

(a) Subordinated Documents. Until the Senior Indebtedness has been Finally Paid, Subordinated Creditor agrees that it will not, without the prior written consent of the Senior Agent, amend or modify in any manner whatsoever the Subordinated Documents the effect of which is to (i) increase the maximum principal amount of the Subordinated Indebtedness (other than to the extent permitted by the Senior Credit Agreement and as a result of PIK Payments), (ii) increase the yield payable on any of the Subordinated Indebtedness (it being understood that invoking the default rate set forth in the Subordinated Documents on the date hereof shall not be restricted hereunder), (iii) accelerate the dates upon which payments of principal or interest on the Subordinated Indebtedness are due, (iv) add or make more burdensome, in any material respect, any covenant or event of default with respect to the Subordinated Indebtedness, (v) make more burdensome the redemption or prepayment provisions of the Subordinated Indebtedness (other than notice or other provisions that do not involve payments), (vi) change or amend any other term of the Subordinated Documents if such change or amendment would increase in any material respect the obligations of the Loan Parties or confer additional material rights on Subordinated Creditor in a manner adverse to the Loan Parties or Senior Lenders, or (vii) take any Liens in the Collateral or any other assets securing Senior Indebtedness. The Subordinated Indebtedness may be Refinanced to the extent the terms and conditions of such Refinanced indebtedness are not less favorable (as determined by the Senior Lenders in their reasonable discretion) in the aggregate to the Senior Lenders than the terms and conditions of the Subordinated Documents as in effect on the date hereof (with such amendments as are permitted under this Section 10); provided, that (A) the maturity date thereof is the same or later than the maturity date of the Subordinated Documents as in effect on the date hereof, (B) prior to consummation of such Refinancing the holders of such Refinanced indebtedness shall have become party to this Agreement (pursuant to a joinder in form and substance reasonably satisfactory to Senior Agent), and (C) such Refinanced indebtedness shall be Subordinated Indebtedness, and the documents evidencing such Refinanced indebtedness shall be Subordinated Documents, for all purposes hereunder.

(b) Senior Documents. The Senior Lenders and the Loan Parties may modify, amend, restate, supplement, replace, Refinance, restructure or otherwise modify the Senior Documents, or waive any of the provisions thereof, in any manner whatsoever, all without consent of, or notice to, Subordinated Creditor without affecting the subordination set forth in this Agreement or the liabilities and obligations of Subordinated Creditor hereunder. Any Refinancing of the Senior Indebtedness shall be subject to the restrictions set forth in the preceding sentence. Additionally, (A) prior to consummation of any Refinancing of the Senior Indebtedness, the holders of such Refinanced indebtedness shall have become party to this Agreement (pursuant to a joinder in form and substance reasonably satisfactory to Subordinated Creditor), and (B) such Refinanced indebtedness shall be Senior Indebtedness, and the documents evidencing such Refinanced indebtedness shall be Senior Documents, for all purposes hereunder.

10. Continued Effectiveness. No right of any present or future holder of any Senior Indebtedness to enforce the subordination as provided herein shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of any Loan Party or other Grantor; by any act or failure to act by any such holder; by any act or failure to act by any other holder of the Senior Indebtedness; or by any noncompliance by any Loan Party or other Grantor with the terms hereof, regardless of any knowledge thereof with which any such holder may have or be otherwise charged. Subordinated Creditor shall not be released, nor shall Subordinated Creditor's obligation hereunder be in any way diminished, by any of the following: (a) the exercise or the failure to exercise by any Senior Creditor of any rights or remedies conferred on it or them under the Senior Documents, hereunder or existing at law, or against any of the Collateral; (b) the commencement of an action at law or the recovery of a judgment at law against any Loan Party or any obligor ("Obligor") for the performance of the Senior Indebtedness and the enforcement thereof through levy or execution or otherwise; (c) the taking or institution or any other action or proceeding against any Loan Party or any Obligor; (d) any lack of validity or enforceability of any Senior Document or any other agreement or instrument related thereto; (e) any delay in taking, pursuing, or exercising any of the foregoing actions, rights, powers, or remedies (even though requested by Subordinated Creditor) by any Senior Lender or anyone acting for any Senior Lender; or (f) any other circumstance which might otherwise constitute a defense available to, or a discharge of, any Obligor in respect of the Senior Indebtedness or Subordinated Creditor or the Obligors in respect of this Agreement. Without limiting the generality of the foregoing, and anything else contained herein to the contrary notwithstanding, Senior Creditors, from time to time, without prior notice to or the consent of Subordinated Creditor, may take all or any of the following actions without in any manner affecting or impairing the obligation or liability of Subordinated Creditor hereunder: (i) obtain a Lien or a security interest in any property to secure any of the Senior Indebtedness; (ii) obtain the primary and secondary liability of any party or parties with respect to any of the Senior Indebtedness; (iii) subject to Section 10(b) hereof, renew, extend, or otherwise change the time for payment of the Senior Indebtedness or any installment thereof for any period; (iv) release or compromise any liability of any nature of any Person or entity with respect to the Senior Indebtedness; (v) exchange, enforce, waive, release, and apply any of the Collateral and direct the order or manner of sale thereof as Senior Agent may in its discretion determine; (vi) enforce their respective rights hereunder, whether or not such Senior Lender shall proceed against any other Person or entity; (vii) exercise their respective rights to consent to any action or non-action of any Loan Party which may violate the covenants and agreements contained in the Senior Documents, with or without consideration, on such terms and conditions as may be acceptable to them; (viii) exercise any of their respective rights conferred by the Senior Documents or by law; or (ix) subject to Section 10(b) hereof, amend or modify in any manner the Senior Credit Agreement or other Senior Documents.

11. Waivers. To the fullest extent permitted by law and except as to any notice specified in this Agreement, any notice which may not be waived in accordance with the UCC, or, with respect to the Loan Parties, any notice expressly required under the Senior Documents, each Loan Party and Subordinated Creditor hereby further waives: presentment, demand, protest, notice of protest, notice of default or dishonor, notice of payment or nonpayment and any and all other notices and demands of any kind in connection with all negotiable instruments evidencing all or any portion of the Senior Indebtedness or the Subordinated Indebtedness to which such Loan Party or Subordinated Creditor may be a party; prior notice of and consent to any loans made, extensions granted or other action taken in reliance thereon; and all other demands and notices of every kind in connection with this Agreement, the Senior Indebtedness or the Subordinated Indebtedness. Subordinated Creditor further waives, to the extent permitted by applicable law, any rights it may have under applicable law to assert the doctrine of marshaling or otherwise to require the Senior Lenders to marshal any Collateral for the benefit of Subordinated Creditor.

12. Cumulative Remedies; Indulgences Not Waivers; Specific Performance. Each right, remedy and power granted to Senior Agent and Senior Creditors hereunder shall be cumulative and in addition to any other right, remedy or power specifically granted herein, in the Senior Documents or now or hereafter existing in equity, at law, by virtue of statute or otherwise, and may be exercised by Senior Agent or Senior Creditors, from time to time, concurrently or independently and as often and in such order as Senior Agent and/or Senior Creditors may deem expedient. Neither the failure nor any delay on the part of any Senior Creditor to exercise any right, remedy, power or privilege hereunder shall operate as a waiver thereof or give rise to an estoppel, nor be construed as an agreement to modify the terms of this Agreement, nor shall any single or partial exercise of any right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No waiver of a right or obligation hereunder by a party hereunder shall be effective unless it is in writing and signed by the party making such waiver, and then only to the extent specifically stated in such writing. Should Subordinated Creditor in any way take, attempt to, or threaten to take any action contrary to terms of this Agreement, including with respect to the Collateral, or fail to take any action required by this Agreement, Senior Agent or any Senior Creditor may seek relief against Subordinated Creditor by injunction, specific performance, or other appropriate equitable relief, it being understood and agreed that (a) Senior Creditors' damages from such actions may at that time be difficult to ascertain and may be irreparable, and (b) Subordinated Creditor waives any defense that such Grantor and/or Senior Creditors cannot demonstrate damage and/or be made whole by the awarding of damages. Subordinated Creditor hereby irrevocably waives any defense based on the adequacy of a remedy at law and any other defense which might be asserted to bar the remedy of specific performance in any action which may be brought by Senior Agent or Senior Creditors.

13. Inconsistent or Conflicting Provisions. In the event a provision of the Senior Documents or the Subordinated Documents is inconsistent or conflicts with the provisions of this Agreement, the provisions of this Agreement shall govern and prevail.

14. Notices. All notices, requests, demands and other communications required or permitted under this Agreement or by law shall be in writing and may be personally served or sent by facsimile, overnight courier service or certified or registered United States mail and shall be deemed to have been duly given, made and received (a) if delivered in person, when delivered; (b) if delivered by facsimile, on the date of transmission if transmitted on a Business Day before 5:00 p.m. (New York City time) or, if not, on the next succeeding Business Day; (c) if delivered by overnight courier, one Business Day after delivery to such courier properly addressed with courier fees prepaid; or (d) if by United States mail, 3 Business Days after deposit in the United States mail, postage prepaid and properly addressed as set forth below.

If to Senior Agent or any Senior Creditor:

PNC Bank, National Association
200 South Wacker Drive, Suite 600
Chicago, Illinois 60606
Attention: Portfolio Manager
Telephone: (312) 454-2901
Facsimile: (312) 454-2919

with a copy to:

Blank Rome LLP
The Chrysler Building
405 Lexington Avenue
New York, NY 10174-0208
Attention: Michael J. Loesberg, Esq.
Telephone: (212) 885-5000
Facsimile: (212) 885-5001

If to Subordinated Creditor:

Maurice R. Harrison IV
8240 Treemont Place
Frisco, TX 75034
Telephone: (972) 365-6710
Email: mharrison@snicompanies.com

If to any Loan Party:

GEE Group Inc.
12950 Race Track Rd., Suite 216
Tampa, FL 33626
Attention: Andrew J. Norstrud, CFO
Telephone: (813) 803-8275
Email: andrew.norstrud@geegroup.com

with a copy to:

McDermott Will & Emery LLP
340 Madison Avenue
New York, NY 10173-1922
Attention: John J. Sullivan, Esq.
Telephone: (212) 547 5567
Email: jsullivan@mwe.com

Any addressee may alter the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section for the giving of notice.

15. Benefit. Subordinated Creditor acknowledges that Senior Creditors would not have consented to the incurrence of the Subordinated Indebtedness but for the execution of this Agreement; therefore, Subordinated Creditor has received good, sufficient and adequate consideration for the making of this Agreement. Except as expressly provided in this Agreement, this Agreement is solely for the benefit of the Senior Creditors, Subordinated Creditor and their respective successors, participants and assigns, and no other person shall have any right, benefit, priority or interest under, or because of the existence of, this Agreement.

16. Entire Agreement. This Agreement constitutes and expresses the entire understanding between the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, inducements or conditions, whether express or implied, oral or written. Neither this Agreement nor any portion or provision hereof may be changed, waived or amended orally or in any manner other than by an agreement in writing signed by Senior Agent, Subordinated Creditor and the Loan Parties.

17. Additional Documentation. Each Loan Party and Subordinated Creditor shall execute and deliver to Senior Agent such further instruments and shall take such further action as Senior Lenders may at any time or times reasonably request in order to carry out the provisions and intent of this Agreement.

18. Successors and Assigns. This Agreement shall inure to the benefit of each Senior Creditor and Subordinated Creditor and their respective successors and assigns, and shall be binding upon each Loan Party, Senior Creditor and Subordinated Creditor and their respective successors and assigns, including any subsequent holders of the Senior Indebtedness or Subordinated Indebtedness. All references to Borrowers, Loan Parties and Grantors shall include such Person as debtor and debtor-in-possession and any receiver or trustee for any such Person in any Insolvency Proceeding. Each Senior Lender, without prior notice or consent of any kind, may sell, assign or transfer the Senior Indebtedness in accordance with the Senior Credit Agreement, and in such event each and every immediate and successive assignee or transferee thereof may be given the right by such Senior Lender to enforce this Agreement in full against each Loan Party and Subordinated Creditor, by suit or otherwise, for its own respective benefit; provided, that such successor, assignee or transferee agrees to be bound by the terms of this Agreement. Subordinated Creditor may not sell, assign or transfer the Subordinated Indebtedness without the prior consent of Senior Agent; provided, that prior to the consummation of any such transfer or assignment, the transferee thereof shall have become party to this Agreement (pursuant to a joinder in form and substance reasonably satisfactory to Senior Agent) to provide for the continued subordination of the Subordinated Indebtedness to the Senior Indebtedness as provided herein and for the continued effectiveness of all of the rights of the Senior Lenders arising under this Agreement; provided, further, that notwithstanding the failure of Subordinated Creditor to comply with the foregoing and the failure of any transferee to execute or deliver such joinder agreement, the subordination effected hereby shall survive any sale, assignment, pledge, Disposition or other transfer of all or any portion of the Subordinated Indebtedness, and the terms of this Agreement shall be binding upon the successors and assigns of Subordinated Creditor.

19. Subrogation. At such time as the Senior Indebtedness has been Finally Paid (and is not subject to avoidance under Section 547 of the Bankruptcy Code), Subordinated Creditor shall be subrogated, to the extent of the Senior Indebtedness so paid, to the rights of the holder of the Senior Indebtedness to receive Distributions until all amounts owing on the Subordinated Indebtedness shall be paid in full. For the purpose of such subrogation no Distributions to the holders of the Senior Indebtedness by or on behalf of such Loan Party or Subordinated Creditor by virtue of the provisions hereof which otherwise would have been made to Subordinated Creditor shall, as between the Loan Party, a creditor of such Loan Party (other than Subordinated Creditor and the Senior Lenders), and Subordinated Creditor, be deemed to be payment by such Loan Party to or on account of the Subordinated Indebtedness; it being understood that the provisions of this Agreement are, and are intended solely, for the purpose of defining the relative rights of Subordinated Creditor, on the one hand, and the Senior Lenders, on the other hand.

20. Termination; Reinstatement. This Agreement shall continue and shall be irrevocable until the earlier of (a) the date on which all of the Senior Indebtedness has been Finally Paid or otherwise discharged and released in writing by the Senior Lenders and (b) the date on which Senior Agent has received evidence reasonably satisfactory to Senior Agent of the satisfaction, in the form of common Equity Interests of the Parent, of all of the Parent's obligations under the Subordinated Note, together with a termination and release agreement reasonably satisfactory to Senior Agent with respect to the Subordinated Documents, duly executed by the Parent and Subordinated Creditor; provided, that, in the case of any termination of this Agreement under the preceding clause (a), (i) the obligations of Subordinated Creditor under this Agreement shall continue to be effective, or be reinstated, as the case may be, if at any time any payment in respect of any Senior Indebtedness is rescinded, set aside or is otherwise required to be restored or returned by Senior Agent or any Senior Creditor by reason of any bankruptcy, reorganization, arrangement, composition or similar proceeding, such payment being declared fraudulent or preferential, or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, any Loan Party or any substantial part of its respective property, or otherwise, all as though such payment had not been made and (ii) Section 19 hereof shall continue in full force and effect until the Subordinated Indebtedness is paid in full. Subordinated Creditor agrees that it shall not be entitled to benefit from any avoidance action affecting or otherwise relating to any distribution or allocation made in accordance with this Agreement, whether by preference or otherwise, it being understood and agreed that the benefit of such avoidance action otherwise allocable to it shall instead by allocated and turned over for application in accordance with the priorities set forth in this Agreement.

21. Governing Law. THE VALIDITY, CONSTRUCTION AND ENFORCEMENT OF THIS AGREEMENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW) THEREOF. EACH LOAN PARTY AND SUBORDINATED CREDITOR HEREBY AGREE THAT ALL ACTIONS OR PROCEEDINGS INITIATED BY ANY LOAN PARTY OR SUBORDINATED CREDITOR AND ARISING DIRECTLY OR INDIRECTLY OUT OF THIS AGREEMENT SHALL BE LITIGATED IN THE STATE AND FEDERAL COURTS LOCATED IN NEW YORK COUNTY, NEW YORK OR, IF SENIOR AGENT OR ANY SENIOR CREDITOR INITIATES SUCH ACTION, IN ADDITION TO THE FOREGOING COURTS, ANY COURT IN WHICH SENIOR AGENT OR SUCH SENIOR CREDITOR SHALL INITIATE SUCH ACTION, TO THE EXTENT SUCH COURT HAS JURISDICTION. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR HEREBY EXPRESSLY SUBMITS AND CONSENTS IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR PROCEEDING COMMENCED IN ACCORDANCE WITH THE FOREGOING AND HEREBY WAIVES ANY CLAIM THAT SUCH COURTS ARE AN INCONVENIENT FORUM OR AN IMPROPER FORUM BASED UPON LACK OF VENUE. THE EXCLUSIVE CHOICE OF FORUM AS SET FORTH IN THIS SECTION SHALL NOT BE DEEMED TO PRECLUDE THE ENFORCEMENT, BY SENIOR AGENT OR SENIOR CREDITORS, OF ANY JUDGMENT OBTAINED IN ANY OTHER FORUM OR THE TAKING, BY SENIOR AGENT OR SENIOR CREDITORS, OF ANY ACTION TO ENFORCE THE SAME IN ANY OTHER APPROPRIATE JURISDICTION, AND EACH LOAN PARTY AND SUBORDINATED CREDITOR HEREBY WAIVE THE RIGHT TO COLLATERALLY ATTACK SUCH JUDGMENT OR ACTION.

22. Jury Trial. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR HEREBY WAIVES ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING HEREUNDER OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS TRANSACTION. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 22 AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS HERETO. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

23. Severability. The provisions of this Agreement are independent of and separable from each other. If any provision hereof shall for any reason be held invalid or unenforceable, it is the intent of the parties that such invalidity or unenforceability shall not affect the validity or enforceability of any other provision hereof, and that this Agreement shall be construed as if such invalid or unenforceable provision had never been contained herein.

24. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by telecopier or electronic mail shall be equally as effective as delivery of an original executed counterpart of this Agreement.

25. Headings. The section headings used in this Agreement are for convenience only and shall not affect the interpretation of any of the provisions hereof.

26. Disclosures, Non-Reliance. Each Senior Creditor and Subordinated Creditor has the means to, and shall in the future remain, fully informed as to the financial condition and other affairs of each Loan Party and no Senior Creditor or Subordinated Creditor shall have any obligation or duty to disclose any such information to any other Senior Creditor or Subordinated Creditor, as the case may be. Except as expressly set forth in this Agreement, the parties hereto have not otherwise made to each other nor do they hereby make to each other any warranties, express or implied, nor do they assume any liability to each other with respect to: (a) the enforceability, validity, value or collectability of any of the Subordinated Indebtedness or the Senior Indebtedness or any collateral or guaranty which may have been granted to any of them in connection therewith, (b) the title to or right to any Collateral by any Loan Party or (c) any other matter except as expressly set forth in this Agreement.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

SUBORDINATED CREDITOR:

/s/ Maurice R. Harrison IV

Maurice R. Harrison IV

[Signature Page to Subordination and Intercreditor Agreement (Maurice R. Harrison IV)]

SENIOR AGENT:

PNC BANK, NATIONAL ASSOCIATION, as
Administrative Agent and Collateral Agent

By: /s/ Walt Hill

Name: Walt Hill

Title: Senior Vice President

[Signature Page to Subordination and Intercreditor Agreement (Maurice R. Harrison IV)]

ACKNOWLEDGED AND AGREED:

BORROWERS:

GEE GROUP INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

SCRIBE SOLUTIONS INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

AGILE RESOURCES, INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

ACCESS DATA CONSULTING
CORPORATION

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

TRIAD PERSONNEL SERVICES, INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

TRIAD LOGISTICS, INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

PALADIN CONSULTING, INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

BMCH, INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

GEE GROUP PORTFOLIO INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

SNI COMPANIES

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

[Signature Page to Subordination and Intercreditor Agreement (Maurice R. Harrison IV)]

SUBORDINATION AND INTERCREDITOR AGREEMENT

This Subordination AND INTERCREDITOR Agreement (this "Agreement") is entered into as of March 31, 2017, by and among PNC Bank, National Association, as administrative agent and collateral agent for the Senior Lenders referred to below ("Senior Agent"), Thrivent Financial for Lutherans, a Minnesota nonprofit corporation ("Subordinated Creditor"), GEE Group Inc., an Illinois corporation (the "Parent"), each Subsidiary of the Parent listed as a "Borrower" on the signature pages hereto (together with the Parent and each Person joined hereto as a borrower from time to time, collectively, the "Borrowers" and each a "Borrower"), each Subsidiary of the Parent listed as a "Guarantor" on the signature pages hereto (together with each other Person joined hereto as a guarantor from time to time, collectively, the "Guarantors", and each a "Guarantor", and together with the Borrowers, collectively, the "Loan Parties" and each a "Loan Party").

RECITALS

WHEREAS, Senior Agent, certain lenders from time to time party to the Senior Credit Agreement (collectively with the Senior Agent, the "Senior Lenders"), and the Loan Parties are party to that certain Revolving Credit, Term Loan and Security Agreement, dated as of the date hereof (such agreement, as amended, restated, supplemented, modified or otherwise changed from time to time, including any replacement agreement therefor, being hereinafter referred to as the "Senior Credit Agreement"), pursuant to which the Senior Lenders agreed to make certain term and revolving loans to the Borrowers;

WHEREAS, the Parent is party to (a) the 9.5% Convertible Subordinated Note dated April 3, 2017, in the original principal amount of \$2,226,017.88, and (b) the 9.5% Convertible Subordinated Note dated April 3, 2017, in the original principal amount of \$8,414,001.99 (such notes, as amended, restated, supplemented, modified or otherwise changed from time to time, including any replacement notes therefor, being hereinafter collectively referred to as the "Subordinated Note"), pursuant to which Subordinated Creditor agreed to make subordinated loans to the Parent; and

WHEREAS, it is a condition precedent to the Senior Lenders making any loan and/or providing any other financial accommodation to the Borrowers pursuant to the Senior Credit Agreement that Subordinated Creditor and the Loan Parties enter into this Agreement.

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Definitions.

(a) Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Senior Credit Agreement. The following terms shall have the meanings set forth below:

"Agreement" means this Subordination and Intercreditor Agreement, as amended, restated, renewed, extended, supplemented or otherwise modified from time to time.

“Bankruptcy Code” means Title 11 of the United States Code, as amended from time to time and any successor statute or any similar federal or state law for the relief of debtors.

“Collateral” means all of the property and assets and all interests therein and proceeds thereof now owned or hereafter acquired by any Grantor upon which a Lien is granted or purported to be granted by such Grantor as security for all or any part of the Senior Indebtedness.

“Debtor Relief Law” means the Bankruptcy Code and any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief law of the United States or other applicable jurisdiction from time to time in effect.

“DIP Financing” has the meaning specified therefor in Section 5(c) hereof.

