

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): **May 15, 2019**

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>7751 Belfort Parkway, Suite 150. Jacksonville, Florida</u> (Address of principal executive offices)		<u>32256</u> (Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, no par value	JOB	NYSE MKT

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))

Item 1.01 Entry into a Material Definitive Agreement

GEE Group, Inc., (the “Company”) entered into Subscription Agreements, each dated as of May 15, 2019 (each, a “Subscription Agreement” and collectively, the “Subscription Agreements”) with certain of its officers and directors (collectively, the “Investors”) pursuant to which the Investors agreed to purchase from the Company \$2,000,000 in aggregate principal amount of the Company’s 8% Convertible Subordinated Notes (the “8% Notes”).

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

The information contained in Item 2.03 and 5.03 of this Form is hereby incorporated by reference into this Item 1.01.

On May 15, 2019 in connection with the agreement by Ronald R. Smith to participate in the offering and sale of the 8% Notes, the Company entered into a Settlement Agreement with Ronald R. Smith, individually and Ronald R. Smith, in his capacity as the Stockholders’ Representative, as that role is defined in the Agreement and Plan of Merger entered into as of March 31, 2017 (the “Merger Agreement”) by and among the Company, SNI Holdco Inc., Mr. Smith, the Stockholders’ Representative, and certain other stockholders of SNI Holdco Inc. (the “Settlement Agreement”). Pursuant to the Settlement Agreement, the Company acknowledged its obligation to pay to the former stockholders of SNI Holdco, Inc., in the manner provided in the Merger Agreement, the \$879,995.70 owed pursuant to the working capital determination of the Company’s auditor. The Company agreed that payment of such amount will be paid or commenced on the earlier to occur of: (i) a refinancing or complete payoff of the senior secured debt held by the lenders under the Company’s Senior Credit Agreement (as defined below), or (ii) August 31, 2019. The Company further agreed that if the Agent (as defined below) for the Company’s Senior Credit Agreement has not been paid off or its debt refinanced by July 31, 2019, the Company shall pay \$100,000 of the working capital amount owed on August 31, 2019 and on the last day of each month thereafter, with the full amount of the remaining unpaid balance paid March 31, 2020. Pursuant to the Settlement Agreement, the Company, on behalf of itself and its subsidiaries (the “GEE Parties”) also entered into a Full and Unconditional Mutual Release (the “Release”) with Ronald R. Smith individually, and Ronald R. Smith in his capacity as Stockholders’ Representative (as that role is defined in the Merger Agreement) (the “SNI Holdco Parties”