“Disposition” or “Dispose” means any transaction, or series of related transactions, pursuant to which any Person or any of its Subsidiaries sells, assigns, transfers, leases, licenses (as licensor) or otherwise disposes of any property or assets (whether now owned or hereafter acquired) to any other Person, in each case, whether or not the consideration therefor consists of cash, securities or other assets owned by the acquiring Person.

“Distribution” means, with respect to any indebtedness or obligation, (a) any direct or indirect payment or distribution by any Person of cash, securities or other property, by set-off or otherwise, on account of such indebtedness or obligation, (b) any direct or indirect redemption, purchase or other acquisition of such indebtedness or obligation by any Person, or (c) any direct or indirect acquisition by any Borrower or any of its Affiliates of any equity or other interest in any Person that holds any such indebtedness or obligation.

“Effective Date Amount” has the specified therefor in Section 6(a) hereof.

“Enforcement Action” means any action to enforce or attempt to enforce any right or remedy available with respect to the Subordinated Indebtedness under the Subordinated Documents, applicable law or otherwise, including any action to (a) accelerate the maturity of, or demand as immediately due and payable, all or any part of the Subordinated Indebtedness, (b) exercise any put option, any right of mandatory redemption or any similar right or otherwise cause any Loan Party to honor any redemption or mandatory prepayment or any obligation to make an offer to repurchase under any Subordinated Document, (c) exercise any right of set-off, (d) realize or foreclose upon, repossess, sell or otherwise dispose of, liquidate, or otherwise restrict or interfere with the use of, any Collateral, (e) commence, continue or participate in (other than as a defendant or co-defendant (or in a comparable capacity) in defense of its own interests or in reply to any Insolvency Proceeding brought against Subordinated Creditor) any Insolvency Proceeding or other collection or enforcement action of any kind, against any Loan Party or any other Grantor (including any insolvency, bankruptcy, dissolution or liquidation proceeding), in any case, seeking, directly or indirectly, to enforce any rights or remedies, or to enforce any of the obligations incurred by the Loan Parties or other Grantors, under or in connection with the Subordinated Indebtedness or the Subordinated Documents, or (f) commence or pursue any judicial, arbitral or other proceeding or legal action of any kind, seeking injunctive or other equitable relief to prohibit, limit or impair the commencement or pursuit by the Senior Creditors of any of their rights or remedies under or in connection with the Senior Documents or otherwise available to the Senior Creditors under applicable law; provided, however, that the term “Enforcement Action” shall not include (i) if an Insolvency Proceeding has been commenced by or against any Grantor, subject to Section 5(b) hereof, filing of a Proof of Claim with respect to the Subordinated Indebtedness, (ii) any suit or action initiated or maintained to prevent the loss of a claim as a result of the running of any applicable statute of limitations or other similar restriction on claims, (iii) filing any necessary responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding, or other pleading made by any Person objecting to or otherwise seeking the disallowance of the claims of Subordinated Creditor, (iv) any non-judicial procedural actions that may be required or desired as a precondition to acceleration or relating to preservation of rights (such as giving a notice of default or reservation of rights (including acceleration subject to the terms of this Agreement)), (v) the automatic acceleration of the Subordinated Indebtedness upon the initiation of an Insolvency Proceeding under the Bankruptcy Code or (vi) conversion of the outstanding principal of and accrued interest on the Subordinated Indebtedness into common Equity Interests of the Parent pursuant to the Subordinated Note.

“Equity Interests” means (a) all shares of capital stock (whether denominated as common stock or preferred stock), equity interests, beneficial, partnership or membership interests, joint venture interests, participations or other ownership or profit interests in or equivalents (regardless of how designated) of or in a Person (other than an individual), whether voting or non-voting and (b) all securities convertible into or exchangeable for any of the foregoing and all warrants, options or other rights to purchase, subscribe for or otherwise acquire any of the foregoing, whether or not presently convertible, exchangeable or exercisable.

“Finally Paid” or “Final Payment,” when used in connection with the Senior Indebtedness means the full and final payment in immediately available funds of all of the Senior Indebtedness and the termination in writing of the Senior Lenders’ obligations to make loans or other advances or financial accommodations to the Loan Parties under the Senior Documents. The repayment of any Senior Indebtedness pursuant to a Refinancing permitted hereunder shall not constitute “Final Payment” of the Senior Indebtedness being Refinanced.

“Grantor” means any Loan Party or any other Person that may from time to time execute and deliver an agreement, document, or instrument pursuant to which a Lien is granted securing any Senior Indebtedness or Subordinated Indebtedness or under which rights or remedies with respect to such Liens are governed, as a “debtor,” “grantor,” or “pledgor” (or the equivalent thereof).

“Insolvency Proceeding” means any proceeding commenced by or against any Person under any provision of any Debtor Relief Law.

“Lien” means any mortgage, deed of trust, pledge, lien (statutory or otherwise), security interest, charge or other encumbrance or security or preferential arrangement of any nature, including any conditional sale or title retention arrangement, any capitalized lease and any assignment, deposit arrangement or financing lease intended as, or having the effect of, security.

“Loan Party” has the meaning specified therefor in the preamble hereto.

“Obligor” has the meaning specified therefor in Section 10 hereof.

“Permitted Payments” means, with respect to the Subordinated Indebtedness, payment of (a) common Equity Interests of the Parent in connection with (i) the payment of interest under Section 2 of the Subordinated Note or (ii) the conversion of the outstanding principal of and accrued interest on the Subordinated Indebtedness into common Equity Interests of the Parent pursuant to Section 4 of the Subordinated Note, (b) Restructuring Securities in connection with an Insolvency Proceeding, (c) PIK Payments, and (d) from January 1, 2018, through and including December 31, 2018, such amounts (not exceeding the Effective Date Amount) as are permitted to be paid by the Loan Parties under Section 7.17(b) (iv) of the Senior Loan Agreement.

“Person” means an individual, corporation, limited liability company, partnership, association, joint-stock company, trust, unincorporated organization, joint venture or other enterprise or entity or Governmental Authority.

“PIK Payments” means payments of interest as required by the Subordinated Documents (as in effect on the date hereof or amended in accordance with the terms hereof) that are in the form of additional Subordinated Notes (or the increase of the principal amount of the Subordinated Notes), and the accrual or capitalization of interest otherwise prohibited by the terms of this Agreement, in each case, in lieu of cash payments and that are in all respects subordinate and junior in right of payment to the Senior Indebtedness to at least the same extent as the Subordinated Indebtedness as set forth in this Agreement.

“Proof of Claim” has the meaning specified therefor in Section 5(b) hereof.

“Recovery” has the meaning specified therefor in Section 5(h) hereof.

“Refinance” means, in respect of any Senior Indebtedness or Subordinated Indebtedness, to refinance, extend, renew, defease, restructure, replace, refund or repay, or to issue other indebtedness, in exchange or replacement for, such indebtedness in whole or in part in accordance with the terms of this Agreement. “Refinanced” and “Refinancing” shall have correlative meanings.

“Restructuring Securities” means any debt or equity securities that are distributed to Subordinated Creditor in respect of the Subordinated Indebtedness pursuant to a confirmed plan of reorganization or adjustment and that (a) are subordinated in right of payment to the Senior Indebtedness (or any debt or equity securities issued in substitution of all or any portion of the Senior Indebtedness) to at least the same extent as the Subordinated Indebtedness is subordinated to the Senior Indebtedness pursuant to the terms of this Agreement (including, with respect to any covenants, defaults or other provisions that have corresponding provisions in the Senior Documents, with cushions consistent with the cushions included on the date hereof), (b) do not have the benefit of any obligation of any entity (whether as issuer, guarantor or otherwise) unless the Senior Indebtedness has a prior right to the same benefit of the obligation of such entity, and (c) do not have any terms, and are not subject to or entitled to the benefit of any agreement or instrument that has terms, that are more burdensome to the issuer of or other obligor on such debt or equity securities than are the terms of the Senior Indebtedness (or any debt or equity securities issued in substitution of all or any portion of the Senior Indebtedness).

“Senior Agent” has the meaning specified therefor in the Recitals hereto.

“Senior Creditors” means the Senior Agent, the Senior Lenders and any other Person who holds Senior Indebtedness.

“Senior Documents” means the Senior Credit Agreement and the other “Loan Documents” as such term is defined in the Senior Credit Agreement and shall include this Agreement, in each case, as the same may be amended, modified, restated or Refinanced from time to time.

“Senior Credit Agreement” has the meaning specified therefor in the Recitals hereto.

“Senior Indebtedness” means all principal, interest and other Obligations at any time due and owing by any Loan Party to the Senior Lenders and/or any other Senior Creditors, or any of them, arising out of or incurred in connection with the Senior Documents or other documents executed in connection with the obligations thereunder (and any indebtedness which Refinances such principal, interest, fees (including any prepayment premium) or other Obligations), as modified, extended, renewed or restated, whether direct or contingent, and whether now existing or hereafter created. Senior Indebtedness shall include interest which accrues on the principal amount of the Senior Indebtedness, and expenses incurred, subsequent to the commencement of an Insolvency Proceeding, whether or not such interest or expenses is an allowed claim under applicable law.

“Senior Lenders” has the meaning specified therefor in the Recitals hereto.

“Subordinated Creditor” has the meaning specified therefor in the Preamble hereto.

“Subordinated Documents” means the Subordinated Note and any and all other documents, agreements, writings or instruments executed in connection therewith or pursuant thereto evidencing the amounts payable thereunder (other than, for the avoidance of doubt, the SNI Acquisition Agreement), in each case, as in effect on the date hereof and as amended, modified, restated or Refinanced in accordance with the terms hereof.

“Subordinated Indebtedness” means all indebtedness and other obligations of any Loan Party of any kind or nature whatsoever to Subordinated Creditor arising under or related to the Subordinated Documents, including all present and future loans, advances, debts, liabilities, obligations, and indebtedness otherwise owing by any Loan Party to Subordinated Creditor, whether evidenced by any note, guaranty or other instrument or document, whether absolute or contingent, due or to become due, including all interest, charges, expenses, fees, attorneys’ fees and any other sums chargeable to such Loan Party.

“Subordinated Note” has the meaning specified therefor in the Recitals hereto.

“UCC” means Article 9 of the Uniform Commercial Code, as in effect in any applicable jurisdiction.

(b) Terms Generally. The definitions of terms in this Agreement shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (ii) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (iii) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (iv) all references herein to Sections shall be construed to refer to Sections of this Agreement and (v) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any right or interest in or to assets and properties of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible.

2. Subordination.

(a) Subordination of Debt. Notwithstanding anything to the contrary in the Subordinated Documents, Subordinated Creditor hereby acknowledges the incurrence by the Loan Parties of the Senior Indebtedness and the consummation of each of the transactions contemplated by the Senior Documents, including the grant by each Loan Party of the Liens in favor of the Senior Agent for the benefit of the Senior Lenders. To the extent and the manner set forth in this Agreement, the Subordinated Indebtedness is hereby expressly made subordinate, junior and subject in right of payment to the Final Payment of the Senior Indebtedness. Such subordination is for the benefit of each present and future Senior Agent and Senior Lender, each of whom shall be entitled to enforce this Agreement as party hereto or as a third party beneficiary hereof. Each holder of Senior Indebtedness, whether now outstanding or hereafter incurred, shall be deemed to have acquired Senior Indebtedness in reliance upon the terms and provisions of this Agreement.

(b) Restriction on Payments. Notwithstanding anything in the Subordinated Documents to the contrary and in addition to any other limitations set forth herein or therein, except as expressly set forth in this Agreement, until the date on which the Senior Indebtedness is Finally Paid, no Loan Party shall make or agree to make and Subordinated Creditor shall not accept, take or receive, directly or indirectly, any Distribution on account of the Subordinated Indebtedness (other than, in connection with an Insolvency Proceeding, Restructuring Securities), and no Loan Party shall segregate or hold in trust money for any such Distribution. Notwithstanding anything to the contrary herein, the Loan Parties may make and Subordinated Creditor may receive Permitted Payments.

(c) Turnover. In the event that any Loan Party shall make or Subordinated Creditor shall collect any Distribution on account of the Subordinated Indebtedness in contravention of this Agreement (excluding Permitted Payments) (including in an Insolvency Proceeding), such payment or distribution shall not be commingled with any asset of Subordinated Creditor, shall be held in trust by Subordinated Creditor for the benefit of Senior Agent, and shall be promptly paid over to Senior Agent in precisely the form received by Subordinated Creditor (except for any necessary endorsement), for application to the payment of the Senior Indebtedness then remaining unpaid, until all of the Senior Indebtedness is Finally Paid. In the event Subordinated Creditor fails to pay over to Senior Agent any such Distribution, Senior Agent or any of its officers or employees are hereby irrevocably authorized on behalf of Subordinated Creditor to cause the same to be paid over.

3. Absence of Liens; Guaranties; Prohibition on Contesting Liens.

(a) Subordinated Creditor agrees that it does not have and will not acquire, without the prior written consent of the Senior Lenders, any Lien against any Loan Party, any other Grantor and/or any of the Collateral. If, notwithstanding the foregoing, Subordinated Creditor has or acquires any Lien of any kind against any Loan Party, any other Grantor and/or any of the Collateral, (i) any such Lien to which the Senior Lenders have not consented in writing shall be promptly released, discharged and terminated of record, and (ii) until released, discharged and terminated, such Lien shall be subordinate and subject to the Lien against any Loan Party, any other Grantor and/or the Collateral of the Senior Creditors arising from or out of the Senior Indebtedness, regardless of the order or time as of which any Lien attaches to any of the Collateral, the order or time of UCC filings or any other filings or recordings, the order or time of granting of any such Lien, or the physical possession of any of the Collateral, until the Senior Indebtedness is Finally Paid. Subordinated Creditor hereby appoints Senior Agent as its attorney-in-fact for purposes of releasing, discharging and terminating of record any such Lien (such appointment of Senior Agent as attorney-in-fact shall be deemed irrevocable until such time as the Senior Indebtedness has been Finally Paid).

(b) Guaranties. Subordinated Creditor shall not accept a guaranty from any Person with respect to any of the Subordinated Indebtedness unless such Person has given to Senior Agent, on behalf of the Senior Lenders, a like guaranty of the Senior Indebtedness and such Person's guaranty of the Subordinated Obligations is subordinate to such Person's guaranty of the Senior Indebtedness on the same terms and conditions contained herein.

(c) Prohibition on Contesting Liens. Subordinated Creditor, agrees that it will not (and hereby waives any right to), directly or indirectly, contest, or support any other person in contesting, in any proceeding (including any Insolvency Proceeding), the priority, validity, or enforceability of any Lien held by or on behalf of any Senior Creditor in the Collateral or the provisions of this Agreement; provided, however, that nothing in this Agreement shall be construed to prevent or impair the rights of Subordinated Creditor to enforce the terms of this Agreement.

4. Exercise of Remedies.

(a) Standstill. At any time that is prior to the Final Payment of the Senior Indebtedness, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, Subordinated Creditor will not exercise any Enforcement Action.

(b) Exclusive Enforcement Rights. At all times prior to the Final Payment of the Senior Indebtedness, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, Senior Agent and Senior Creditors shall have the exclusive right to exercise any Enforcement Action without any consultation with or the consent of Subordinated Creditor. Senior Agent and Senior Creditors may enforce the provisions of the Senior Documents and exercise remedies thereunder and related thereto, all in such order and in such manner as they may determine in the exercise of their sole discretion. Such exercise and enforcement shall include the rights of an agent appointed by them to Dispose of Collateral, to incur expenses in connection with such Disposition, and to exercise all the rights and remedies of a secured creditor under applicable law.

(c) Non-Interference. At all times prior to the Final Payment of the Senior Indebtedness, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, Subordinated Creditor, hereby:

(i) agrees it will not contest, protest, oppose or object to (or support any other Person contesting, protesting, opposing or objecting to) any Enforcement Action by Senior Agent or any Senior Creditor and that it will not otherwise take any action that would restrain, hinder, limit, delay, or otherwise interfere with any Enforcement Action by Senior Agent or any Senior Creditor, or that is otherwise prohibited hereunder;

(ii) waives any and all rights it may have to object to the manner in which Senior Agent or Senior Creditors seek to enforce or collect the Senior Indebtedness or the Liens securing the Senior Indebtedness, regardless of whether any action or failure to act by or on behalf of Senior Agent or Senior Creditors is adverse to the interest of Subordinated Creditor; and

(iii) acknowledges and agrees that no covenant, agreement or restriction contained in the Subordinated Documents shall be deemed to restrict in any way the rights and remedies of Senior Agent or Senior Creditors with respect to the Collateral as set forth in this Agreement and the Senior Documents.

(d) Legend. At the request of Senior Agent, Subordinated Creditor and the Loan Parties will the cause the Subordinated Note and any instrument or document issued after the date hereof by a Loan Party evidencing the Subordinated Indebtedness, if any, to be indorsed with substantially the following legend:

“Notwithstanding anything herein to the contrary, this [instrument/document] is subject to the terms and provisions of that certain Subordination and Intercreditor Agreement, dated as of March 31, 2017 (the “Subordination and Intercreditor Agreement”), by and among PNC Bank, National Association, as agent for certain lenders, Thrivent Financial for Lutherans, and the other parties signatory thereto from time to time. In the event of any conflict between the provisions of this instrument and the Subordination and Intercreditor Agreement, the terms of the Subordination and Intercreditor Agreement shall govern.”

In the event any legend is omitted, Senior Agent, or any of its officers or employees, are hereby irrevocably authorized on behalf of Subordinated Creditors to make the same. No specific legend, further assignment or endorsement or delivery of notes, guarantees or instruments shall be necessary to subject any Subordinated Indebtedness to the subordination thereof contained in this Agreement. In addition, each Loan Party's books shall be marked to evidence the subordination of all of the Subordinated Indebtedness to the holders of Senior Indebtedness, in accordance with the terms of this Agreement. Senior Agent is authorized to examine such books from time to time and to make any notations required by this Agreement.

5. Insolvency Proceedings.

(a) Enforceability and Continuing Priority. This Agreement shall be applicable both before and after the commencement of any Insolvency Proceeding and all converted or succeeding cases in respect thereof. The Senior Indebtedness shall continue to be treated as Senior Indebtedness and the provisions of this Agreement shall continue to govern the relative rights and priorities of the Senior Creditors, on the one hand, and Subordinated Creditor, on the other hand, even if all or part of the Liens securing such Senior Indebtedness are subordinated, set aside, avoided or disallowed in connection with any such Insolvency Proceeding (or if all or part of the Senior Indebtedness is subordinated, set aside, avoided or disallowed in connection with any such Insolvency Proceeding as a result of a fraudulent conveyance or fraudulent transfer statute or if any interest accruing on the Senior Indebtedness following the commencement of such Insolvency Proceeding is otherwise disallowed). Accordingly, the provisions of this Agreement are intended to be and shall be enforceable as a subordination agreement within the meaning of Section 510 of the Bankruptcy Code.

(b) Proof of Claim; Voting.

(i) In the event of any Insolvency Proceeding, if Subordinated Creditor has not filed any proof of claim or other instrument of similar character necessary to enforce the obligations of any Loan Party in respect of the Subordinated Indebtedness (a "Proof of Claim") 10 days before the expiration of the time to file the same, then and in such event, but only in such event, the Senior Agent may (but shall not be required to), as attorney-in-fact for Subordinated Creditor, duly file such Proof of Claim, and Subordinated Creditor, by its acceptance of the Subordinated Indebtedness, appoints the Senior Agent as an attorney-in-fact for Subordinated Creditor for the limited purpose of filing any such Proof of Claim in accordance with the terms of this Section 5(b). In the event the Senior Agent makes any filing in accordance with the authority granted hereby, Subordinated Creditor shall not be entitled to amend or otherwise modify such filing without the prior written consent of the Senior Agent.

(ii) Without limiting the covenants of Subordinated Creditor in this Section 5 but subject to the specific rights of Subordinated Creditor set forth in this Section 5, in no event shall Subordinated Creditor support or vote in favor of any plan of reorganization (and each shall be deemed to have voted to reject any plan of reorganization) unless such plan (A) provides for the Final Payment of all Senior Indebtedness or (B) is accepted by the class of holders of the Senior Indebtedness voting thereon and is supported by Senior Agent.

(c) Financing. If, at any time prior to the Final Payment of the Senior Indebtedness, any Grantor shall be subject to any Insolvency Proceeding and Senior Agent consents to the use of cash collateral (as such term is defined in Section 363(a) of the Bankruptcy Code, "Cash Collateral") on which Senior Agent has a Lien or permits any Grantor to obtain financing under Section 364 of the Bankruptcy Code or any similar bankruptcy law (such financing, a "DIP Financing"), then Subordinated Creditor shall consent to, and raise no objection to such Cash Collateral use or DIP Financing. Subordinated Creditor shall not, directly or indirectly, provide or offer to provide, any DIP Financing to any Grantor, or support any DIP Financing to any Grantor that is offered or proposed by a Person other than Senior Agent or Senior Creditors.

(d) Sales. Until the Final Payment of the Senior Indebtedness, Subordinated Creditor will consent, and will not object to or oppose a motion to Dispose of any Collateral free and clear of the Liens or other claims in favor of Subordinated Creditor under Section 363 of the Bankruptcy Code if Senior Agent has consented to such Disposition of such assets.

(e) Relief from the Automatic Stay. Until the Final Payment of the Senior Indebtedness, Subordinated Creditor agrees not to (i) seek (or support any other person seeking) relief from the automatic stay or any other stay in any Insolvency Proceeding in respect of the Collateral, without the prior written consent of Senior Agent, or (ii) oppose any request by the Senior Agent or any Senior Creditor to seek relief from the automatic stay or any other stay in any Insolvency Proceeding in respect of the Collateral.

(f) Adequate Protection. In any Insolvency Proceeding involving a Grantor, Subordinated Creditor agrees that, until the Final Payment of the Senior Indebtedness, it shall not contest (or support any other Person contesting) (i) any request by Senior Agent or other Senior Creditors for adequate protection with respect to the Senior Creditors' rights in the Collateral or (ii) any objection by Senior Agent or Senior Creditors to any motion, relief, action, or proceeding based on Senior Agent or other Senior Creditors claiming a lack of adequate protection.

(g) Waivers. Subordinated Creditor shall not object to, oppose, take any action or vote in any way so as to directly or indirectly challenge or contest (in an Insolvency Proceeding or otherwise) (i) any claim by Senior Agent or any Senior Creditor for allowance in any Insolvency Proceeding of Senior Indebtedness consisting of post-petition interest, fees, or expenses, (ii) the validity, perfection, priority or the enforceability of the Senior Credit Agreement, the other Senior Documents or the Liens granted to Senior Agent and the Senior Creditors with respect to the Senior Indebtedness, (iii) the validity or enforceability of the subordination provisions contained in this Agreement or (iv) the rights and duties of Senior Agent and the Senior Creditors established in the Senior Credit Agreement or any other Senior Document to the extent such rights and duties are not, and/or have not been exercised in a manner, prohibited by any of the terms of this Agreement. At any time prior to the Final Payment of the Senior Indebtedness, nothing contained herein shall prohibit or in any way limit Senior Agent or any Senior Creditor from objecting in any Insolvency Proceeding to any action taken by Subordinated Creditor, including the assertion by Subordinated Creditor of any of its rights and remedies under the Subordinated Documents.

(h) Avoidance Issues. If any Senior Creditor is required in any Insolvency Proceeding or otherwise to turn over, disgorge or otherwise pay to the estate of any Grantor any amount paid (a “Recovery”) in respect of Senior Indebtedness, then such Senior Creditors shall be entitled to a reinstatement of the Senior Indebtedness with respect to all such recovered amounts, and all rights, interests, priorities and privileges recognized in this Agreement shall apply with respect to any such Recovery. If this Agreement shall have been terminated prior to such Recovery, this Agreement shall be reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair, or otherwise affect the obligations of the parties hereto from such date of reinstatement.

(i) Plan of Reorganization. If, in any Insolvency Proceeding, debt obligations of the reorganized debtor are distributed pursuant to a plan of reorganization or similar dispositive restructuring plan, both on account of the Senior Indebtedness and on account of the Subordinated Indebtedness, then, the provisions of this Agreement will survive the distribution of such debt obligations pursuant to such plan and will apply with like effect to such debt obligations. Nothing in this Agreement prohibits or limits the right of Subordinated Creditor to receive and retain any Restructuring Securities that are issued by a reorganized debtor pursuant to a confirmed plan of reorganization or similar dispositive restructuring plan in connection with an Insolvency Proceeding, so long as (i) in the case of equity securities, if such equity securities provide for mandatory redemption or mandatory dividend payments, the payment thereof shall be in accordance with, and subject to the relative priorities provided in, this Agreement and (ii) in the case of debt securities, any payment and Liens in respect of such debt securities shall be in accordance with, and subject to the relative priorities provided in, this Agreement.

6. Representations and Warranties.

(a) Loan Parties. As of the date hereof, each Loan Party hereby represents and warrants that (i) the Senior Agent has been furnished with true and correct copies of all instruments and securities evidencing the Subordinated Indebtedness, (ii) the aggregate principal amount of the Subordinated Indebtedness outstanding as of the date hereof is \$10,640,020 (the “Effective Date Amount”), and (iii) this Agreement has been duly executed and delivered by such Loan Party and constitutes a legal, valid and binding obligation of such Loan Party, enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws from time to time in effect affecting generally the enforcement of creditors’ rights and remedies and general principles of equity.

(b) Subordinated Creditor. Subordinated Creditor represents and warrants to the Senior Creditors that (i) Subordinated Creditor is a nonprofit corporation, duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, (ii) Subordinated Creditor has full power and authority to enter into, execute, deliver and carry out the terms of this Agreement, all of which have been duly authorized by all proper and necessary action, (iii) the execution of this Agreement by Subordinated Creditor will not violate or conflict with the organizational documents of Subordinated Creditor or, to the knowledge of Subordinated Creditor, any law, regulation or order applicable to Subordinated Creditor, or, to the knowledge of Subordinated Creditor, require any consent or approval which has not been obtained, (iv) this Agreement has been duly executed and delivered by Subordinated Creditor and constitutes a legal, valid and binding obligation of Subordinated Creditor, enforceable against Subordinated Creditor in accordance with its terms, except to the extent that the enforceability thereof may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws from time to time in effect affecting generally the enforcement of creditors’ rights and remedies and general principles of equity, (v) Subordinated Creditor is the sole owner, beneficially and of record, of the Subordinated Indebtedness, and (vi) the Subordinated Indebtedness is, and at all times prior to the termination of this Agreement shall remain, an unsecured obligation of the Parent.

(c) Senior Agent. Senior Agent represents and warrants to Subordinated Creditor that as of the date hereof: (i) it is duly formed, validly existing and in good standing under the laws of the state or jurisdiction of its organization, (ii) it has full power and authority to enter into, execute, deliver and carry out the terms of this Agreement, all of which have been duly authorized by all proper and necessary action, (iii) the execution of this Agreement by Senior Agent will not violate or conflict with its organizational documents, any material agreement binding upon Senior Agent or any law, regulation or order or require any consent or approval which has not been obtained, and (iv) this Agreement has been duly executed and delivered by Senior Agent and constitutes a legal, valid and binding obligation of Senior Agent, enforceable against Senior Agent in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally or by equitable principles.

7. Affirmative and Negative Covenants. Until all of the Senior Indebtedness has been Finally Paid, without the prior written consent of Senior Lenders: (a) no Loan Party shall discharge the Subordinated Indebtedness other than in accordance with its terms and the terms hereof; (b) Subordinated Creditor shall not demand or accept from any Loan Party or other Person any consideration which would result in a discharge of the Subordinated Indebtedness other than in accordance with its terms and the terms hereof; (c) Subordinated Creditor shall not hereafter give any subordination in respect of the Subordinated Indebtedness; (d) no Loan Party shall hereafter issue any instrument, security or other writing evidencing any part of the Subordinated Indebtedness, and Subordinated Creditor shall not receive any such writing, except upon the condition that such instrument, security or other writing shall bear the legend referred to herein and a complete copy thereof shall be furnished to Senior Agent; and (e) neither any Loan Party nor Subordinated Creditor shall take any action contrary to Senior Agent's and Senior Lenders' priority position over Subordinated Creditor that is created by this Agreement. In addition to the foregoing, Subordinated Creditor acknowledges and agrees that: (i) the Senior Creditors have relied on the terms and provisions of this Agreement in executing and delivering the Senior Documents and in making the extensions of credit contemplated thereby and shall continue to rely on such terms and provisions in making extensions of credit from time to time pursuant to the Senior Documents, and (ii) Subordinated Creditor shall not contest or challenge (or support any other Person in contesting or challenging) (A) the validity, perfection, priority or enforceability of the Senior Indebtedness, the Senior Documents or any Liens of the Senior Agent and the Senior Lenders in the Collateral securing the Senior Indebtedness or (B) the validity or enforceability of the subordination provisions contained in this Agreement.

8. Obligation of Loan Parties Unconditional. The provisions hereof are solely for the purpose of defining the relative rights of the holders of Senior Indebtedness, on the one hand, and Subordinated Creditor, on the other hand, and nothing contained herein is intended to or shall impair, as between the Loan Parties, on the one hand, and Subordinated Creditor, on the other hand, the obligation of the Loan Parties, which are absolute and unconditional, to pay the Subordinated Indebtedness as and when the same shall become due and payable in accordance with its terms, or to affect the relative rights of Subordinated Creditor and creditors of the Loan Parties, other than the Senior Lenders. The failure to make any payment with respect to the Subordinated Indebtedness by reason of this Agreement shall not be construed as preventing the occurrence of a default under any Subordinated Document.

9. Amendments of the Credit Documents.

(a) Subordinated Documents. Until the Senior Indebtedness has been Finally Paid, Subordinated Creditor agrees that it will not, without the prior written consent of the Senior Agent, amend or modify in any manner whatsoever the Subordinated Documents the effect of which is to (i) increase the maximum principal amount of the Subordinated Indebtedness (other than to the extent permitted by the Senior Credit Agreement and as a result of PIK Payments), (ii) increase the yield payable on any of the Subordinated Indebtedness (it being understood that invoking the default rate set forth in the Subordinated Documents on the date hereof shall not be restricted hereunder), (iii) accelerate the dates upon which payments of principal or interest on the Subordinated Indebtedness are due, (iv) add or make more burdensome, in any material respect, any covenant or event of default with respect to the Subordinated Indebtedness, (v) make more burdensome the redemption or prepayment provisions of the Subordinated Indebtedness (other than notice or other provisions that do not involve payments), (vi) change or amend any other term of the Subordinated Documents if such change or amendment would increase in any material respect the obligations of the Loan Parties or confer additional material rights on Subordinated Creditor in a manner adverse to the Loan Parties or Senior Lenders, or (vii) take any Liens in the Collateral or any other assets securing Senior Indebtedness. The Subordinated Indebtedness may be Refinanced to the extent the terms and conditions of such Refinanced indebtedness are not less favorable (as determined by the Senior Lenders in their reasonable discretion) in the aggregate to the Senior Lenders than the terms and conditions of the Subordinated Documents as in effect on the date hereof (with such amendments as are permitted under this Section 10); provided, that (A) the maturity date thereof is the same or later than the maturity date of the Subordinated Documents as in effect on the date hereof, (B) prior to consummation of such Refinancing the holders of such Refinanced indebtedness shall have become party to this Agreement (pursuant to a joinder in form and substance reasonably satisfactory to Senior Agent), and (C) such Refinanced indebtedness shall be Subordinated Indebtedness, and the documents evidencing such Refinanced indebtedness shall be Subordinated Documents, for all purposes hereunder.

(b) Senior Documents. The Senior Lenders and the Loan Parties may modify, amend, restate, supplement, replace, Refinance, restructure or otherwise modify the Senior Documents, or waive any of the provisions thereof, in any manner whatsoever, all without consent of, or notice to, Subordinated Creditor without affecting the subordination set forth in this Agreement or the liabilities and obligations of Subordinated Creditor hereunder. Any Refinancing of the Senior Indebtedness shall be subject to the restrictions set forth in the preceding sentence. Additionally, (A) prior to consummation of any Refinancing of the Senior Indebtedness, the holders of such Refinanced indebtedness shall have become party to this Agreement (pursuant to a joinder in form and substance reasonably satisfactory to Subordinated Creditor), and (B) such Refinanced indebtedness shall be Senior Indebtedness, and the documents evidencing such Refinanced indebtedness shall be Senior Documents, for all purposes hereunder.

10. Continued Effectiveness. No right of any present or future holder of any Senior Indebtedness to enforce the subordination as provided herein shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of any Loan Party or other Grantor; by any act or failure to act by any such holder; by any act or failure to act by any other holder of the Senior Indebtedness; or by any noncompliance by any Loan Party or other Grantor with the terms hereof, regardless of any knowledge thereof with which any such holder may have or be otherwise charged. Subordinated Creditor shall not be released, nor shall Subordinated Creditor's obligation hereunder be in any way diminished, by any of the following: (a) the exercise or the failure to exercise by any Senior Creditor of any rights or remedies conferred on it or them under the Senior Documents, hereunder or existing at law, or against any of the Collateral; (b) the commencement of an action at law or the recovery of a judgment at law against any Loan Party or any obligor ("Obligor") for the performance of the Senior Indebtedness and the enforcement thereof through levy or execution or otherwise; (c) the taking or institution or any other action or proceeding against any Loan Party or any Obligor; (d) any lack of validity or enforceability of any Senior Document or any other agreement or instrument related thereto; (e) any delay in taking, pursuing, or exercising any of the foregoing actions, rights, powers, or remedies (even though requested by Subordinated Creditor) by any Senior Lender or anyone acting for any Senior Lender; or (f) any other circumstance which might otherwise constitute a defense available to, or a discharge of, any Obligor in respect of the Senior Indebtedness or Subordinated Creditor or the Obligors in respect of this Agreement. Without limiting the generality of the foregoing, and anything else contained herein to the contrary notwithstanding, Senior Creditors, from time to time, without prior notice to or the consent of Subordinated Creditor, may take all or any of the following actions without in any manner affecting or impairing the obligation or liability of Subordinated Creditor hereunder: (i) obtain a Lien or a security interest in any property to secure any of the Senior Indebtedness; (ii) obtain the primary and secondary liability of any party or parties with respect to any of the Senior Indebtedness; (iii) subject to Section 10(b) hereof, renew, extend, or otherwise change the time for payment of the Senior Indebtedness or any installment thereof for any period; (iv) release or compromise any liability of any nature of any Person or entity with respect to the Senior Indebtedness; (v) exchange, enforce, waive, release, and apply any of the Collateral and direct the order or manner of sale thereof as Senior Agent may in its discretion determine; (vi) enforce their respective rights hereunder, whether or not such Senior Lender shall proceed against any other Person or entity; (vii) exercise their respective rights to consent to any action or non-action of any Loan Party which may violate the covenants and agreements contained in the Senior Documents, with or without consideration, on such terms and conditions as may be acceptable to them; (viii) exercise any of their respective rights conferred by the Senior Documents or by law; or (ix) subject to Section 10(b) hereof, amend or modify in any manner the Senior Credit Agreement or other Senior Documents.

11. Waivers. To the fullest extent permitted by law and except as to any notice specified in this Agreement, any notice which may not be waived in accordance with the UCC, or, with respect to the Loan Parties, any notice expressly required under the Senior Documents, each Loan Party and Subordinated Creditor hereby further waives: presentment, demand, protest, notice of protest, notice of default or dishonor, notice of payment or nonpayment and any and all other notices and demands of any kind in connection with all negotiable instruments evidencing all or any portion of the Senior Indebtedness or the Subordinated Indebtedness to which such Loan Party or Subordinated Creditor may be a party; prior notice of and consent to any loans made, extensions granted or other action taken in reliance thereon; and all other demands and notices of every kind in connection with this Agreement, the Senior Indebtedness or the Subordinated Indebtedness. Subordinated Creditor further waives, to the extent permitted by applicable law, any rights it may have under applicable law to assert the doctrine of marshaling or otherwise to require the Senior Lenders to marshal any Collateral for the benefit of Subordinated Creditor.

12. Cumulative Remedies; Indulgences Not Waivers; Specific Performance. Each right, remedy and power granted to Senior Agent and Senior Creditors hereunder shall be cumulative and in addition to any other right, remedy or power specifically granted herein, in the Senior Documents or now or hereafter existing in equity, at law, by virtue of statute or otherwise, and may be exercised by Senior Agent or Senior Creditors, from time to time, concurrently or independently and as often and in such order as Senior Agent and/or Senior Creditors may deem expedient. Neither the failure nor any delay on the part of any Senior Creditor to exercise any right, remedy, power or privilege hereunder shall operate as a waiver thereof or give rise to an estoppel, nor be construed as an agreement to modify the terms of this Agreement, nor shall any single or partial exercise of any right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No waiver of a right or obligation hereunder by a party hereunder shall be effective unless it is in writing and signed by the party making such waiver, and then only to the extent specifically stated in such writing. Should Subordinated Creditor in any way take, attempt to, or threaten to take any action contrary to terms of this Agreement, including with respect to the Collateral, or fail to take any action required by this Agreement, Senior Agent or any Senior Creditor may seek relief against Subordinated Creditor by injunction, specific performance, or other appropriate equitable relief, it being understood and agreed that (a) Senior Creditors' damages from such actions may at that time be difficult to ascertain and may be irreparable, and (b) Subordinated Creditor waives any defense that such Grantor and/or Senior Creditors cannot demonstrate damage and/or be made whole by the awarding of damages. Subordinated Creditor hereby irrevocably waives any defense based on the adequacy of a remedy at law and any other defense which might be asserted to bar the remedy of specific performance in any action which may be brought by Senior Agent or Senior Creditors.

13. Inconsistent or Conflicting Provisions. In the event a provision of the Senior Documents or the Subordinated Documents is inconsistent or conflicts with the provisions of this Agreement, the provisions of this Agreement shall govern and prevail.

14. Notices. All notices, requests, demands and other communications required or permitted under this Agreement or by law shall be in writing and may be personally served or sent by facsimile, overnight courier service or certified or registered United States mail and shall be deemed to have been duly given, made and received (a) if delivered in person, when delivered; (b) if delivered by facsimile, on the date of transmission if transmitted on a Business Day before 5:00 p.m. (New York City time) or, if not, on the next succeeding Business Day; (c) if delivered by overnight courier, one Business Day after delivery to such courier properly addressed with courier fees prepaid; or (d) if by United States mail, 3 Business Days after deposit in the United States mail, postage prepaid and properly addressed as set forth below.

If to Senior Agent or any Senior Creditor:

PNC Bank, National Association
200 South Wacker Drive, Suite 600
Chicago, Illinois 60606
Attention: Portfolio Manager
Telephone: (312) 454-2901
Facsimile: (312) 454-2919

with a copy to:

Blank Rome LLP
The Chrysler Building
405 Lexington Avenue
New York, NY 10174-0208
Attention: Michael J. Loesberg, Esq.
Telephone: (212) 885-5000
Facsimile: (212) 885-5001

If to Subordinated Creditor:

Thrivent Financial for Lutherans
625 Fourth Avenue South
Minneapolis, MN 55415
Attention: Jenna Jenson and Geoff Huber
Email: Jenna.Jenson@Thrivent.com
Geoff.Huber@Thrivent.com
BoxThriventLimitedPartners@Thrivent.com

with a copy to:

Fredrikson & Byron, P.A.
200 South Sixth Street, Suite 4000
Minneapolis, MN 55402-1425
Attention: Leigh-Erin Irons
Facsimile: (612) 492-7077
Email: liron@fredlaw.com

If to any Loan Party:

GEE Group Inc.
12950 Race Track Rd., Suite 216
Tampa, FL 33626
Attention: Andrew J. Norstrud, CFO
Telephone: (813) 803-8275
Email: andrew.norstrud@geegroup.com

with a copy to:

McDermott Will & Emery LLP
340 Madison Avenue
New York, NY 10173-1922
Attention: John J. Sullivan, Esq.
Telephone: (212) 547 5567
Email: jsullivan@mwe.com

Any addressee may alter the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section for the giving of notice.

15. Benefit. Subordinated Creditor acknowledges that Senior Creditors would not have consented to the incurrence of the Subordinated Indebtedness but for the execution of this Agreement; therefore, Subordinated Creditor has received good, sufficient and adequate consideration for the making of this Agreement. Except as expressly provided in this Agreement, this Agreement is solely for the benefit of the Senior Creditors, Subordinated Creditor and their respective successors, participants and assigns, and no other person shall have any right, benefit, priority or interest under, or because of the existence of, this Agreement.

16. Entire Agreement. This Agreement constitutes and expresses the entire understanding between the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, inducements or conditions, whether express or implied, oral or written. Neither this Agreement nor any portion or provision hereof may be changed, waived or amended orally or in any manner other than by an agreement in writing signed by Senior Agent, Subordinated Creditor and the Loan Parties.

17. Additional Documentation. Each Loan Party and Subordinated Creditor shall execute and deliver to Senior Agent such further instruments and shall take such further action as Senior Lenders may at any time or times reasonably request in order to carry out the provisions and intent of this Agreement.

18. Successors and Assigns. This Agreement shall inure to the benefit of each Senior Creditor and Subordinated Creditor and their respective successors and assigns, and shall be binding upon each Loan Party, Senior Creditor and Subordinated Creditor and their respective successors and assigns, including any subsequent holders of the Senior Indebtedness or Subordinated Indebtedness. All references to Borrowers, Loan Parties and Grantors shall include such Person as debtor and debtor-in-possession and any receiver or trustee for any such Person in any Insolvency Proceeding. Each Senior Lender, without prior notice or consent of any kind, may sell, assign or transfer the Senior Indebtedness in accordance with the Senior Credit Agreement, and in such event each and every immediate and successive assignee or transferee thereof may be given the right by such Senior Lender to enforce this Agreement in full against each Loan Party and Subordinated Creditor, by suit or otherwise, for its own respective benefit; provided, that such successor, assignee or transferee agrees to be bound by the terms of this Agreement. Subordinated Creditor may not sell, assign or transfer the Subordinated Indebtedness without the prior consent of Senior Agent; provided, that prior to the consummation of any such transfer or assignment, the transferee thereof shall have become party to this Agreement (pursuant to a joinder in form and substance reasonably satisfactory to Senior Agent) to provide for the continued subordination of the Subordinated Indebtedness to the Senior Indebtedness as provided herein and for the continued effectiveness of all of the rights of the Senior Lenders arising under this Agreement; provided, further, that notwithstanding the failure of Subordinated Creditor to comply with the foregoing and the failure of any transferee to execute or deliver such joinder agreement, the subordination effected hereby shall survive any sale, assignment, pledge, Disposition or other transfer of all or any portion of the Subordinated Indebtedness, and the terms of this Agreement shall be binding upon the successors and assigns of Subordinated Creditor.

19. Subrogation. At such time as the Senior Indebtedness has been Finally Paid (and is not subject to avoidance under Section 547 of the Bankruptcy Code), Subordinated Creditor shall be subrogated, to the extent of the Senior Indebtedness so paid, to the rights of the holder of the Senior Indebtedness to receive Distributions until all amounts owing on the Subordinated Indebtedness shall be paid in full. For the purpose of such subrogation no Distributions to the holders of the Senior Indebtedness by or on behalf of such Loan Party or Subordinated Creditor by virtue of the provisions hereof which otherwise would have been made to Subordinated Creditor shall, as between the Loan Party, a creditor of such Loan Party (other than Subordinated Creditor and the Senior Lenders), and Subordinated Creditor, be deemed to be payment by such Loan Party to or on account of the Subordinated Indebtedness; it being understood that the provisions of this Agreement are, and are intended solely, for the purpose of defining the relative rights of Subordinated Creditor, on the one hand, and the Senior Lenders, on the other hand.

20. Termination; Reinstatement. This Agreement shall continue and shall be irrevocable until the earlier of (a) the date on which all of the Senior Indebtedness has been Finally Paid or otherwise discharged and released in writing by the Senior Lenders and (b) the date on which Senior Agent has received evidence reasonably satisfactory to Senior Agent of the satisfaction, in the form of common Equity Interests of the Parent, of all of the Parent's obligations under the Subordinated Note, together with a termination and release agreement reasonably satisfactory to Senior Agent with respect to the Subordinated Documents, duly executed by the Parent and Subordinated Creditor; provided, that, in the case of any termination of this Agreement under the preceding clause (a), (i) the obligations of Subordinated Creditor under this Agreement shall continue to be effective, or be reinstated, as the case may be, if at any time any payment in respect of any Senior Indebtedness is rescinded, set aside or is otherwise required to be restored or returned by Senior Agent or any Senior Creditor by reason of any bankruptcy, reorganization, arrangement, composition or similar proceeding, such payment being declared fraudulent or preferential, or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, any Loan Party or any substantial part of its respective property, or otherwise, all as though such payment had not been made and (ii) Section 19 hereof shall continue in full force and effect until the Subordinated Indebtedness is paid in full. Subordinated Creditor agrees that it shall not be entitled to benefit from any avoidance action affecting or otherwise relating to any distribution or allocation made in accordance with this Agreement, whether by preference or otherwise, it being understood and agreed that the benefit of such avoidance action otherwise allocable to it shall instead by allocated and turned over for application in accordance with the priorities set forth in this Agreement.

21. Governing Law. THE VALIDITY, CONSTRUCTION AND ENFORCEMENT OF THIS AGREEMENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW) THEREOF. EACH LOAN PARTY AND SUBORDINATED CREDITOR HEREBY AGREE THAT ALL ACTIONS OR PROCEEDINGS INITIATED BY ANY LOAN PARTY OR SUBORDINATED CREDITOR AND ARISING DIRECTLY OR INDIRECTLY OUT OF THIS AGREEMENT SHALL BE LITIGATED IN THE STATE AND FEDERAL COURTS LOCATED IN NEW YORK COUNTY, NEW YORK OR, IF SENIOR AGENT OR ANY SENIOR CREDITOR INITIATES SUCH ACTION, IN ADDITION TO THE FOREGOING COURTS, ANY COURT IN WHICH SENIOR AGENT OR SUCH SENIOR CREDITOR SHALL INITIATE SUCH ACTION, TO THE EXTENT SUCH COURT HAS JURISDICTION. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR HEREBY EXPRESSLY SUBMITS AND CONSENTS IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR PROCEEDING COMMENCED IN ACCORDANCE WITH THE FOREGOING AND HEREBY WAIVES ANY CLAIM THAT SUCH COURTS ARE AN INCONVENIENT FORUM OR AN IMPROPER FORUM BASED UPON LACK OF VENUE. THE EXCLUSIVE CHOICE OF FORUM AS SET FORTH IN THIS SECTION SHALL NOT BE DEEMED TO PRECLUDE THE ENFORCEMENT, BY SENIOR AGENT OR SENIOR CREDITORS, OF ANY JUDGMENT OBTAINED IN ANY OTHER FORUM OR THE TAKING, BY SENIOR AGENT OR SENIOR CREDITORS, OF ANY ACTION TO ENFORCE THE SAME IN ANY OTHER APPROPRIATE JURISDICTION, AND EACH LOAN PARTY AND SUBORDINATED CREDITOR HEREBY WAIVE THE RIGHT TO COLLATERALLY ATTACK SUCH JUDGMENT OR ACTION.

22. Jury Trial. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR HEREBY WAIVES ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING HEREUNDER OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS TRANSACTION. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 22 AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS HERETO. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

23. Severability. The provisions of this Agreement are independent of and separable from each other. If any provision hereof shall for any reason be held invalid or unenforceable, it is the intent of the parties that such invalidity or unenforceability shall not affect the validity or enforceability of any other provision hereof, and that this Agreement shall be construed as if such invalid or unenforceable provision had never been contained herein.

24. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by telecopier or electronic mail shall be equally as effective as delivery of an original executed counterpart of this Agreement.

25. Headings. The section headings used in this Agreement are for convenience only and shall not affect the interpretation of any of the provisions hereof.

26. Disclosures, Non-Reliance. Each Senior Creditor and Subordinated Creditor has the means to, and shall in the future remain, fully informed as to the financial condition and other affairs of each Loan Party and no Senior Creditor or Subordinated Creditor shall have any obligation or duty to disclose any such information to any other Senior Creditor or Subordinated Creditor, as the case may be. Except as expressly set forth in this Agreement, the parties hereto have not otherwise made to each other nor do they hereby make to each other any warranties, express or implied, nor do they assume any liability to each other with respect to: (a) the enforceability, validity, value or collectability of any of the Subordinated Indebtedness or the Senior Indebtedness or any collateral or guaranty which may have been granted to any of them in connection therewith, (b) the title to or right to any Collateral by any Loan Party or (c) any other matter except as expressly set forth in this Agreement.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

SUBORDINATED CREDITOR:

THRIVENT FINANCIAL FOR LUTHERANS

By: /s/ Geoff Huber

Name: Geoff Huber

Title: Senior Managing Director

[Signature Page to Subordination and Intercreditor Agreement (Thrivent Financial for Lutherans)]

SENIOR AGENT:

PNC BANK, NATIONAL ASSOCIATION, as
Administrative Agent and Collateral Agent

By: /s/ Walt Hill

Name: Walt Hill

Title: Senior Vice President

[Signature Page to Subordination and Intercreditor Agreement (Thrivent Financial for Lutherans)]

ACKNOWLEDGED AND AGREED:

BORROWERS:

GEE GROUP INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

SCRIBE SOLUTIONS INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

AGILE RESOURCES, INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

ACCESS DATA CONSULTING
CORPORATION

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

TRIAD PERSONNEL SERVICES, INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

TRIAD LOGISTICS, INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

PALADIN CONSULTING, INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

BMCH, INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

GEE GROUP PORTFOLIO INC.

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

SNI COMPANIES

By: /s/ Andrew J. Norstrud
Name: Andrew J. Norstrud
Title: CFO

[Signature Page to Subordination and Intercreditor Agreement (Thrivent Financial for Lutherans)]

SUBORDINATION AND INTERCREDITOR AGREEMENT

This Subordination AND INTERCREDITOR Agreement (this "Agreement") is entered into as of March 31, 2017, by and among PNC Bank, National Association, as administrative agent and collateral agent for the Senior Lenders referred to below ("Senior Agent"), Shane Parr ("Subordinated Creditor"), GEE Group Inc., an Illinois corporation (the "Parent"), each Subsidiary of the Parent listed as a "Borrower" on the signature pages hereto (together with the Parent and each Person joined hereto as a borrower from time to time, collectively, the "Borrowers" and each a "Borrower"), each Subsidiary of the Parent listed as a "Guarantor" on the signature pages hereto (together with each other Person joined hereto as a guarantor from time to time, collectively, the "Guarantors", and each a "Guarantor", and together with the Borrowers, collectively, the "Loan Parties" and each a "Loan Party").

RECITALS

WHEREAS, Senior Agent, certain lenders from time to time party to the Senior Credit Agreement (collectively with the Senior Agent, the "Senior Lenders"), and the Loan Parties are party to that certain Revolving Credit, Term Loan and Security Agreement, dated as of the date hereof (such agreement, as amended, restated, supplemented, modified or otherwise changed from time to time, including any replacement agreement therefor, being hereinafter referred to as the "Senior Credit Agreement"), pursuant to which the Senior Lenders agreed to make certain term and revolving loans to the Borrowers;

WHEREAS, the Parent is party to (a) the 9.5% Convertible Subordinated Note dated April 3, 2017, in the original principal amount of \$208,985.06, and (b) the 9.5% Convertible Subordinated Note dated April 3, 2017, in the original principal amount of \$23,220.56 (such notes, as amended, restated, supplemented, modified or otherwise changed from time to time, including any replacement notes therefor, being hereinafter collectively referred to as the "Subordinated Note"), pursuant to which Subordinated Creditor agreed to make subordinated loans to the Parent; and

WHEREAS, it is a condition precedent to the Senior Lenders making any loan and/or providing any other financial accommodation to the Borrowers pursuant to the Senior Credit Agreement that Subordinated Creditor and the Loan Parties enter into this Agreement.

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Definitions.

(a) Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Senior Credit Agreement. The following terms shall have the meanings set forth below:

"Agreement" means this Subordination and Intercreditor Agreement, as amended, restated, renewed, extended, supplemented or otherwise modified from time to time.

“Bankruptcy Code” means Title 11 of the United States Code, as amended from time to time and any successor statute or any similar federal or state law for the relief of debtors.

“Collateral” means all of the property and assets and all interests therein and proceeds thereof now owned or hereafter acquired by any Grantor upon which a Lien is granted or purported to be granted by such Grantor as security for all or any part of the Senior Indebtedness.

“Debtor Relief Law” means the Bankruptcy Code and any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief law of the United States or other applicable jurisdiction from time to time in effect.

“DIP Financing” has the meaning specified therefor in Section 5(c) hereof.

“Disposition” or “Dispose” means any transaction, or series of related transactions, pursuant to which any Person or any of its Subsidiaries sells, assigns, transfers, leases, licenses (as licensor) or otherwise disposes of any property or assets (whether now owned or hereafter acquired) to any other Person, in each case, whether or not the consideration therefor consists of cash, securities or other assets owned by the acquiring Person.

“Distribution” means, with respect to any indebtedness or obligation, (a) any direct or indirect payment or distribution by any Person of cash, securities or other property, by set-off or otherwise, on account of such indebtedness or obligation, (b) any direct or indirect redemption, purchase or other acquisition of such indebtedness or obligation by any Person, or (c) any direct or indirect acquisition by any Borrower or any of its Affiliates of any equity or other interest in any Person that holds any such indebtedness or obligation.

“Effective Date Amount” has the specified therefor in Section 6(a) hereof.

“Enforcement Action” means any action to enforce or attempt to enforce any right or remedy available with respect to the Subordinated Indebtedness under the Subordinated Documents, applicable law or otherwise, including any action to (a) accelerate the maturity of, or demand as immediately due and payable, all or any part of the Subordinated Indebtedness, (b) exercise any put option, any right of mandatory redemption or any similar right or otherwise cause any Loan Party to honor any redemption or mandatory prepayment or any obligation to make an offer to repurchase under any Subordinated Document, (c) exercise any right of set-off, (d) realize or foreclose upon, repossess, sell or otherwise dispose of, liquidate, or otherwise restrict or interfere with the use of, any Collateral, (e) commence, continue or participate in (other than as a defendant or co-defendant (or in a comparable capacity) in defense of its own interests or in reply to any Insolvency Proceeding brought against Subordinated Creditor) any Insolvency Proceeding or other collection or enforcement action of any kind, against any Loan Party or any other Grantor (including any insolvency, bankruptcy, dissolution or liquidation proceeding), in any case, seeking, directly or indirectly, to enforce any rights or remedies, or to enforce any of the obligations incurred by the Loan Parties or other Grantors, under or in connection with the Subordinated Indebtedness or the Subordinated Documents, or (f) commence or pursue any judicial, arbitral or other proceeding or legal action of any kind, seeking injunctive or other equitable relief to prohibit, limit or impair the commencement or pursuit by the Senior Creditors of any of their rights or remedies under or in connection with the Senior Documents or otherwise available to the Senior Creditors under applicable law; provided, however, that the term “Enforcement Action” shall not include (i) if an Insolvency Proceeding has been commenced by or against any Grantor, subject to Section 5(b) hereof, filing of a Proof of Claim with respect to the Subordinated Indebtedness, (ii) any suit or action initiated or maintained to prevent the loss of a claim as a result of the running of any applicable statute of limitations or other similar restriction on claims, (iii) filing any necessary responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding, or other pleading made by any Person objecting to or otherwise seeking the disallowance of the claims of Subordinated Creditor, (iv) any non-judicial procedural actions that may be required or desired as a precondition to acceleration or relating to preservation of rights (such as giving a notice of default or reservation of rights (including acceleration subject to the terms of this Agreement)), (v) the automatic acceleration of the Subordinated Indebtedness upon the initiation of an Insolvency Proceeding under the Bankruptcy Code or (vi) conversion of the outstanding principal of and accrued interest on the Subordinated Indebtedness into common Equity Interests of the Parent pursuant to the Subordinated Note.

“Equity Interests” means (a) all shares of capital stock (whether denominated as common stock or preferred stock), equity interests, beneficial, partnership or membership interests, joint venture interests, participations or other ownership or profit interests in or equivalents (regardless of how designated) of or in a Person (other than an individual), whether voting or non-voting and (b) all securities convertible into or exchangeable for any of the foregoing and all warrants, options or other rights to purchase, subscribe for or otherwise acquire any of the foregoing, whether or not presently convertible, exchangeable or exercisable.

“Finally Paid” or “Final Payment,” when used in connection with the Senior Indebtedness means the full and final payment in immediately available funds of all of the Senior Indebtedness and the termination in writing of the Senior Lenders’ obligations to make loans or other advances or financial accommodations to the Loan Parties under the Senior Documents. The repayment of any Senior Indebtedness pursuant to a Refinancing permitted hereunder shall not constitute “Final Payment” of the Senior Indebtedness being Refinanced.

“Grantor” means any Loan Party or any other Person that may from time to time execute and deliver an agreement, document, or instrument pursuant to which a Lien is granted securing any Senior Indebtedness or Subordinated Indebtedness or under which rights or remedies with respect to such Liens are governed, as a “debtor,” “grantor,” or “pledgor” (or the equivalent thereof).

“Insolvency Proceeding” means any proceeding commenced by or against any Person under any provision of any Debtor Relief Law.

“Lien” means any mortgage, deed of trust, pledge, lien (statutory or otherwise), security interest, charge or other encumbrance or security or preferential arrangement of any nature, including any conditional sale or title retention arrangement, any capitalized lease and any assignment, deposit arrangement or financing lease intended as, or having the effect of, security.

“Loan Party” has the meaning specified therefor in the preamble hereto.

“Obligor” has the meaning specified therefor in Section 10 hereof.

“Permitted Payments” means, with respect to the Subordinated Indebtedness, payment of (a) common Equity Interests of the Parent in connection with (i) the payment of interest under Section 2 of the Subordinated Note or (ii) the conversion of the outstanding principal of and accrued interest on the Subordinated Indebtedness into common Equity Interests of the Parent pursuant to Section 4 of the Subordinated Note, (b) Restructuring Securities in connection with an Insolvency Proceeding, (c) PIK Payments, and (d) from January 1, 2018, through and including December 31, 2018, such amounts (not exceeding the Effective Date Amount) as are permitted to be paid by the Loan Parties under Section 7.17(b) (iv) of the Senior Loan Agreement.

“Person” means an individual, corporation, limited liability company, partnership, association, joint-stock company, trust, unincorporated organization, joint venture or other enterprise or entity or Governmental Authority.

“PIK Payments” means payments of interest as required by the Subordinated Documents (as in effect on the date hereof or amended in accordance with the terms hereof) that are in the form of additional Subordinated Notes (or the increase of the principal amount of the Subordinated Notes), and the accrual or capitalization of interest otherwise prohibited by the terms of this Agreement, in each case, in lieu of cash payments and that are in all respects subordinate and junior in right of payment to the Senior Indebtedness to at least the same extent as the Subordinated Indebtedness as set forth in this Agreement.

“Proof of Claim” has the meaning specified therefor in Section 5(b) hereof.

“Recovery” has the meaning specified therefor in Section 5(h) hereof.

“Refinance” means, in respect of any Senior Indebtedness or Subordinated Indebtedness, to refinance, extend, renew, defease, restructure, replace, refund or repay, or to issue other indebtedness, in exchange or replacement for, such indebtedness in whole or in part in accordance with the terms of this Agreement. “Refinanced” and “Refinancing” shall have correlative meanings.

“Restructuring Securities” means any debt or equity securities that are distributed to Subordinated Creditor in respect of the Subordinated Indebtedness pursuant to a confirmed plan of reorganization or adjustment and that (a) are subordinated in right of payment to the Senior Indebtedness (or any debt or equity securities issued in substitution of all or any portion of the Senior Indebtedness) to at least the same extent as the Subordinated Indebtedness is subordinated to the Senior Indebtedness pursuant to the terms of this Agreement (including, with respect to any covenants, defaults or other provisions that have corresponding provisions in the Senior Documents, with cushions consistent with the cushions included on the date hereof), (b) do not have the benefit of any obligation of any entity (whether as issuer, guarantor or otherwise) unless the Senior Indebtedness has a prior right to the same benefit of the obligation of such entity, and (c) do not have any terms, and are not subject to or entitled to the benefit of any agreement or instrument that has terms, that are more burdensome to the issuer of or other obligor on such debt or equity securities than are the terms of the Senior Indebtedness (or any debt or equity securities issued in substitution of all or any portion of the Senior Indebtedness).

“Senior Agent” has the meaning specified therefor in the Recitals hereto.

“Senior Creditors” means the Senior Agent, the Senior Lenders and any other Person who holds Senior Indebtedness.

“Senior Documents” means the Senior Credit Agreement and the other “Loan Documents” as such term is defined in the Senior Credit Agreement and shall include this Agreement, in each case, as the same may be amended, modified, restated or Refinanced from time to time.

“Senior Credit Agreement” has the meaning specified therefor in the Recitals hereto.

“Senior Indebtedness” means all principal, interest and other Obligations at any time due and owing by any Loan Party to the Senior Lenders and/or any other Senior Creditors, or any of them, arising out of or incurred in connection with the Senior Documents or other documents executed in connection with the obligations thereunder (and any indebtedness which Refinances such principal, interest, fees (including any prepayment premium) or other Obligations), as modified, extended, renewed or restated, whether direct or contingent, and whether now existing or hereafter created. Senior Indebtedness shall include interest which accrues on the principal amount of the Senior Indebtedness, and expenses incurred, subsequent to the commencement of an Insolvency Proceeding, whether or not such interest or expenses is an allowed claim under applicable law.

“Senior Lenders” has the meaning specified therefor in the Recitals hereto.

“Subordinated Creditor” has the meaning specified therefor in the Preamble hereto.

“Subordinated Documents” means the Subordinated Note and any and all other documents, agreements, writings or instruments executed in connection therewith or pursuant thereto evidencing the amounts payable thereunder (other than, for the avoidance of doubt, the SNI Acquisition Agreement), in each case, as in effect on the date hereof and as amended, modified, restated or Refinanced in accordance with the terms hereof.

“Subordinated Indebtedness” means all indebtedness and other obligations of any Loan Party of any kind or nature whatsoever to Subordinated Creditor arising under or related to the Subordinated Documents, including all present and future loans, advances, debts, liabilities, obligations, and indebtedness otherwise owing by any Loan Party to Subordinated Creditor, whether evidenced by any note, guaranty or other instrument or document, whether absolute or contingent, due or to become due, including all interest, charges, expenses, fees, attorneys’ fees and any other sums chargeable to such Loan Party.

“Subordinated Note” has the meaning specified therefor in the Recitals hereto.

“UCC” means Article 9 of the Uniform Commercial Code, as in effect in any applicable jurisdiction.

(b) Terms Generally. The definitions of terms in this Agreement shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (ii) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (iii) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (iv) all references herein to Sections shall be construed to refer to Sections of this Agreement and (v) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any right or interest in or to assets and properties of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible.

2. Subordination.

(a) Subordination of Debt. Notwithstanding anything to the contrary in the Subordinated Documents, Subordinated Creditor hereby acknowledges the incurrence by the Loan Parties of the Senior Indebtedness and the consummation of each of the transactions contemplated by the Senior Documents, including the grant by each Loan Party of the Liens in favor of the Senior Agent for the benefit of the Senior Lenders. To the extent and the manner set forth in this Agreement, the Subordinated Indebtedness is hereby expressly made subordinate, junior and subject in right of payment to the Final Payment of the Senior Indebtedness. Such subordination is for the benefit of each present and future Senior Agent and Senior Lender, each of whom shall be entitled to enforce this Agreement as party hereto or as a third party beneficiary hereof. Each holder of Senior Indebtedness, whether now outstanding or hereafter incurred, shall be deemed to have acquired Senior Indebtedness in reliance upon the terms and provisions of this Agreement.

(b) Restriction on Payments. Notwithstanding anything in the Subordinated Documents to the contrary and in addition to any other limitations set forth herein or therein, except as expressly set forth in this Agreement, until the date on which the Senior Indebtedness is Finally Paid, no Loan Party shall make or agree to make and Subordinated Creditor shall not accept, take or receive, directly or indirectly, any Distribution on account of the Subordinated Indebtedness (other than, in connection with an Insolvency Proceeding, Restructuring Securities), and no Loan Party shall segregate or hold in trust money for any such Distribution. Notwithstanding anything to the contrary herein, the Loan Parties may make and Subordinated Creditor may receive Permitted Payments.

(c) Turnover. In the event that any Loan Party shall make or Subordinated Creditor shall collect any Distribution on account of the Subordinated Indebtedness in contravention of this Agreement (excluding Permitted Payments) (including in an Insolvency Proceeding), such payment or distribution shall not be commingled with any asset of Subordinated Creditor, shall be held in trust by Subordinated Creditor for the benefit of Senior Agent, and shall be promptly paid over to Senior Agent in precisely the form received by Subordinated Creditor (except for any necessary endorsement), for application to the payment of the Senior Indebtedness then remaining unpaid, until all of the Senior Indebtedness is Finally Paid. In the event Subordinated Creditor fails to pay over to Senior Agent any such Distribution, Senior Agent or any of its officers or employees are hereby irrevocably authorized on behalf of Subordinated Creditor to cause the same to be paid over.

3. Absence of Liens; Guaranties; Prohibition on Contesting Liens.

(a) Subordinated Creditor agrees that it does not have and will not acquire, without the prior written consent of the Senior Lenders, any Lien against any Loan Party, any other Grantor and/or any of the Collateral. If, notwithstanding the foregoing, Subordinated Creditor has or acquires any Lien of any kind against any Loan Party, any other Grantor and/or any of the Collateral, (i) any such Lien to which the Senior Lenders have not consented in writing shall be promptly released, discharged and terminated of record, and (ii) until released, discharged and terminated, such Lien shall be subordinate and subject to the Lien against any Loan Party, any other Grantor and/or the Collateral of the Senior Creditors arising from or out of the Senior Indebtedness, regardless of the order or time as of which any Lien attaches to any of the Collateral, the order or time of UCC filings or any other filings or recordings, the order or time of granting of any such Lien, or the physical possession of any of the Collateral, until the Senior Indebtedness is Finally Paid. Subordinated Creditor hereby appoints Senior Agent as its attorney-in-fact for purposes of releasing, discharging and terminating of record any such Lien (such appointment of Senior Agent as attorney-in-fact shall be deemed irrevocable until such time as the Senior Indebtedness has been Finally Paid).

(b) Guaranties. Subordinated Creditor shall not accept a guaranty from any Person with respect to any of the Subordinated Indebtedness unless such Person has given to Senior Agent, on behalf of the Senior Lenders, a like guaranty of the Senior Indebtedness and such Person's guaranty of the Subordinated Obligations is subordinate to such Person's guaranty of the Senior Indebtedness on the same terms and conditions contained herein.

(c) Prohibition on Contesting Liens. Subordinated Creditor, agrees that it will not (and hereby waives any right to), directly or indirectly, contest, or support any other person in contesting, in any proceeding (including any Insolvency Proceeding), the priority, validity, or enforceability of any Lien held by or on behalf of any Senior Creditor in the Collateral or the provisions of this Agreement; provided, however, that nothing in this Agreement shall be construed to prevent or impair the rights of Subordinated Creditor to enforce the terms of this Agreement.

4. Exercise of Remedies.

(a) Standstill. At any time that is prior to the Final Payment of the Senior Indebtedness, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, Subordinated Creditor will not exercise any Enforcement Action.

(b) Exclusive Enforcement Rights. At all times prior to the Final Payment of the Senior Indebtedness, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, Senior Agent and Senior Creditors shall have the exclusive right to exercise any Enforcement Action without any consultation with or the consent of Subordinated Creditor. Senior Agent and Senior Creditors may enforce the provisions of the Senior Documents and exercise remedies thereunder and related thereto, all in such order and in such manner as they may determine in the exercise of their sole discretion. Such exercise and enforcement shall include the rights of an agent appointed by them to Dispose of Collateral, to incur expenses in connection with such Disposition, and to exercise all the rights and remedies of a secured creditor under applicable law.

(c) Non-Interference. At all times prior to the Final Payment of the Senior Indebtedness, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, Subordinated Creditor, hereby:

(i) agrees it will not contest, protest, oppose or object to (or support any other Person contesting, protesting, opposing or objecting to) any Enforcement Action by Senior Agent or any Senior Creditor and that it will not otherwise take any action that would restrain, hinder, limit, delay, or otherwise interfere with any Enforcement Action by Senior Agent or any Senior Creditor, or that is otherwise prohibited hereunder;

(ii) waives any and all rights it may have to object to the manner in which Senior Agent or Senior Creditors seek to enforce or collect the Senior Indebtedness or the Liens securing the Senior Indebtedness, regardless of whether any action or failure to act by or on behalf of Senior Agent or Senior Creditors is adverse to the interest of Subordinated Creditor; and

(iii) acknowledges and agrees that no covenant, agreement or restriction contained in the Subordinated Documents shall be deemed to restrict in any way the rights and remedies of Senior Agent or Senior Creditors with respect to the Collateral as set forth in this Agreement and the Senior Documents.

(d) Legend. At the request of Senior Agent, Subordinated Creditor and the Loan Parties will the cause the Subordinated Note and any instrument or document issued after the date hereof by a Loan Party evidencing the Subordinated Indebtedness, if any, to be indorsed with substantially the following legend:

“Notwithstanding anything herein to the contrary, this [instrument/document] is subject to the terms and provisions of that certain Subordination and Intercreditor Agreement, dated as of March 31, 2017 (the “Subordination and Intercreditor Agreement”), by and among PNC Bank, National Association, as agent for certain lenders, Shane Parr and the other parties signatory thereto from time to time. In the event of any conflict between the provisions of this instrument and the Subordination and Intercreditor Agreement, the terms of the Subordination and Intercreditor Agreement shall govern.”

In the event any legend is omitted, Senior Agent, or any of its officers or employees, are hereby irrevocably authorized on behalf of Subordinated Creditors to make the same. No specific legend, further assignment or endorsement or delivery of notes, guarantees or instruments shall be necessary to subject any Subordinated Indebtedness to the subordination thereof contained in this Agreement. In addition, each Loan Party's books shall be marked to evidence the subordination of all of the Subordinated Indebtedness to the holders of Senior Indebtedness, in accordance with the terms of this Agreement. Senior Agent is authorized to examine such books from time to time and to make any notations required by this Agreement.

5. Insolvency Proceedings.

(a) Enforceability and Continuing Priority. This Agreement shall be applicable both before and after the commencement of any Insolvency Proceeding and all converted or succeeding cases in respect thereof. The Senior Indebtedness shall continue to be treated as Senior Indebtedness and the provisions of this Agreement shall continue to govern the relative rights and priorities of the Senior Creditors, on the one hand, and Subordinated Creditor, on the other hand, even if all or part of the Liens securing such Senior Indebtedness are subordinated, set aside, avoided or disallowed in connection with any such Insolvency Proceeding (or if all or part of the Senior Indebtedness is subordinated, set aside, avoided or disallowed in connection with any such Insolvency Proceeding as a result of a fraudulent conveyance or fraudulent transfer statute or if any interest accruing on the Senior Indebtedness following the commencement of such Insolvency Proceeding is otherwise disallowed). Accordingly, the provisions of this Agreement are intended to be and shall be enforceable as a subordination agreement within the meaning of Section 510 of the Bankruptcy Code.

(b) Proof of Claim; Voting.

(i) In the event of any Insolvency Proceeding, if Subordinated Creditor has not filed any proof of claim or other instrument of similar character necessary to enforce the obligations of any Loan Party in respect of the Subordinated Indebtedness (a “Proof of Claim”) 10 days before the expiration of the time to file the same, then and in such event, but only in such event, the Senior Agent may (but shall not be required to), as attorney-in-fact for Subordinated Creditor, duly file such Proof of Claim, and Subordinated Creditor, by its acceptance of the Subordinated Indebtedness, appoints the Senior Agent as an attorney-in-fact for Subordinated Creditor for the limited purpose of filing any such Proof of Claim in accordance with the terms of this Section 5(b). In the event the Senior Agent makes any filing in accordance with the authority granted hereby, Subordinated Creditor shall not be entitled to amend or otherwise modify such filing without the prior written consent of the Senior Agent.

(ii) Without limiting the covenants of Subordinated Creditor in this Section 5 but subject to the specific rights of Subordinated Creditor set forth in this Section 5, in no event shall Subordinated Creditor support or vote in favor of any plan of reorganization (and each shall be deemed to have voted to reject any plan of reorganization) unless such plan (A) provides for the Final Payment of all Senior Indebtedness or (B) is accepted by the class of holders of the Senior Indebtedness voting thereon and is supported by Senior Agent.

(c) Financing. If, at any time prior to the Final Payment of the Senior Indebtedness, any Grantor shall be subject to any Insolvency Proceeding and Senior Agent consents to the use of cash collateral (as such term is defined in Section 363(a) of the Bankruptcy Code, "Cash Collateral") on which Senior Agent has a Lien or permits any Grantor to obtain financing under Section 364 of the Bankruptcy Code or any similar bankruptcy law (such financing, a "DIP Financing"), then Subordinated Creditor shall consent to, and raise no objection to such Cash Collateral use or DIP Financing. Subordinated Creditor shall not, directly or indirectly, provide or offer to provide, any DIP Financing to any Grantor, or support any DIP Financing to any Grantor that is offered or proposed by a Person other than Senior Agent or Senior Creditors.

(d) Sales. Until the Final Payment of the Senior Indebtedness, Subordinated Creditor will consent, and will not object to or oppose a motion to Dispose of any Collateral free and clear of the Liens or other claims in favor of Subordinated Creditor under Section 363 of the Bankruptcy Code if Senior Agent has consented to such Disposition of such assets.

(e) Relief from the Automatic Stay. Until the Final Payment of the Senior Indebtedness, Subordinated Creditor agrees not to (i) seek (or support any other person seeking) relief from the automatic stay or any other stay in any Insolvency Proceeding in respect of the Collateral, without the prior written consent of Senior Agent, or (ii) oppose any request by the Senior Agent or any Senior Creditor to seek relief from the automatic stay or any other stay in any Insolvency Proceeding in respect of the Collateral.

(f) Adequate Protection. In any Insolvency Proceeding involving a Grantor, Subordinated Creditor agrees that, until the Final Payment of the Senior Indebtedness, it shall not contest (or support any other Person contesting) (i) any request by Senior Agent or other Senior Creditors for adequate protection with respect to the Senior Creditors' rights in the Collateral or (ii) any objection by Senior Agent or Senior Creditors to any motion, relief, action, or proceeding based on Senior Agent or other Senior Creditors claiming a lack of adequate protection.

(g) Waivers. Subordinated Creditor shall not object to, oppose, take any action or vote in any way so as to directly or indirectly challenge or contest (in an Insolvency Proceeding or otherwise) (i) any claim by Senior Agent or any Senior Creditor for allowance in any Insolvency Proceeding of Senior Indebtedness consisting of post-petition interest, fees, or expenses, (ii) the validity, perfection, priority or the enforceability of the Senior Credit Agreement, the other Senior Documents or the Liens granted to Senior Agent and the Senior Creditors with respect to the Senior Indebtedness, (iii) the validity or enforceability of the subordination provisions contained in this Agreement or (iv) the rights and duties of Senior Agent and the Senior Creditors established in the Senior Credit Agreement or any other Senior Document to the extent such rights and duties are not, and/or have not been exercised in a manner, prohibited by any of the terms of this Agreement. At any time prior to the Final Payment of the Senior Indebtedness, nothing contained herein shall prohibit or in any way limit Senior Agent or any Senior Creditor from objecting in any Insolvency Proceeding to any action taken by Subordinated Creditor, including the assertion by Subordinated Creditor of any of its rights and remedies under the Subordinated Documents.

(h) Avoidance Issues. If any Senior Creditor is required in any Insolvency Proceeding or otherwise to turn over, disgorge or otherwise pay to the estate of any Grantor any amount paid (a “Recovery”) in respect of Senior Indebtedness, then such Senior Creditors shall be entitled to a reinstatement of the Senior Indebtedness with respect to all such recovered amounts, and all rights, interests, priorities and privileges recognized in this Agreement shall apply with respect to any such Recovery. If this Agreement shall have been terminated prior to such Recovery, this Agreement shall be reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair, or otherwise affect the obligations of the parties hereto from such date of reinstatement.

(i) Plan of Reorganization. If, in any Insolvency Proceeding, debt obligations of the reorganized debtor are distributed pursuant to a plan of reorganization or similar dispositive restructuring plan, both on account of the Senior Indebtedness and on account of the Subordinated Indebtedness, then, the provisions of this Agreement will survive the distribution of such debt obligations pursuant to such plan and will apply with like effect to such debt obligations. Nothing in this Agreement prohibits or limits the right of Subordinated Creditor to receive and retain any Restructuring Securities that are issued by a reorganized debtor pursuant to a confirmed plan of reorganization or similar dispositive restructuring plan in connection with an Insolvency Proceeding, so long as (i) in the case of equity securities, if such equity securities provide for mandatory redemption or mandatory dividend payments, the payment thereof shall be in accordance with, and subject to the relative priorities provided in, this Agreement and (ii) in the case of debt securities, any payment and Liens in respect of such debt securities shall be in accordance with, and subject to the relative priorities provided in, this Agreement.

6. Representations and Warranties.

(a) Loan Parties. As of the date hereof, each Loan Party hereby represents and warrants that (i) the Senior Agent has been furnished with true and correct copies of all instruments and securities evidencing the Subordinated Indebtedness, (ii) the aggregate principal amount of the Subordinated Indebtedness outstanding as of the date hereof is \$232,206 (the “Effective Date Amount”), and (iii) this Agreement has been duly executed and delivered by such Loan Party and constitutes a legal, valid and binding obligation of such Loan Party, enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws from time to time in effect affecting generally the enforcement of creditors’ rights and remedies and general principles of equity.

(b) Subordinated Creditor. Subordinated Creditor represents and warrants to the Senior Creditors that (i) Subordinated Creditor is an individual, (ii) Subordinated Creditor has full power and authority to enter into, execute, deliver and carry out the terms of this Agreement, (iii) the execution of this Agreement by Subordinated Creditor will not, to the knowledge of Subordinated Creditor, violate or conflict with any law, regulation or order applicable to Subordinated Creditor, or require any consent or approval which has not been obtained, (iv) this Agreement has been duly executed and delivered by Subordinated Creditor and constitutes a legal, valid and binding obligation of Subordinated Creditor, enforceable against Subordinated Creditor in accordance with its terms, except to the extent that the enforceability thereof may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws from time to time in effect affecting generally the enforcement of creditors’ rights and remedies and general principles of equity, (v) Subordinated Creditor is the sole owner, beneficially and of record, of the Subordinated Indebtedness, and (vi) the Subordinated Indebtedness is, and at all times prior to the termination of this Agreement shall remain, an unsecured obligation of the Parent.

(c) Senior Agent. Senior Agent represents and warrants to Subordinated Creditor that as of the date hereof: (i) it is duly formed, validly existing and in good standing under the laws of the state or jurisdiction of its organization, (ii) it has full power and authority to enter into, execute, deliver and carry out the terms of this Agreement, all of which have been duly authorized by all proper and necessary action, (iii) the execution of this Agreement by Senior Agent will not violate or conflict with its organizational documents, any material agreement binding upon Senior Agent or any law, regulation or order or require any consent or approval which has not been obtained, and (iv) this Agreement has been duly executed and delivered by Senior Agent and constitutes a legal, valid and binding obligation of Senior Agent, enforceable against Senior Agent in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally or by equitable principles.

7. Affirmative and Negative Covenants. Until all of the Senior Indebtedness has been Finally Paid, without the prior written consent of Senior Lenders: (a) no Loan Party shall discharge the Subordinated Indebtedness other than in accordance with its terms and the terms hereof; (b) Subordinated Creditor shall not demand or accept from any Loan Party or other Person any consideration which would result in a discharge of the Subordinated Indebtedness other than in accordance with its terms and the terms hereof; (c) Subordinated Creditor shall not hereafter give any subordination in respect of the Subordinated Indebtedness; (d) no Loan Party shall hereafter issue any instrument, security or other writing evidencing any part of the Subordinated Indebtedness, and Subordinated Creditor shall not receive any such writing, except upon the condition that such instrument, security or other writing shall bear the legend referred to herein and a complete copy thereof shall be furnished to Senior Agent; and (e) neither any Loan Party nor Subordinated Creditor shall take any action contrary to Senior Agent's and Senior Lenders' priority position over Subordinated Creditor that is created by this Agreement. In addition to the foregoing, Subordinated Creditor acknowledges and agrees that: (i) the Senior Creditors have relied on the terms and provisions of this Agreement in executing and delivering the Senior Documents and in making the extensions of credit contemplated thereby and shall continue to rely on such terms and provisions in making extensions of credit from time to time pursuant to the Senior Documents, and (ii) Subordinated Creditor shall not contest or challenge (or support any other Person in contesting or challenging) (A) the validity, perfection, priority or enforceability of the Senior Indebtedness, the Senior Documents or any Liens of the Senior Agent and the Senior Lenders in the Collateral securing the Senior Indebtedness or (B) the validity or enforceability of the subordination provisions contained in this Agreement.

8. Obligation of Loan Parties Unconditional. The provisions hereof are solely for the purpose of defining the relative rights of the holders of Senior Indebtedness, on the one hand, and Subordinated Creditor, on the other hand, and nothing contained herein is intended to or shall impair, as between the Loan Parties, on the one hand, and Subordinated Creditor, on the other hand, the obligation of the Loan Parties, which are absolute and unconditional, to pay the Subordinated Indebtedness as and when the same shall become due and payable in accordance with its terms, or to affect the relative rights of Subordinated Creditor and creditors of the Loan Parties, other than the Senior Lenders. The failure to make any payment with respect to the Subordinated Indebtedness by reason of this Agreement shall not be construed as preventing the occurrence of a default under any Subordinated Document.

9. Amendments of the Credit Documents.

(a) Subordinated Documents. Until the Senior Indebtedness has been Finally Paid, Subordinated Creditor agrees that it will not, without the prior written consent of the Senior Agent, amend or modify in any manner whatsoever the Subordinated Documents the effect of which is to (i) increase the maximum principal amount of the Subordinated Indebtedness (other than to the extent permitted by the Senior Credit Agreement and as a result of PIK Payments), (ii) increase the yield payable on any of the Subordinated Indebtedness (it being understood that invoking the default rate set forth in the Subordinated Documents on the date hereof shall not be restricted hereunder), (iii) accelerate the dates upon which payments of principal or interest on the Subordinated Indebtedness are due, (iv) add or make more burdensome, in any material respect, any covenant or event of default with respect to the Subordinated Indebtedness, (v) make more burdensome the redemption or prepayment provisions of the Subordinated Indebtedness (other than notice or other provisions that do not involve payments), (vi) change or amend any other term of the Subordinated Documents if such change or amendment would increase in any material respect the obligations of the Loan Parties or confer additional material rights on Subordinated Creditor in a manner adverse to the Loan Parties or Senior Lenders, or (vii) take any Liens in the Collateral or any other assets securing Senior Indebtedness. The Subordinated Indebtedness may be Refinanced to the extent the terms and conditions of such Refinanced indebtedness are not less favorable (as determined by the Senior Lenders in their reasonable discretion) in the aggregate to the Senior Lenders than the terms and conditions of the Subordinated Documents as in effect on the date hereof (with such amendments as are permitted under this Section 10); provided, that (A) the maturity date thereof is the same or later than the maturity date of the Subordinated Documents as in effect on the date hereof, (B) prior to consummation of such Refinancing the holders of such Refinanced indebtedness shall have become party to this Agreement (pursuant to a joinder in form and substance reasonably satisfactory to Senior Agent), and (C) such Refinanced indebtedness shall be Subordinated Indebtedness, and the documents evidencing such Refinanced indebtedness shall be Subordinated Documents, for all purposes hereunder.

(b) Senior Documents. The Senior Lenders and the Loan Parties may modify, amend, restate, supplement, replace, Refinance, restructure or otherwise modify the Senior Documents, or waive any of the provisions thereof, in any manner whatsoever, all without consent of, or notice to, Subordinated Creditor without affecting the subordination set forth in this Agreement or the liabilities and obligations of Subordinated Creditor hereunder. Any Refinancing of the Senior Indebtedness shall be subject to the restrictions set forth in the preceding sentence. Additionally, (A) prior to consummation of any Refinancing of the Senior Indebtedness, the holders of such Refinanced indebtedness shall have become party to this Agreement (pursuant to a joinder in form and substance reasonably satisfactory to Subordinated Creditor), and (B) such Refinanced indebtedness shall be Senior Indebtedness, and the documents evidencing such Refinanced indebtedness shall be Senior Documents, for all purposes hereunder.

10. Continued Effectiveness. No right of any present or future holder of any Senior Indebtedness to enforce the subordination as provided herein shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of any Loan Party or other Grantor; by any act or failure to act by any such holder; by any act or failure to act by any other holder of the Senior Indebtedness; or by any noncompliance by any Loan Party or other Grantor with the terms hereof, regardless of any knowledge thereof with which any such holder may have or be otherwise charged. Subordinated Creditor shall not be released, nor shall Subordinated Creditor's obligation hereunder be in any way diminished, by any of the following: (a) the exercise or the failure to exercise by any Senior Creditor of any rights or remedies conferred on it or them under the Senior Documents, hereunder or existing at law, or against any of the Collateral; (b) the commencement of an action at law or the recovery of a judgment at law against any Loan Party or any obligor ("Obligor") for the performance of the Senior Indebtedness and the enforcement thereof through levy or execution or otherwise; (c) the taking or institution or any other action or proceeding against any Loan Party or any Obligor; (d) any lack of validity or enforceability of any Senior Document or any other agreement or instrument related thereto; (e) any delay in taking, pursuing, or exercising any of the foregoing actions, rights, powers, or remedies (even though requested by Subordinated Creditor) by any Senior Lender or anyone acting for any Senior Lender; or (f) any other circumstance which might otherwise constitute a defense available to, or a discharge of, any Obligor in respect of the Senior Indebtedness or Subordinated Creditor or the Obligors in respect of this Agreement. Without limiting the generality of the foregoing, and anything else contained herein to the contrary notwithstanding, Senior Creditors, from time to time, without prior notice to or the consent of Subordinated Creditor, may take all or any of the following actions without in any manner affecting or impairing the obligation or liability of Subordinated Creditor hereunder: (i) obtain a Lien or a security interest in any property to secure any of the Senior Indebtedness; (ii) obtain the primary and secondary liability of any party or parties with respect to any of the Senior Indebtedness; (iii) subject to Section 10(b) hereof, renew, extend, or otherwise change the time for payment of the Senior Indebtedness or any installment thereof for any period; (iv) release or compromise any liability of any nature of any Person or entity with respect to the Senior Indebtedness; (v) exchange, enforce, waive, release, and apply any of the Collateral and direct the order or manner of sale thereof as Senior Agent may in its discretion determine; (vi) enforce their respective rights hereunder, whether or not such Senior Lender shall proceed against any other Person or entity; (vii) exercise their respective rights to consent to any action or non-action of any Loan Party which may violate the covenants and agreements contained in the Senior Documents, with or without consideration, on such terms and conditions as may be acceptable to them; (viii) exercise any of their respective rights conferred by the Senior Documents or by law; or (ix) subject to Section 10(b) hereof, amend or modify in any manner the Senior Credit Agreement or other Senior Documents.

11. Waivers. To the fullest extent permitted by law and except as to any notice specified in this Agreement, any notice which may not be waived in accordance with the UCC, or, with respect to the Loan Parties, any notice expressly required under the Senior Documents, each Loan Party and Subordinated Creditor hereby further waives: presentment, demand, protest, notice of protest, notice of default or dishonor, notice of payment or nonpayment and any and all other notices and demands of any kind in connection with all negotiable instruments evidencing all or any portion of the Senior Indebtedness or the Subordinated Indebtedness to which such Loan Party or Subordinated Creditor may be a party; prior notice of and consent to any loans made, extensions granted or other action taken in reliance thereon; and all other demands and notices of every kind in connection with this Agreement, the Senior Indebtedness or the Subordinated Indebtedness. Subordinated Creditor further waives, to the extent permitted by applicable law, any rights it may have under applicable law to assert the doctrine of marshaling or otherwise to require the Senior Lenders to marshal any Collateral for the benefit of Subordinated Creditor.

12. Cumulative Remedies; Indulgences Not Waivers; Specific Performance. Each right, remedy and power granted to Senior Agent and Senior Creditors hereunder shall be cumulative and in addition to any other right, remedy or power specifically granted herein, in the Senior Documents or now or hereafter existing in equity, at law, by virtue of statute or otherwise, and may be exercised by Senior Agent or Senior Creditors, from time to time, concurrently or independently and as often and in such order as Senior Agent and/or Senior Creditors may deem expedient. Neither the failure nor any delay on the part of any Senior Creditor to exercise any right, remedy, power or privilege hereunder shall operate as a waiver thereof or give rise to an estoppel, nor be construed as an agreement to modify the terms of this Agreement, nor shall any single or partial exercise of any right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No waiver of a right or obligation hereunder by a party hereunder shall be effective unless it is in writing and signed by the party making such waiver, and then only to the extent specifically stated in such writing. Should Subordinated Creditor in any way take, attempt to, or threaten to take any action contrary to terms of this Agreement, including with respect to the Collateral, or fail to take any action required by this Agreement, Senior Agent or any Senior Creditor may seek relief against Subordinated Creditor by injunction, specific performance, or other appropriate equitable relief, it being understood and agreed that (a) Senior Creditors' damages from such actions may at that time be difficult to ascertain and may be irreparable, and (b) Subordinated Creditor waives any defense that such Grantor and/or Senior Creditors cannot demonstrate damage and/or be made whole by the awarding of damages. Subordinated Creditor hereby irrevocably waives any defense based on the adequacy of a remedy at law and any other defense which might be asserted to bar the remedy of specific performance in any action which may be brought by Senior Agent or Senior Creditors.

13. Inconsistent or Conflicting Provisions. In the event a provision of the Senior Documents or the Subordinated Documents is inconsistent or conflicts with the provisions of this Agreement, the provisions of this Agreement shall govern and prevail.

14. Notices. All notices, requests, demands and other communications required or permitted under this Agreement or by law shall be in writing and may be personally served or sent by facsimile, overnight courier service or certified or registered United States mail and shall be deemed to have been duly given, made and received (a) if delivered in person, when delivered; (b) if delivered by facsimile, on the date of transmission if transmitted on a Business Day before 5:00 p.m. (New York City time) or, if not, on the next succeeding Business Day; (c) if delivered by overnight courier, one Business Day after delivery to such courier properly addressed with courier fees prepaid; or (d) if by United States mail, 3 Business Days after deposit in the United States mail, postage prepaid and properly addressed as set forth below.

If to Senior Agent or any Senior Creditor:

PNC Bank, National Association
200 South Wacker Drive, Suite 600
Chicago, Illinois 60606
Attention: Portfolio Manager
Telephone: (312) 454-2901
Facsimile: (312) 454-2919

with a copy to:

Blank Rome LLP
The Chrysler Building
405 Lexington Avenue
New York, NY 10174-0208
Attention: Michael J. Loesberg, Esq.
Telephone: (212) 885-5000
Facsimile: (212) 885-5001

If to Subordinated Creditor:

Shane Parr
24206 West 67th Terrace
Shawnee, KS 66226
Telephone: (816) 679-5407
Email: parr@tgpinvestments.com

If to any Loan Party:

GEE Group Inc.
12950 Race Track Rd., Suite 216
Tampa, FL 33626
Attention: Andrew J. Norstrud, CFO
Telephone: (813) 803-8275
Email: andrew.norstrud@geegroup.com

with a copy to:

McDermott Will & Emery LLP
340 Madison Avenue
New York, NY 10173-1922
Attention: John J. Sullivan, Esq.
Telephone: (212) 547 5567
Email: jsullivan@mwe.com

Any addressee may alter the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section for the giving of notice.

15. Benefit. Subordinated Creditor acknowledges that Senior Creditors would not have consented to the incurrence of the Subordinated Indebtedness but for the execution of this Agreement; therefore, Subordinated Creditor has received good, sufficient and adequate consideration for the making of this Agreement. Except as expressly provided in this Agreement, this Agreement is solely for the benefit of the Senior Creditors, Subordinated Creditor and their respective successors, participants and assigns, and no other person shall have any right, benefit, priority or interest under, or because of the existence of, this Agreement.

16. Entire Agreement. This Agreement constitutes and expresses the entire understanding between the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, inducements or conditions, whether express or implied, oral or written. Neither this Agreement nor any portion or provision hereof may be changed, waived or amended orally or in any manner other than by an agreement in writing signed by Senior Agent, Subordinated Creditor and the Loan Parties.

17. Additional Documentation. Each Loan Party and Subordinated Creditor shall execute and deliver to Senior Agent such further instruments and shall take such further action as Senior Lenders may at any time or times reasonably request in order to carry out the provisions and intent of this Agreement.

18. Successors and Assigns. This Agreement shall inure to the benefit of each Senior Creditor and Subordinated Creditor and their respective successors and assigns, and shall be binding upon each Loan Party, Senior Creditor and Subordinated Creditor and their respective successors and assigns, including any subsequent holders of the Senior Indebtedness or Subordinated Indebtedness. All references to Borrowers, Loan Parties and Grantors shall include such Person as debtor and debtor-in-possession and any receiver or trustee for any such Person in any Insolvency Proceeding. Each Senior Lender, without prior notice or consent of any kind, may sell, assign or transfer the Senior Indebtedness in accordance with the Senior Credit Agreement, and in such event each and every immediate and successive assignee or transferee thereof may be given the right by such Senior Lender to enforce this Agreement in full against each Loan Party and Subordinated Creditor, by suit or otherwise, for its own respective benefit; provided, that such successor, assignee or transferee agrees to be bound by the terms of this Agreement. Subordinated Creditor may not sell, assign or transfer the Subordinated Indebtedness without the prior consent of Senior Agent; provided, that prior to the consummation of any such transfer or assignment, the transferee thereof shall have become party to this Agreement (pursuant to a joinder in form and substance reasonably satisfactory to Senior Agent) to provide for the continued subordination of the Subordinated Indebtedness to the Senior Indebtedness as provided herein and for the continued effectiveness of all of the rights of the Senior Lenders arising under this Agreement; provided, further, that notwithstanding the failure of Subordinated Creditor to comply with the foregoing and the failure of any transferee to execute or deliver such joinder agreement, the subordination effected hereby shall survive any sale, assignment, pledge, Disposition or other transfer of all or any portion of the Subordinated Indebtedness, and the terms of this Agreement shall be binding upon the successors and assigns of Subordinated Creditor.

19. Subrogation. At such time as the Senior Indebtedness has been Finally Paid (and is not subject to avoidance under Section 547 of the Bankruptcy Code), Subordinated Creditor shall be subrogated, to the extent of the Senior Indebtedness so paid, to the rights of the holder of the Senior Indebtedness to receive Distributions until all amounts owing on the Subordinated Indebtedness shall be paid in full. For the purpose of such subrogation no Distributions to the holders of the Senior Indebtedness by or on behalf of such Loan Party or Subordinated Creditor by virtue of the provisions hereof which otherwise would have been made to Subordinated Creditor shall, as between the Loan Party, a creditor of such Loan Party (other than Subordinated Creditor and the Senior Lenders), and Subordinated Creditor, be deemed to be payment by such Loan Party to or on account of the Subordinated Indebtedness; it being understood that the provisions of this Agreement are, and are intended solely, for the purpose of defining the relative rights of Subordinated Creditor, on the one hand, and the Senior Lenders, on the other hand.

20. Termination; Reinstatement. This Agreement shall continue and shall be irrevocable until the earlier of (a) the date on which all of the Senior Indebtedness has been Finally Paid or otherwise discharged and released in writing by the Senior Lenders and (b) the date on which Senior Agent has received evidence reasonably satisfactory to Senior Agent of the satisfaction, in the form of common Equity Interests of the Parent, of all of the Parent's obligations under the Subordinated Note, together with a termination and release agreement reasonably satisfactory to Senior Agent with respect to the Subordinated Documents, duly executed by the Parent and Subordinated Creditor; provided, that, in the case of any termination of this Agreement under the preceding clause (a), (i) the obligations of Subordinated Creditor under this Agreement shall continue to be effective, or be reinstated, as the case may be, if at any time any payment in respect of any Senior Indebtedness is rescinded, set aside or is otherwise required to be restored or returned by Senior Agent or any Senior Creditor by reason of any bankruptcy, reorganization, arrangement, composition or similar proceeding, such payment being declared fraudulent or preferential, or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, any Loan Party or any substantial part of its respective property, or otherwise, all as though such payment had not been made and (ii) Section 19 hereof shall continue in full force and effect until the Subordinated Indebtedness is paid in full. Subordinated Creditor agrees that it shall not be entitled to benefit from any avoidance action affecting or otherwise relating to any distribution or allocation made in accordance with this Agreement, whether by preference or otherwise, it being understood and agreed that the benefit of such avoidance action otherwise allocable to it shall instead be allocated and turned over for application in accordance with the priorities set forth in this Agreement.

21. Governing Law. THE VALIDITY, CONSTRUCTION AND ENFORCEMENT OF THIS AGREEMENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW) THEREOF. EACH LOAN PARTY AND SUBORDINATED CREDITOR HEREBY AGREE THAT ALL ACTIONS OR PROCEEDINGS INITIATED BY ANY LOAN PARTY OR SUBORDINATED CREDITOR AND ARISING DIRECTLY OR INDIRECTLY OUT OF THIS AGREEMENT SHALL BE LITIGATED IN THE STATE AND FEDERAL COURTS LOCATED IN NEW YORK COUNTY, NEW YORK OR, IF SENIOR AGENT OR ANY SENIOR CREDITOR INITIATES SUCH ACTION, IN ADDITION TO THE FOREGOING COURTS, ANY COURT IN WHICH SENIOR AGENT OR SUCH SENIOR CREDITOR SHALL INITIATE SUCH ACTION, TO THE EXTENT SUCH COURT HAS JURISDICTION. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR HEREBY EXPRESSLY SUBMITS AND CONSENTS IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR PROCEEDING COMMENCED IN ACCORDANCE WITH THE FOREGOING AND HEREBY WAIVES ANY CLAIM THAT SUCH COURTS ARE AN INCONVENIENT FORUM OR AN IMPROPER FORUM BASED UPON LACK OF VENUE. THE EXCLUSIVE CHOICE OF FORUM AS SET FORTH IN THIS SECTION SHALL NOT BE DEEMED TO PRECLUDE THE ENFORCEMENT, BY SENIOR AGENT OR SENIOR CREDITORS, OF ANY JUDGMENT OBTAINED IN ANY OTHER FORUM OR THE TAKING, BY SENIOR AGENT OR SENIOR CREDITORS, OF ANY ACTION TO ENFORCE THE SAME IN ANY OTHER APPROPRIATE JURISDICTION, AND EACH LOAN PARTY AND SUBORDINATED CREDITOR HEREBY WAIVE THE RIGHT TO COLLATERALLY ATTACK SUCH JUDGMENT OR ACTION.

22. Jury Trial. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR HEREBY WAIVES ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING HEREUNDER OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS TRANSACTION. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 22 AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS HERETO. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

23. Severability. The provisions of this Agreement are independent of and separable from each other. If any provision hereof shall for any reason be held invalid or unenforceable, it is the intent of the parties that such invalidity or unenforceability shall not affect the validity or enforceability of any other provision hereof, and that this Agreement shall be construed as if such invalid or unenforceable provision had never been contained herein.

24. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by telecopier or electronic mail shall be equally as effective as delivery of an original executed counterpart of this Agreement.

25. Headings. The section headings used in this Agreement are for convenience only and shall not affect the interpretation of any of the provisions hereof.

26. Disclosures, Non-Reliance. Each Senior Creditor and Subordinated Creditor has the means to, and shall in the future remain, fully informed as to the financial condition and other affairs of each Loan Party and no Senior Creditor or Subordinated Creditor shall have any obligation or duty to disclose any such information to any other Senior Creditor or Subordinated Creditor, as the case may be. Except as expressly set forth in this Agreement, the parties hereto have not otherwise made to each other nor do they hereby make to each other any warranties, express or implied, nor do they assume any liability to each other with respect to: (a) the enforceability, validity, value or collectability of any of the Subordinated Indebtedness or the Senior Indebtedness or any collateral or guaranty which may have been granted to any of them in connection therewith, (b) the title to or right to any Collateral by any Loan Party or (c) any other matter except as expressly set forth in this Agreement.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

SUBORDINATED CREDITOR:

/s/ Shane Parr

Shane Parr

[Signature Page to Subordination and Intercreditor Agreement (Shane Parr)]

SENIOR AGENT:

PNC BANK, NATIONAL ASSOCIATION, as
Administrative Agent and Collateral Agent

By: /s/ Walt Hill

Name: Walt Hill

Title: Senior Vice President

[Signature Page to Subordination and Intercreditor Agreement (Shane Parr)]

ACKNOWLEDGED AND AGREED:

BORROWERS:

GEE GROUP INC.

By: _____
Name:
Title:

TRIAD LOGISTICS, INC.

By: _____
Name:
Title:

SCRIBE SOLUTIONS INC.

By: _____
Name:
Title:

PALADIN CONSULTING, INC.

By: _____
Name:
Title:

AGILE RESOURCES, INC.

By: _____
Name:
Title:

BMCH, INC.

By: _____
Name:
Title:

ACCESS DATA CONSULTING CORPORATION

By: _____
Name:
Title:

GEE GROUP PORTFOLIO INC.

By: _____
Name:
Title:

TRIAD PERSONNEL SERVICES, INC.

By: _____
Name:
Title:

SNI COMPANIES

By: _____
Name:
Title:

[Signature Page to Subordination and Intercreditor Agreement (Shane Parr)]

SUBORDINATION AND INTERCREDITOR AGREEMENT

This Subordination AND INTERCREDITOR Agreement (this "Agreement") is entered into as of March 31, 2017, by and among PNC Bank, National Association, as administrative agent and collateral agent for the Senior Lenders referred to below ("Senior Agent"), Vincent J. Lombardo ("Subordinated Creditor"), GEE Group Inc., an Illinois corporation (the "Parent"), each Subsidiary of the Parent listed as a "Borrower" on the signature pages hereto (together with the Parent and each Person joined hereto as a borrower from time to time, collectively, the "Borrowers" and each a "Borrower"), each Subsidiary of the Parent listed as a "Guarantor" on the signature pages hereto (together with each other Person joined hereto as a guarantor from time to time, collectively, the "Guarantors", and each a "Guarantor", and together with the Borrowers, collectively, the "Loan Parties" and each a "Loan Party").

RECITALS

WHEREAS, Senior Agent, certain lenders from time to time party to the Senior Credit Agreement (collectively with the Senior Agent, the "Senior Lenders"), and the Loan Parties are party to that certain Revolving Credit, Term Loan and Security Agreement, dated as of the date hereof (such agreement, as amended, restated, supplemented, modified or otherwise changed from time to time, including any replacement agreement therefor, being hereinafter referred to as the "Senior Credit Agreement"), pursuant to which the Senior Lenders agreed to make certain term and revolving loans to the Borrowers;

WHEREAS, the Parent is party to (a) the 9.5% Convertible Subordinated Note dated April 3, 2017, in the original principal amount of \$122,120.46, and (b) the 9.5% Convertible Subordinated Note dated April 3, 2017, in the original principal amount of \$13,573.38 (such notes, as amended, restated, supplemented, modified or otherwise changed from time to time, including any replacement notes therefor, being hereinafter collectively referred to as the "Subordinated Note"), pursuant to which Subordinated Creditor agreed to make subordinated loans to the Parent; and

WHEREAS, it is a condition precedent to the Senior Lenders making any loan and/or providing any other financial accommodation to the Borrowers pursuant to the Senior Credit Agreement that Subordinated Creditor and the Loan Parties enter into this Agreement.

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Definitions.

(a) Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Senior Credit Agreement. The following terms shall have the meanings set forth below:

"Agreement" means this Subordination and Intercreditor Agreement, as amended, restated, renewed, extended, supplemented or otherwise modified from time to time.

“Bankruptcy Code” means Title 11 of the United States Code, as amended from time to time and any successor statute or any similar federal or state law for the relief of debtors.

“Collateral” means all of the property and assets and all interests therein and proceeds thereof now owned or hereafter acquired by any Grantor upon which a Lien is granted or purported to be granted by such Grantor as security for all or any part of the Senior Indebtedness.

“Debtor Relief Law” means the Bankruptcy Code and any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief law of the United States or other applicable jurisdiction from time to time in effect.

“DIP Financing” has the meaning specified therefor in Section 5(c) hereof.

“Disposition” or “Dispose” means any transaction, or series of related transactions, pursuant to which any Person or any of its Subsidiaries sells, assigns, transfers, leases, licenses (as licensor) or otherwise disposes of any property or assets (whether now owned or hereafter acquired) to any other Person, in each case, whether or not the consideration therefor consists of cash, securities or other assets owned by the acquiring Person.

“Distribution” means, with respect to any indebtedness or obligation, (a) any direct or indirect payment or distribution by any Person of cash, securities or other property, by set-off or otherwise, on account of such indebtedness or obligation, (b) any direct or indirect redemption, purchase or other acquisition of such indebtedness or obligation by any Person, or (c) any direct or indirect acquisition by any Borrower or any of its Affiliates of any equity or other interest in any Person that holds any such indebtedness or obligation.

“Effective Date Amount” has the specified therefor in Section 6(a) hereof.

“Enforcement Action” means any action to enforce or attempt to enforce any right or remedy available with respect to the Subordinated Indebtedness under the Subordinated Documents, applicable law or otherwise, including any action to (a) accelerate the maturity of, or demand as immediately due and payable, all or any part of the Subordinated Indebtedness, (b) exercise any put option, any right of mandatory redemption or any similar right or otherwise cause any Loan Party to honor any redemption or mandatory prepayment or any obligation to make an offer to repurchase under any Subordinated Document, (c) exercise any right of set-off, (d) realize or foreclose upon, repossess, sell or otherwise dispose of, liquidate, or otherwise restrict or interfere with the use of, any Collateral, (e) commence, continue or participate in (other than as a defendant or co-defendant (or in a comparable capacity) in defense of its own interests or in reply to any Insolvency Proceeding brought against Subordinated Creditor) any Insolvency Proceeding or other collection or enforcement action of any kind, against any Loan Party or any other Grantor (including any insolvency, bankruptcy, dissolution or liquidation proceeding), in any case, seeking, directly or indirectly, to enforce any rights or remedies, or to enforce any of the obligations incurred by the Loan Parties or other Grantors, under or in connection with the Subordinated Indebtedness or the Subordinated Documents, or (f) commence or pursue any judicial, arbitral or other proceeding or legal action of any kind, seeking injunctive or other equitable relief to prohibit, limit or impair the commencement or pursuit by the Senior Creditors of any of their rights or remedies under or in connection with the Senior Documents or otherwise available to the Senior Creditors under applicable law; provided, however, that the term “Enforcement Action” shall not include (i) if an Insolvency Proceeding has been commenced by or against any Grantor, subject to Section 5(b) hereof, filing of a Proof of Claim with respect to the Subordinated Indebtedness, (ii) any suit or action initiated or maintained to prevent the loss of a claim as a result of the running of any applicable statute of limitations or other similar restriction on claims, (iii) filing any necessary responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding, or other pleading made by any Person objecting to or otherwise seeking the disallowance of the claims of Subordinated Creditor, (iv) any non-judicial procedural actions that may be required or desired as a precondition to acceleration or relating to preservation of rights (such as giving a notice of default or reservation of rights (including acceleration subject to the terms of this Agreement)), (v) the automatic acceleration of the Subordinated Indebtedness upon the initiation of an Insolvency Proceeding under the Bankruptcy Code or (vi) conversion of the outstanding principal of and accrued interest on the Subordinated Indebtedness into common Equity Interests of the Parent pursuant to the Subordinated Note.

“Equity Interests” means (a) all shares of capital stock (whether denominated as common stock or preferred stock), equity interests, beneficial, partnership or membership interests, joint venture interests, participations or other ownership or profit interests in or equivalents (regardless of how designated) of or in a Person (other than an individual), whether voting or non-voting and (b) all securities convertible into or exchangeable for any of the foregoing and all warrants, options or other rights to purchase, subscribe for or otherwise acquire any of the foregoing, whether or not presently convertible, exchangeable or exercisable.

“Finally Paid” or “Final Payment,” when used in connection with the Senior Indebtedness means the full and final payment in immediately available funds of all of the Senior Indebtedness and the termination in writing of the Senior Lenders’ obligations to make loans or other advances or financial accommodations to the Loan Parties under the Senior Documents. The repayment of any Senior Indebtedness pursuant to a Refinancing permitted hereunder shall not constitute “Final Payment” of the Senior Indebtedness being Refinanced.

“Grantor” means any Loan Party or any other Person that may from time to time execute and deliver an agreement, document, or instrument pursuant to which a Lien is granted securing any Senior Indebtedness or Subordinated Indebtedness or under which rights or remedies with respect to such Liens are governed, as a “debtor,” “grantor,” or “pledgor” (or the equivalent thereof).

“Insolvency Proceeding” means any proceeding commenced by or against any Person under any provision of any Debtor Relief Law.

“Lien” means any mortgage, deed of trust, pledge, lien (statutory or otherwise), security interest, charge or other encumbrance or security or preferential arrangement of any nature, including any conditional sale or title retention arrangement, any capitalized lease and any assignment, deposit arrangement or financing lease intended as, or having the effect of, security.

“Loan Party” has the meaning specified therefor in the preamble hereto.

“Obligor” has the meaning specified therefor in Section 10 hereof.

“Permitted Payments” means, with respect to the Subordinated Indebtedness, payment of (a) common Equity Interests of the Parent in connection with (i) the payment of interest under Section 2 of the Subordinated Note or (ii) the conversion of the outstanding principal of and accrued interest on the Subordinated Indebtedness into common Equity Interests of the Parent pursuant to Section 4 of the Subordinated Note, (b) Restructuring Securities in connection with an Insolvency Proceeding, (c) PIK Payments, and (d) from January 1, 2018, through and including December 31, 2018, such amounts (not exceeding the Effective Date Amount) as are permitted to be paid by the Loan Parties under Section 7.17(b) (iv) of the Senior Loan Agreement.

“Person” means an individual, corporation, limited liability company, partnership, association, joint-stock company, trust, unincorporated organization, joint venture or other enterprise or entity or Governmental Authority.

“PIK Payments” means payments of interest as required by the Subordinated Documents (as in effect on the date hereof or amended in accordance with the terms hereof) that are in the form of additional Subordinated Notes (or the increase of the principal amount of the Subordinated Notes), and the accrual or capitalization of interest otherwise prohibited by the terms of this Agreement, in each case, in lieu of cash payments and that are in all respects subordinate and junior in right of payment to the Senior Indebtedness to at least the same extent as the Subordinated Indebtedness as set forth in this Agreement.

“Proof of Claim” has the meaning specified therefor in Section 5(b) hereof.

“Recovery” has the meaning specified therefor in Section 5(h) hereof.

“Refinance” means, in respect of any Senior Indebtedness or Subordinated Indebtedness, to refinance, extend, renew, defease, restructure, replace, refund or repay, or to issue other indebtedness, in exchange or replacement for, such indebtedness in whole or in part in accordance with the terms of this Agreement. “Refinanced” and “Refinancing” shall have correlative meanings.

“Restructuring Securities” means any debt or equity securities that are distributed to Subordinated Creditor in respect of the Subordinated Indebtedness pursuant to a confirmed plan of reorganization or adjustment and that (a) are subordinated in right of payment to the Senior Indebtedness (or any debt or equity securities issued in substitution of all or any portion of the Senior Indebtedness) to at least the same extent as the Subordinated Indebtedness is subordinated to the Senior Indebtedness pursuant to the terms of this Agreement (including, with respect to any covenants, defaults or other provisions that have corresponding provisions in the Senior Documents, with cushions consistent with the cushions included on the date hereof), (b) do not have the benefit of any obligation of any entity (whether as issuer, guarantor or otherwise) unless the Senior Indebtedness has a prior right to the same benefit of the obligation of such entity, and (c) do not have any terms, and are not subject to or entitled to the benefit of any agreement or instrument that has terms, that are more burdensome to the issuer of or other obligor on such debt or equity securities than are the terms of the Senior Indebtedness (or any debt or equity securities issued in substitution of all or any portion of the Senior Indebtedness).

“Senior Agent” has the meaning specified therefor in the Recitals hereto.

“Senior Creditors” means the Senior Agent, the Senior Lenders and any other Person who holds Senior Indebtedness.

“Senior Documents” means the Senior Credit Agreement and the other “Loan Documents” as such term is defined in the Senior Credit Agreement and shall include this Agreement, in each case, as the same may be amended, modified, restated or Refinanced from time to time.

“Senior Credit Agreement” has the meaning specified therefor in the Recitals hereto.

“Senior Indebtedness” means all principal, interest and other Obligations at any time due and owing by any Loan Party to the Senior Lenders and/or any other Senior Creditors, or any of them, arising out of or incurred in connection with the Senior Documents or other documents executed in connection with the obligations thereunder (and any indebtedness which Refinances such principal, interest, fees (including any prepayment premium) or other Obligations), as modified, extended, renewed or restated, whether direct or contingent, and whether now existing or hereafter created. Senior Indebtedness shall include interest which accrues on the principal amount of the Senior Indebtedness, and expenses incurred, subsequent to the commencement of an Insolvency Proceeding, whether or not such interest or expenses is an allowed claim under applicable law.

“Senior Lenders” has the meaning specified therefor in the Recitals hereto.

“Subordinated Creditor” has the meaning specified therefor in the Preamble hereto.

“Subordinated Documents” means the Subordinated Note and any and all other documents, agreements, writings or instruments executed in connection therewith or pursuant thereto evidencing the amounts payable thereunder (other than, for the avoidance of doubt, the SNI Acquisition Agreement), in each case, as in effect on the date hereof and as amended, modified, restated or Refinanced in accordance with the terms hereof.

“Subordinated Indebtedness” means all indebtedness and other obligations of any Loan Party of any kind or nature whatsoever to Subordinated Creditor arising under or related to the Subordinated Documents, including all present and future loans, advances, debts, liabilities, obligations, and indebtedness otherwise owing by any Loan Party to Subordinated Creditor, whether evidenced by any note, guaranty or other instrument or document, whether absolute or contingent, due or to become due, including all interest, charges, expenses, fees, attorneys’ fees and any other sums chargeable to such Loan Party.

“Subordinated Note” has the meaning specified therefor in the Recitals hereto.

“UCC” means Article 9 of the Uniform Commercial Code, as in effect in any applicable jurisdiction.

(b) Terms Generally. The definitions of terms in this Agreement shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (ii) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (iii) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (iv) all references herein to Sections shall be construed to refer to Sections of this Agreement and (v) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any right or interest in or to assets and properties of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible.

2. Subordination.

(a) Subordination of Debt. Notwithstanding anything to the contrary in the Subordinated Documents, Subordinated Creditor hereby acknowledges the incurrence by the Loan Parties of the Senior Indebtedness and the consummation of each of the transactions contemplated by the Senior Documents, including the grant by each Loan Party of the Liens in favor of the Senior Agent for the benefit of the Senior Lenders. To the extent and the manner set forth in this Agreement, the Subordinated Indebtedness is hereby expressly made subordinate, junior and subject in right of payment to the Final Payment of the Senior Indebtedness. Such subordination is for the benefit of each present and future Senior Agent and Senior Lender, each of whom shall be entitled to enforce this Agreement as party hereto or as a third party beneficiary hereof. Each holder of Senior Indebtedness, whether now outstanding or hereafter incurred, shall be deemed to have acquired Senior Indebtedness in reliance upon the terms and provisions of this Agreement.

(b) Restriction on Payments. Notwithstanding anything in the Subordinated Documents to the contrary and in addition to any other limitations set forth herein or therein, except as expressly set forth in this Agreement, until the date on which the Senior Indebtedness is Finally Paid, no Loan Party shall make or agree to make and Subordinated Creditor shall not accept, take or receive, directly or indirectly, any Distribution on account of the Subordinated Indebtedness (other than, in connection with an Insolvency Proceeding, Restructuring Securities), and no Loan Party shall segregate or hold in trust money for any such Distribution. Notwithstanding anything to the contrary herein, the Loan Parties may make and Subordinated Creditor may receive Permitted Payments.

(c) Turnover. In the event that any Loan Party shall make or Subordinated Creditor shall collect any Distribution on account of the Subordinated Indebtedness in contravention of this Agreement (excluding Permitted Payments) (including in an Insolvency Proceeding), such payment or distribution shall not be commingled with any asset of Subordinated Creditor, shall be held in trust by Subordinated Creditor for the benefit of Senior Agent, and shall be promptly paid over to Senior Agent in precisely the form received by Subordinated Creditor (except for any necessary endorsement), for application to the payment of the Senior Indebtedness then remaining unpaid, until all of the Senior Indebtedness is Finally Paid. In the event Subordinated Creditor fails to pay over to Senior Agent any such Distribution, Senior Agent or any of its officers or employees are hereby irrevocably authorized on behalf of Subordinated Creditor to cause the same to be paid over.

3. Absence of Liens; Guaranties; Prohibition on Contesting Liens.

(a) Subordinated Creditor agrees that it does not have and will not acquire, without the prior written consent of the Senior Lenders, any Lien against any Loan Party, any other Grantor and/or any of the Collateral. If, notwithstanding the foregoing, Subordinated Creditor has or acquires any Lien of any kind against any Loan Party, any other Grantor and/or any of the Collateral, (i) any such Lien to which the Senior Lenders have not consented in writing shall be promptly released, discharged and terminated of record, and (ii) until released, discharged and terminated, such Lien shall be subordinate and subject to the Lien against any Loan Party, any other Grantor and/or the Collateral of the Senior Creditors arising from or out of the Senior Indebtedness, regardless of the order or time as of which any Lien attaches to any of the Collateral, the order or time of UCC filings or any other filings or recordings, the order or time of granting of any such Lien, or the physical possession of any of the Collateral, until the Senior Indebtedness is Finally Paid. Subordinated Creditor hereby appoints Senior Agent as its attorney-in-fact for purposes of releasing, discharging and terminating of record any such Lien (such appointment of Senior Agent as attorney-in-fact shall be deemed irrevocable until such time as the Senior Indebtedness has been Finally Paid).

(b) Guaranties. Subordinated Creditor shall not accept a guaranty from any Person with respect to any of the Subordinated Indebtedness unless such Person has given to Senior Agent, on behalf of the Senior Lenders, a like guaranty of the Senior Indebtedness and such Person's guaranty of the Subordinated Obligations is subordinate to such Person's guaranty of the Senior Indebtedness on the same terms and conditions contained herein.

(c) Prohibition on Contesting Liens. Subordinated Creditor, agrees that it will not (and hereby waives any right to), directly or indirectly, contest, or support any other person in contesting, in any proceeding (including any Insolvency Proceeding), the priority, validity, or enforceability of any Lien held by or on behalf of any Senior Creditor in the Collateral or the provisions of this Agreement; provided, however, that nothing in this Agreement shall be construed to prevent or impair the rights of Subordinated Creditor to enforce the terms of this Agreement.

4. Exercise of Remedies.

(a) Standstill. At any time that is prior to the Final Payment of the Senior Indebtedness, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, Subordinated Creditor will not exercise any Enforcement Action.

(b) Exclusive Enforcement Rights. At all times prior to the Final Payment of the Senior Indebtedness, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, Senior Agent and Senior Creditors shall have the exclusive right to exercise any Enforcement Action without any consultation with or the consent of Subordinated Creditor. Senior Agent and Senior Creditors may enforce the provisions of the Senior Documents and exercise remedies thereunder and related thereto, all in such order and in such manner as they may determine in the exercise of their sole discretion. Such exercise and enforcement shall include the rights of an agent appointed by them to Dispose of Collateral, to incur expenses in connection with such Disposition, and to exercise all the rights and remedies of a secured creditor under applicable law.

(c) Non-Interference. At all times prior to the Final Payment of the Senior Indebtedness, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, Subordinated Creditor, hereby:

(i) agrees it will not contest, protest, oppose or object to (or support any other Person contesting, protesting, opposing or objecting to) any Enforcement Action by Senior Agent or any Senior Creditor and that it will not otherwise take any action that would restrain, hinder, limit, delay, or otherwise interfere with any Enforcement Action by Senior Agent or any Senior Creditor, or that is otherwise prohibited hereunder;

(ii) waives any and all rights it may have to object to the manner in which Senior Agent or Senior Creditors seek to enforce or collect the Senior Indebtedness or the Liens securing the Senior Indebtedness, regardless of whether any action or failure to act by or on behalf of Senior Agent or Senior Creditors is adverse to the interest of Subordinated Creditor; and

(iii) acknowledges and agrees that no covenant, agreement or restriction contained in the Subordinated Documents shall be deemed to restrict in any way the rights and remedies of Senior Agent or Senior Creditors with respect to the Collateral as set forth in this Agreement and the Senior Documents.

(d) Legend. At the request of Senior Agent, Subordinated Creditor and the Loan Parties will the cause the Subordinated Note and any instrument or document issued after the date hereof by a Loan Party evidencing the Subordinated Indebtedness, if any, to be indorsed with substantially the following legend:

“Notwithstanding anything herein to the contrary, this [instrument/document] is subject to the terms and provisions of that certain Subordination and Intercreditor Agreement, dated as of March 31, 2017 (the “Subordination and Intercreditor Agreement”), by and among PNC Bank, National Association, as agent for certain lenders, Vincent J. Lombardo and the other parties signatory thereto from time to time. In the event of any conflict between the provisions of this instrument and the Subordination and Intercreditor Agreement, the terms of the Subordination and Intercreditor Agreement shall govern.”

In the event any legend is omitted, Senior Agent, or any of its officers or employees, are hereby irrevocably authorized on behalf of Subordinated Creditors to make the same. No specific legend, further assignment or endorsement or delivery of notes, guarantees or instruments shall be necessary to subject any Subordinated Indebtedness to the subordination thereof contained in this Agreement. In addition, each Loan Party's books shall be marked to evidence the subordination of all of the Subordinated Indebtedness to the holders of Senior Indebtedness, in accordance with the terms of this Agreement. Senior Agent is authorized to examine such books from time to time and to make any notations required by this Agreement.

5. Insolvency Proceedings.

(a) Enforceability and Continuing Priority. This Agreement shall be applicable both before and after the commencement of any Insolvency Proceeding and all converted or succeeding cases in respect thereof. The Senior Indebtedness shall continue to be treated as Senior Indebtedness and the provisions of this Agreement shall continue to govern the relative rights and priorities of the Senior Creditors, on the one hand, and Subordinated Creditor, on the other hand, even if all or part of the Liens securing such Senior Indebtedness are subordinated, set aside, avoided or disallowed in connection with any such Insolvency Proceeding (or if all or part of the Senior Indebtedness is subordinated, set aside, avoided or disallowed in connection with any such Insolvency Proceeding as a result of a fraudulent conveyance or fraudulent transfer statute or if any interest accruing on the Senior Indebtedness following the commencement of such Insolvency Proceeding is otherwise disallowed). Accordingly, the provisions of this Agreement are intended to be and shall be enforceable as a subordination agreement within the meaning of Section 510 of the Bankruptcy Code.

(b) Proof of Claim; Voting.

(i) In the event of any Insolvency Proceeding, if Subordinated Creditor has not filed any proof of claim or other instrument of similar character necessary to enforce the obligations of any Loan Party in respect of the Subordinated Indebtedness (a "Proof of Claim") 10 days before the expiration of the time to file the same, then and in such event, but only in such event, the Senior Agent may (but shall not be required to), as attorney-in-fact for Subordinated Creditor, duly file such Proof of Claim, and Subordinated Creditor, by its acceptance of the Subordinated Indebtedness, appoints the Senior Agent as an attorney-in-fact for Subordinated Creditor for the limited purpose of filing any such Proof of Claim in accordance with the terms of this Section 5(b). In the event the Senior Agent makes any filing in accordance with the authority granted hereby, Subordinated Creditor shall not be entitled to amend or otherwise modify such filing without the prior written consent of the Senior Agent.

(ii) Without limiting the covenants of Subordinated Creditor in this Section 5 but subject to the specific rights of Subordinated Creditor set forth in this Section 5, in no event shall Subordinated Creditor support or vote in favor of any plan of reorganization (and each shall be deemed to have voted to reject any plan of reorganization) unless such plan (A) provides for the Final Payment of all Senior Indebtedness or (B) is accepted by the class of holders of the Senior Indebtedness voting thereon and is supported by Senior Agent.

(c) Financing. If, at any time prior to the Final Payment of the Senior Indebtedness, any Grantor shall be subject to any Insolvency Proceeding and Senior Agent consents to the use of cash collateral (as such term is defined in Section 363(a) of the Bankruptcy Code, "Cash Collateral") on which Senior Agent has a Lien or permits any Grantor to obtain financing under Section 364 of the Bankruptcy Code or any similar bankruptcy law (such financing, a "DIP Financing"), then Subordinated Creditor shall consent to, and raise no objection to such Cash Collateral use or DIP Financing. Subordinated Creditor shall not, directly or indirectly, provide or offer to provide, any DIP Financing to any Grantor, or support any DIP Financing to any Grantor that is offered or proposed by a Person other than Senior Agent or Senior Creditors.

(d) Sales. Until the Final Payment of the Senior Indebtedness, Subordinated Creditor will consent, and will not object to or oppose a motion to Dispose of any Collateral free and clear of the Liens or other claims in favor of Subordinated Creditor under Section 363 of the Bankruptcy Code if Senior Agent has consented to such Disposition of such assets.

(e) Relief from the Automatic Stay. Until the Final Payment of the Senior Indebtedness, Subordinated Creditor agrees not to (i) seek (or support any other person seeking) relief from the automatic stay or any other stay in any Insolvency Proceeding in respect of the Collateral, without the prior written consent of Senior Agent, or (ii) oppose any request by the Senior Agent or any Senior Creditor to seek relief from the automatic stay or any other stay in any Insolvency Proceeding in respect of the Collateral.

(f) Adequate Protection. In any Insolvency Proceeding involving a Grantor, Subordinated Creditor agrees that, until the Final Payment of the Senior Indebtedness, it shall not contest (or support any other Person contesting) (i) any request by Senior Agent or other Senior Creditors for adequate protection with respect to the Senior Creditors' rights in the Collateral or (ii) any objection by Senior Agent or Senior Creditors to any motion, relief, action, or proceeding based on Senior Agent or other Senior Creditors claiming a lack of adequate protection.

(g) Waivers. Subordinated Creditor shall not object to, oppose, take any action or vote in any way so as to directly or indirectly challenge or contest (in an Insolvency Proceeding or otherwise) (i) any claim by Senior Agent or any Senior Creditor for allowance in any Insolvency Proceeding of Senior Indebtedness consisting of post-petition interest, fees, or expenses, (ii) the validity, perfection, priority or the enforceability of the Senior Credit Agreement, the other Senior Documents or the Liens granted to Senior Agent and the Senior Creditors with respect to the Senior Indebtedness, (iii) the validity or enforceability of the subordination provisions contained in this Agreement or (iv) the rights and duties of Senior Agent and the Senior Creditors established in the Senior Credit Agreement or any other Senior Document to the extent such rights and duties are not, and/or have not been exercised in a manner, prohibited by any of the terms of this Agreement. At any time prior to the Final Payment of the Senior Indebtedness, nothing contained herein shall prohibit or in any way limit Senior Agent or any Senior Creditor from objecting in any Insolvency Proceeding to any action taken by Subordinated Creditor, including the assertion by Subordinated Creditor of any of its rights and remedies under the Subordinated Documents.

(h) Avoidance Issues. If any Senior Creditor is required in any Insolvency Proceeding or otherwise to turn over, disgorge or otherwise pay to the estate of any Grantor any amount paid (a “Recovery”) in respect of Senior Indebtedness, then such Senior Creditors shall be entitled to a reinstatement of the Senior Indebtedness with respect to all such recovered amounts, and all rights, interests, priorities and privileges recognized in this Agreement shall apply with respect to any such Recovery. If this Agreement shall have been terminated prior to such Recovery, this Agreement shall be reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair, or otherwise affect the obligations of the parties hereto from such date of reinstatement.

(i) Plan of Reorganization. If, in any Insolvency Proceeding, debt obligations of the reorganized debtor are distributed pursuant to a plan of reorganization or similar dispositive restructuring plan, both on account of the Senior Indebtedness and on account of the Subordinated Indebtedness, then, the provisions of this Agreement will survive the distribution of such debt obligations pursuant to such plan and will apply with like effect to such debt obligations. Nothing in this Agreement prohibits or limits the right of Subordinated Creditor to receive and retain any Restructuring Securities that are issued by a reorganized debtor pursuant to a confirmed plan of reorganization or similar dispositive restructuring plan in connection with an Insolvency Proceeding, so long as (i) in the case of equity securities, if such equity securities provide for mandatory redemption or mandatory dividend payments, the payment thereof shall be in accordance with, and subject to the relative priorities provided in, this Agreement and (ii) in the case of debt securities, any payment and Liens in respect of such debt securities shall be in accordance with, and subject to the relative priorities provided in, this Agreement.

6. Representations and Warranties.

(a) Loan Parties. As of the date hereof, each Loan Party hereby represents and warrants that (i) the Senior Agent has been furnished with true and correct copies of all instruments and securities evidencing the Subordinated Indebtedness, (ii) the aggregate principal amount of the Subordinated Indebtedness outstanding as of the date hereof is \$135,734 (the “Effective Date Amount”), and (iii) this Agreement has been duly executed and delivered by such Loan Party and constitutes a legal, valid and binding obligation of such Loan Party, enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws from time to time in effect affecting generally the enforcement of creditors’ rights and remedies and general principles of equity.

(b) Subordinated Creditor. Subordinated Creditor represents and warrants to the Senior Creditors that (i) Subordinated Creditor is an individual, (ii) Subordinated Creditor has full power and authority to enter into, execute, deliver and carry out the terms of this Agreement, (iii) the execution of this Agreement by Subordinated Creditor will not, to the knowledge of Subordinated Creditor, violate or conflict with any law, regulation or order applicable to Subordinated Creditor, or require any consent or approval which has not been obtained, (iv) this Agreement has been duly executed and delivered by Subordinated Creditor and constitutes a legal, valid and binding obligation of Subordinated Creditor, enforceable against Subordinated Creditor in accordance with its terms, except to the extent that the enforceability thereof may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws from time to time in effect affecting generally the enforcement of creditors’ rights and remedies and general principles of equity, (v) Subordinated Creditor is the sole owner, beneficially and of record, of the Subordinated Indebtedness, and (vi) the Subordinated Indebtedness is, and at all times prior to the termination of this Agreement shall remain, an unsecured obligation of the Parent.

(c) Senior Agent. Senior Agent represents and warrants to Subordinated Creditor that as of the date hereof: (i) it is duly formed, validly existing and in good standing under the laws of the state or jurisdiction of its organization, (ii) it has full power and authority to enter into, execute, deliver and carry out the terms of this Agreement, all of which have been duly authorized by all proper and necessary action, (iii) the execution of this Agreement by Senior Agent will not violate or conflict with its organizational documents, any material agreement binding upon Senior Agent or any law, regulation or order or require any consent or approval which has not been obtained, and (iv) this Agreement has been duly executed and delivered by Senior Agent and constitutes a legal, valid and binding obligation of Senior Agent, enforceable against Senior Agent in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally or by equitable principles.

7. Affirmative and Negative Covenants. Until all of the Senior Indebtedness has been Finally Paid, without the prior written consent of Senior Lenders: (a) no Loan Party shall discharge the Subordinated Indebtedness other than in accordance with its terms and the terms hereof; (b) Subordinated Creditor shall not demand or accept from any Loan Party or other Person any consideration which would result in a discharge of the Subordinated Indebtedness other than in accordance with its terms and the terms hereof; (c) Subordinated Creditor shall not hereafter give any subordination in respect of the Subordinated Indebtedness; (d) no Loan Party shall hereafter issue any instrument, security or other writing evidencing any part of the Subordinated Indebtedness, and Subordinated Creditor shall not receive any such writing, except upon the condition that such instrument, security or other writing shall bear the legend referred to herein and a complete copy thereof shall be furnished to Senior Agent; and (e) neither any Loan Party nor Subordinated Creditor shall take any action contrary to Senior Agent's and Senior Lenders' priority position over Subordinated Creditor that is created by this Agreement. In addition to the foregoing, Subordinated Creditor acknowledges and agrees that: (i) the Senior Creditors have relied on the terms and provisions of this Agreement in executing and delivering the Senior Documents and in making the extensions of credit contemplated thereby and shall continue to rely on such terms and provisions in making extensions of credit from time to time pursuant to the Senior Documents, and (ii) Subordinated Creditor shall not contest or challenge (or support any other Person in contesting or challenging) (A) the validity, perfection, priority or enforceability of the Senior Indebtedness, the Senior Documents or any Liens of the Senior Agent and the Senior Lenders in the Collateral securing the Senior Indebtedness or (B) the validity or enforceability of the subordination provisions contained in this Agreement.

8. Obligation of Loan Parties Unconditional. The provisions hereof are solely for the purpose of defining the relative rights of the holders of Senior Indebtedness, on the one hand, and Subordinated Creditor, on the other hand, and nothing contained herein is intended to or shall impair, as between the Loan Parties, on the one hand, and Subordinated Creditor, on the other hand, the obligation of the Loan Parties, which are absolute and unconditional, to pay the Subordinated Indebtedness as and when the same shall become due and payable in accordance with its terms, or to affect the relative rights of Subordinated Creditor and creditors of the Loan Parties, other than the Senior Lenders. The failure to make any payment with respect to the Subordinated Indebtedness by reason of this Agreement shall not be construed as preventing the occurrence of a default under any Subordinated Document.

9. Amendments of the Credit Documents.

(a) Subordinated Documents. Until the Senior Indebtedness has been Finally Paid, Subordinated Creditor agrees that it will not, without the prior written consent of the Senior Agent, amend or modify in any manner whatsoever the Subordinated Documents the effect of which is to (i) increase the maximum principal amount of the Subordinated Indebtedness (other than to the extent permitted by the Senior Credit Agreement and as a result of PIK Payments), (ii) increase the yield payable on any of the Subordinated Indebtedness (it being understood that invoking the default rate set forth in the Subordinated Documents on the date hereof shall not be restricted hereunder), (iii) accelerate the dates upon which payments of principal or interest on the Subordinated Indebtedness are due, (iv) add or make more burdensome, in any material respect, any covenant or event of default with respect to the Subordinated Indebtedness, (v) make more burdensome the redemption or prepayment provisions of the Subordinated Indebtedness (other than notice or other provisions that do not involve payments), (vi) change or amend any other term of the Subordinated Documents if such change or amendment would increase in any material respect the obligations of the Loan Parties or confer additional material rights on Subordinated Creditor in a manner adverse to the Loan Parties or Senior Lenders, or (vii) take any Liens in the Collateral or any other assets securing Senior Indebtedness. The Subordinated Indebtedness may be Refinanced to the extent the terms and conditions of such Refinanced indebtedness are not less favorable (as determined by the Senior Lenders in their reasonable discretion) in the aggregate to the Senior Lenders than the terms and conditions of the Subordinated Documents as in effect on the date hereof (with such amendments as are permitted under this Section 10); provided, that (A) the maturity date thereof is the same or later than the maturity date of the Subordinated Documents as in effect on the date hereof, (B) prior to consummation of such Refinancing the holders of such Refinanced indebtedness shall have become party to this Agreement (pursuant to a joinder in form and substance reasonably satisfactory to Senior Agent), and (C) such Refinanced indebtedness shall be Subordinated Indebtedness, and the documents evidencing such Refinanced indebtedness shall be Subordinated Documents, for all purposes hereunder.

(b) Senior Documents. The Senior Lenders and the Loan Parties may modify, amend, restate, supplement, replace, Refinance, restructure or otherwise modify the Senior Documents, or waive any of the provisions thereof, in any manner whatsoever, all without consent of, or notice to, Subordinated Creditor without affecting the subordination set forth in this Agreement or the liabilities and obligations of Subordinated Creditor hereunder. Any Refinancing of the Senior Indebtedness shall be subject to the restrictions set forth in the preceding sentence. Additionally, (A) prior to consummation of any Refinancing of the Senior Indebtedness, the holders of such Refinanced indebtedness shall have become party to this Agreement (pursuant to a joinder in form and substance reasonably satisfactory to Subordinated Creditor), and (B) such Refinanced indebtedness shall be Senior Indebtedness, and the documents evidencing such Refinanced indebtedness shall be Senior Documents, for all purposes hereunder.

10. Continued Effectiveness. No right of any present or future holder of any Senior Indebtedness to enforce the subordination as provided herein shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of any Loan Party or other Grantor; by any act or failure to act by any such holder; by any act or failure to act by any other holder of the Senior Indebtedness; or by any noncompliance by any Loan Party or other Grantor with the terms hereof, regardless of any knowledge thereof with which any such holder may have or be otherwise charged. Subordinated Creditor shall not be released, nor shall Subordinated Creditor's obligation hereunder be in any way diminished, by any of the following: (a) the exercise or the failure to exercise by any Senior Creditor of any rights or remedies conferred on it or them under the Senior Documents, hereunder or existing at law, or against any of the Collateral; (b) the commencement of an action at law or the recovery of a judgment at law against any Loan Party or any obligor ("Obligor") for the performance of the Senior Indebtedness and the enforcement thereof through levy or execution or otherwise; (c) the taking or institution or any other action or proceeding against any Loan Party or any Obligor; (d) any lack of validity or enforceability of any Senior Document or any other agreement or instrument related thereto; (e) any delay in taking, pursuing, or exercising any of the foregoing actions, rights, powers, or remedies (even though requested by Subordinated Creditor) by any Senior Lender or anyone acting for any Senior Lender; or (f) any other circumstance which might otherwise constitute a defense available to, or a discharge of, any Obligor in respect of the Senior Indebtedness or Subordinated Creditor or the Obligors in respect of this Agreement. Without limiting the generality of the foregoing, and anything else contained herein to the contrary notwithstanding, Senior Creditors, from time to time, without prior notice to or the consent of Subordinated Creditor, may take all or any of the following actions without in any manner affecting or impairing the obligation or liability of Subordinated Creditor hereunder: (i) obtain a Lien or a security interest in any property to secure any of the Senior Indebtedness; (ii) obtain the primary and secondary liability of any party or parties with respect to any of the Senior Indebtedness; (iii) subject to Section 10(b) hereof, renew, extend, or otherwise change the time for payment of the Senior Indebtedness or any installment thereof for any period; (iv) release or compromise any liability of any nature of any Person or entity with respect to the Senior Indebtedness; (v) exchange, enforce, waive, release, and apply any of the Collateral and direct the order or manner of sale thereof as Senior Agent may in its discretion determine; (vi) enforce their respective rights hereunder, whether or not such Senior Lender shall proceed against any other Person or entity; (vii) exercise their respective rights to consent to any action or non-action of any Loan Party which may violate the covenants and agreements contained in the Senior Documents, with or without consideration, on such terms and conditions as may be acceptable to them; (viii) exercise any of their respective rights conferred by the Senior Documents or by law; or (ix) subject to Section 10(b) hereof, amend or modify in any manner the Senior Credit Agreement or other Senior Documents.

11. Waivers. To the fullest extent permitted by law and except as to any notice specified in this Agreement, any notice which may not be waived in accordance with the UCC, or, with respect to the Loan Parties, any notice expressly required under the Senior Documents, each Loan Party and Subordinated Creditor hereby further waives: presentment, demand, protest, notice of protest, notice of default or dishonor, notice of payment or nonpayment and any and all other notices and demands of any kind in connection with all negotiable instruments evidencing all or any portion of the Senior Indebtedness or the Subordinated Indebtedness to which such Loan Party or Subordinated Creditor may be a party; prior notice of and consent to any loans made, extensions granted or other action taken in reliance thereon; and all other demands and notices of every kind in connection with this Agreement, the Senior Indebtedness or the Subordinated Indebtedness. Subordinated Creditor further waives, to the extent permitted by applicable law, any rights it may have under applicable law to assert the doctrine of marshaling or otherwise to require the Senior Lenders to marshal any Collateral for the benefit of Subordinated Creditor.

12. Cumulative Remedies; Indulgences Not Waivers; Specific Performance. Each right, remedy and power granted to Senior Agent and Senior Creditors hereunder shall be cumulative and in addition to any other right, remedy or power specifically granted herein, in the Senior Documents or now or hereafter existing in equity, at law, by virtue of statute or otherwise, and may be exercised by Senior Agent or Senior Creditors, from time to time, concurrently or independently and as often and in such order as Senior Agent and/or Senior Creditors may deem expedient. Neither the failure nor any delay on the part of any Senior Creditor to exercise any right, remedy, power or privilege hereunder shall operate as a waiver thereof or give rise to an estoppel, nor be construed as an agreement to modify the terms of this Agreement, nor shall any single or partial exercise of any right, remedy, power or privilege with respect to any occurrence be construed as a waiver of such right, remedy, power or privilege with respect to any other occurrence. No waiver of a right or obligation hereunder by a party hereunder shall be effective unless it is in writing and signed by the party making such waiver, and then only to the extent specifically stated in such writing. Should Subordinated Creditor in any way take, attempt to, or threaten to take any action contrary to terms of this Agreement, including with respect to the Collateral, or fail to take any action required by this Agreement, Senior Agent or any Senior Creditor may seek relief against Subordinated Creditor by injunction, specific performance, or other appropriate equitable relief, it being understood and agreed that (a) Senior Creditors' damages from such actions may at that time be difficult to ascertain and may be irreparable, and (b) Subordinated Creditor waives any defense that such Grantor and/or Senior Creditors cannot demonstrate damage and/or be made whole by the awarding of damages. Subordinated Creditor hereby irrevocably waives any defense based on the adequacy of a remedy at law and any other defense which might be asserted to bar the remedy of specific performance in any action which may be brought by Senior Agent or Senior Creditors.

13. Inconsistent or Conflicting Provisions. In the event a provision of the Senior Documents or the Subordinated Documents is inconsistent or conflicts with the provisions of this Agreement, the provisions of this Agreement shall govern and prevail.

14. Notices. All notices, requests, demands and other communications required or permitted under this Agreement or by law shall be in writing and may be personally served or sent by facsimile, overnight courier service or certified or registered United States mail and shall be deemed to have been duly given, made and received (a) if delivered in person, when delivered; (b) if delivered by facsimile, on the date of transmission if transmitted on a Business Day before 5:00 p.m. (New York City time) or, if not, on the next succeeding Business Day; (c) if delivered by overnight courier, one Business Day after delivery to such courier properly addressed with courier fees prepaid; or (d) if by United States mail, 3 Business Days after deposit in the United States mail, postage prepaid and properly addressed as set forth below.

If to Senior Agent or any Senior Creditor:

PNC Bank, National Association
200 South Wacker Drive, Suite 600
Chicago, Illinois 60606
Attention: Portfolio Manager
Telephone: (312) 454-2901
Facsimile: (312) 454-2919

with a copy to:

Blank Rome LLP
The Chrysler Building
405 Lexington Avenue
New York, NY 10174-0208
Attention: Michael J. Loesberg, Esq.
Telephone: (212) 885-5000
Facsimile: (212) 885-5001

If to Subordinated Creditor:

Vincent J. Lombardo
1946 W. Bearss Avenue
Tampa, FL 33618
Telephone: (813) 451-4843
Email: vlombardo@snicompanies.com

If to any Loan Party:

GEE Group Inc.
12950 Race Track Rd., Suite 216
Tampa, FL 33626
Attention: Andrew J. Norstrud, CFO
Telephone: (813) 803-8275
Email: andrew.norstrud@geegroup.com

with a copy to:

McDermott Will & Emery LLP
340 Madison Avenue
New York, NY 10173-1922
Attention: John J. Sullivan, Esq.
Telephone: (212) 547 5567
Email: jsullivan@mwe.com

Any addressee may alter the address to which communications are to be sent by giving notice of such change of address in conformity with the provisions of this Section for the giving of notice.

15. Benefit. Subordinated Creditor acknowledges that Senior Creditors would not have consented to the incurrence of the Subordinated Indebtedness but for the execution of this Agreement; therefore, Subordinated Creditor has received good, sufficient and adequate consideration for the making of this Agreement. Except as expressly provided in this Agreement, this Agreement is solely for the benefit of the Senior Creditors, Subordinated Creditor and their respective successors, participants and assigns, and no other person shall have any right, benefit, priority or interest under, or because of the existence of, this Agreement.

16. Entire Agreement. This Agreement constitutes and expresses the entire understanding between the parties hereto with respect to the subject matter hereof, and supersedes all prior and contemporaneous agreements and understandings, inducements or conditions, whether express or implied, oral or written. Neither this Agreement nor any portion or provision hereof may be changed, waived or amended orally or in any manner other than by an agreement in writing signed by Senior Agent, Subordinated Creditor and the Loan Parties.

17. Additional Documentation. Each Loan Party and Subordinated Creditor shall execute and deliver to Senior Agent such further instruments and shall take such further action as Senior Lenders may at any time or times reasonably request in order to carry out the provisions and intent of this Agreement.

18. Successors and Assigns. This Agreement shall inure to the benefit of each Senior Creditor and Subordinated Creditor and their respective successors and assigns, and shall be binding upon each Loan Party, Senior Creditor and Subordinated Creditor and their respective successors and assigns, including any subsequent holders of the Senior Indebtedness or Subordinated Indebtedness. All references to Borrowers, Loan Parties and Grantors shall include such Person as debtor and debtor-in-possession and any receiver or trustee for any such Person in any Insolvency Proceeding. Each Senior Lender, without prior notice or consent of any kind, may sell, assign or transfer the Senior Indebtedness in accordance with the Senior Credit Agreement, and in such event each and every immediate and successive assignee or transferee thereof may be given the right by such Senior Lender to enforce this Agreement in full against each Loan Party and Subordinated Creditor, by suit or otherwise, for its own respective benefit; provided, that such successor, assignee or transferee agrees to be bound by the terms of this Agreement. Subordinated Creditor may not sell, assign or transfer the Subordinated Indebtedness without the prior consent of Senior Agent; provided, that prior to the consummation of any such transfer or assignment, the transferee thereof shall have become party to this Agreement (pursuant to a joinder in form and substance reasonably satisfactory to Senior Agent) to provide for the continued subordination of the Subordinated Indebtedness to the Senior Indebtedness as provided herein and for the continued effectiveness of all of the rights of the Senior Lenders arising under this Agreement; provided, further, that notwithstanding the failure of Subordinated Creditor to comply with the foregoing and the failure of any transferee to execute or deliver such joinder agreement, the subordination effected hereby shall survive any sale, assignment, pledge, Disposition or other transfer of all or any portion of the Subordinated Indebtedness, and the terms of this Agreement shall be binding upon the successors and assigns of Subordinated Creditor.

19. Subrogation. At such time as the Senior Indebtedness has been Finally Paid (and is not subject to avoidance under Section 547 of the Bankruptcy Code), Subordinated Creditor shall be subrogated, to the extent of the Senior Indebtedness so paid, to the rights of the holder of the Senior Indebtedness to receive Distributions until all amounts owing on the Subordinated Indebtedness shall be paid in full. For the purpose of such subrogation no Distributions to the holders of the Senior Indebtedness by or on behalf of such Loan Party or Subordinated Creditor by virtue of the provisions hereof which otherwise would have been made to Subordinated Creditor shall, as between the Loan Party, a creditor of such Loan Party (other than Subordinated Creditor and the Senior Lenders), and Subordinated Creditor, be deemed to be payment by such Loan Party to or on account of the Subordinated Indebtedness; it being understood that the provisions of this Agreement are, and are intended solely, for the purpose of defining the relative rights of Subordinated Creditor, on the one hand, and the Senior Lenders, on the other hand.

20. Termination; Reinstatement. This Agreement shall continue and shall be irrevocable until the earlier of (a) the date on which all of the Senior Indebtedness has been Finally Paid or otherwise discharged and released in writing by the Senior Lenders and (b) the date on which Senior Agent has received evidence reasonably satisfactory to Senior Agent of the satisfaction, in the form of common Equity Interests of the Parent, of all of the Parent's obligations under the Subordinated Note, together with a termination and release agreement reasonably satisfactory to Senior Agent with respect to the Subordinated Documents, duly executed by the Parent and Subordinated Creditor; provided, that, in the case of any termination of this Agreement under the preceding clause (a), (i) the obligations of Subordinated Creditor under this Agreement shall continue to be effective, or be reinstated, as the case may be, if at any time any payment in respect of any Senior Indebtedness is rescinded, set aside or is otherwise required to be restored or returned by Senior Agent or any Senior Creditor by reason of any bankruptcy, reorganization, arrangement, composition or similar proceeding, such payment being declared fraudulent or preferential, or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, any Loan Party or any substantial part of its respective property, or otherwise, all as though such payment had not been made and (ii) Section 19 hereof shall continue in full force and effect until the Subordinated Indebtedness is paid in full. Subordinated Creditor agrees that it shall not be entitled to benefit from any avoidance action affecting or otherwise relating to any distribution or allocation made in accordance with this Agreement, whether by preference or otherwise, it being understood and agreed that the benefit of such avoidance action otherwise allocable to it shall instead by allocated and turned over for application in accordance with the priorities set forth in this Agreement.

21. Governing Law. THE VALIDITY, CONSTRUCTION AND ENFORCEMENT OF THIS AGREEMENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW) THEREOF. EACH LOAN PARTY AND SUBORDINATED CREDITOR HEREBY AGREE THAT ALL ACTIONS OR PROCEEDINGS INITIATED BY ANY LOAN PARTY OR SUBORDINATED CREDITOR AND ARISING DIRECTLY OR INDIRECTLY OUT OF THIS AGREEMENT SHALL BE LITIGATED IN THE STATE AND FEDERAL COURTS LOCATED IN NEW YORK COUNTY, NEW YORK OR, IF SENIOR AGENT OR ANY SENIOR CREDITOR INITIATES SUCH ACTION, IN ADDITION TO THE FOREGOING COURTS, ANY COURT IN WHICH SENIOR AGENT OR SUCH SENIOR CREDITOR SHALL INITIATE SUCH ACTION, TO THE EXTENT SUCH COURT HAS JURISDICTION. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR HEREBY EXPRESSLY SUBMITS AND CONSENTS IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR PROCEEDING COMMENCED IN ACCORDANCE WITH THE FOREGOING AND HEREBY WAIVES ANY CLAIM THAT SUCH COURTS ARE AN INCONVENIENT FORUM OR AN IMPROPER FORUM BASED UPON LACK OF VENUE. THE EXCLUSIVE CHOICE OF FORUM AS SET FORTH IN THIS SECTION SHALL NOT BE DEEMED TO PRECLUDE THE ENFORCEMENT, BY SENIOR AGENT OR SENIOR CREDITORS, OF ANY JUDGMENT OBTAINED IN ANY OTHER FORUM OR THE TAKING, BY SENIOR AGENT OR SENIOR CREDITORS, OF ANY ACTION TO ENFORCE THE SAME IN ANY OTHER APPROPRIATE JURISDICTION, AND EACH LOAN PARTY AND SUBORDINATED CREDITOR HEREBY WAIVE THE RIGHT TO COLLATERALLY ATTACK SUCH JUDGMENT OR ACTION.

22. **Jury Trial.** EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR HEREBY WAIVES ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING HEREUNDER OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS TRANSACTION. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH LOAN PARTY, SUBORDINATED CREDITOR AND SENIOR CREDITOR FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 22 AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS HERETO. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

23. **Severability.** The provisions of this Agreement are independent of and separable from each other. If any provision hereof shall for any reason be held invalid or unenforceable, it is the intent of the parties that such invalidity or unenforceability shall not affect the validity or enforceability of any other provision hereof, and that this Agreement shall be construed as if such invalid or unenforceable provision had never been contained herein.

24. **Counterparts.** This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by telecopier or electronic mail shall be equally as effective as delivery of an original executed counterpart of this Agreement.

25. **Headings.** The section headings used in this Agreement are for convenience only and shall not affect the interpretation of any of the provisions hereof.

26. **Disclosures, Non-Reliance.** Each Senior Creditor and Subordinated Creditor has the means to, and shall in the future remain, fully informed as to the financial condition and other affairs of each Loan Party and no Senior Creditor or Subordinated Creditor shall have any obligation or duty to disclose any such information to any other Senior Creditor or Subordinated Creditor, as the case may be. Except as expressly set forth in this Agreement, the parties hereto have not otherwise made to each other nor do they hereby make to each other any warranties, express or implied, nor do they assume any liability to each other with respect to: (a) the enforceability, validity, value or collectability of any of the Subordinated Indebtedness or the Senior Indebtedness or any collateral or guaranty which may have been granted to any of them in connection therewith, (b) the title to or right to any Collateral by any Loan Party or (c) any other matter except as expressly set forth in this Agreement.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

SUBORDINATED CREDITOR:

Vincent J. Lombardo

[Signature Page to Subordination and Intercreditor Agreement (Vince Lombardo)]

SENIOR AGENT:

PNC BANK, NATIONAL ASSOCIATION, as
Administrative Agent and Collateral Agent

By: /s/ Walt Hill

Name: Walt Hill

Title: Senior Vice President

[Signature Page to Subordination and Intercreditor Agreement (Vince Lombardo)]

ACKNOWLEDGED AND AGREED:

BORROWERS:

GEE GROUP INC.

By: _____
Name: _____
Title: _____

TRIAD LOGISTICS, INC.

By: _____
Name: _____
Title: _____

SCRIBE SOLUTIONS INC.

By: _____
Name: _____
Title: _____

PALADIN CONSULTING, INC.

By: _____
Name: _____
Title: _____

AGILE RESOURCES, INC.

By: _____
Name: _____
Title: _____

BMCH, INC.

By: _____
Name: _____
Title: _____

ACCESS DATA CONSULTING
CORPORATION

By: _____
Name: _____
Title: _____

GEE GROUP PORTFOLIO INC.

By: _____
Name: _____
Title: _____

TRIAD PERSONNEL SERVICES, INC.

By: _____
Name: _____
Title: _____

SNI COMPANIES

By: _____
Name: _____
Title: _____

[Signature Page to Subordination and Intercreditor Agreement (Vince Lombardo)]

AGREEMENT

This Agreement (this “**Agreement**”), is dated as of April 3, 2017, and is entered into by and between GEE Group, Inc., an Illinois corporation (“**GEE**”), and Thrivent Financial for Lutherans, a Wisconsin corporation, organized as a fraternal benefits society (“**Thrivent**”).

RECITALS

A. WHEREAS, GEE has entered into that certain Agreement and Plan of Merger, dated as of March 31, 2017 (the “**Merger Agreement**”), with GEE, GEE Group Portfolio Inc., a Delaware corporation and wholly-owned subsidiary of GEE (the “**Merger Subsidiary**”), SNI Holdco Inc., a Delaware corporation (“**SNI Holdco**”), Smith Holdings, LLC, a Delaware limited liability company, Thrivent, and Madison Capital Funding, LLC, a Delaware limited liability company (“**Madison**”) and Ronald R. Smith, who has agreed to serve as the representative of the SNIH Stockholders (“**Mr. Smith**” or “**Stockholders’ Representative**”); and collectively with Smith Holdings, LLC, Thrivent and Madison, the “**Principal Stockholders**”), pursuant to which SNI Holdco will merge with and into Merger Subsidiary (the “**Merger**”);

B. WHEREAS, Thrivent is a shareholder of SNI Holdco and in connection with the Merger, shall receive consideration for the sale of its SNI Holdco shares in the form of (i) a convertible subordinated promissory note; (ii) shares of series B convertible preferred stock (the “**Preferred Stock**”); and (iii) cash, pursuant to the terms of the Merger Agreement;

C. WHEREAS, GEE and Thrivent have agreed that Thrivent shall have certain limitations on its ability to convert the Preferred Stock, which limitations shall be set forth in this Agreement;

D Capitalized terms used, but not otherwise defined herein, shall have their respective meanings as set forth in the Merger Agreement;

NOW, THEREFORE, in consideration of the mutual promises of the parties and the terms and conditions hereof, the parties hereby agree as follows

The parties accordingly agree as follows:

1. Pursuant to the terms of the Merger Agreement, Thrivent shall receive the Merger Consideration, which includes, without limitation 609,990 shares of Preferred Stock, the terms and conditions of which are set forth in the Statement of Resolution.

2. Notwithstanding anything to the contrary set forth in the Statement of Resolution, Thrivent shall not have the right to convert all or any portion of the outstanding Preferred Stock held by Thrivent into shares of common stock of GEE (the “**Common Stock**”), to the extent that after giving effect to such conversion as set forth in a written election to GEE to convert the Preferred Stock (the “**Conversion Notice**”), Thrivent (together with Thrivent’s Affiliates, and any other person or entity acting as a group together with Thrivent or any of Thrivent’s Affiliates), would beneficially own Common Stock in excess of 4.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon conversion of Thrivent’s Preferred Stock (the “**Beneficial Ownership Limitation**”). Beneficial Ownership shall be calculated in accordance with Section 13(d) of the Securities and Exchange Act of 1934, as amended (the “**Exchange Act**”). and Thrivent is solely responsible for any schedules required to be filed in accordance therewith. The process and procedure for converting the Preferred Stock into shares of Common Stock, and for Thrivent to determine the total number of shares of Common Stock outstanding at the time of such conversion, is as set forth in the Statement of Resolution.

3. The Beneficial Ownership Limitation may be waived by Thrivent, upon not less than 61 days' prior notice to GEE that Thrivent would like to waive the Beneficial Ownership Limitation with regard to any or all shares of Common Stock issuable upon conversion of the Preferred Stock (the "**Waiver Notice**"). As a result of such Waiver Notice, this Agreement shall be of no force or effect solely with regard to those shares of Common Stock referenced in the Waiver Notice..

4. To the extent that the Beneficial Ownership Limitation applies, the determination as to whether the Preferred Stock can be converted (in relation to other securities owned by Thrivent together with any Affiliates) and which portion of the Preferred Stock is convertible, shall be in the sole determination of Thrivent, and the submission of a Conversion Notice to GEE shall be deemed to be Thrivent's sole determination as to whether, and what portion of the Preferred Stock is convertible in each case subject to the Beneficial Ownership Limitation. GEE shall have no obligation to verify or confirm the accuracy of such determination.

5. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, applicable to agreements made and entirely to be performed in such State, without regard to conflicts of law principles.

6. This Agreement expresses the entire understanding with respect to the subject matter hereof. Any term of this Agreement may be amended and observance of any term of this Agreement may be waived only with the written consent of the parties hereto. Waiver of any term or condition of this Agreement by any party shall not be construed as a waiver of any subsequent breach or failure of the same term or condition or waiver of any other term or condition of this Agreement.

7. This Agreement may be executed in separate counterparts each of which will be an original and all of which taken together will constitute one and the same agreement, and may be executed using facsimiles of signatures, and a facsimile of a signature shall be deemed to be the same, and equally enforceable, as an original of such signature.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto as of and on the date first above written.

GEE GROUP INC.

By: /s/ Derek Dewan
Name: Derek Dewan
Title: Chief Executive Officer

**THRIVENT FINANCIAL FOR
LUTHERANS**

By: /s/ Geoff Huber
Name: Geoff Huber
Title: Senior Managing Director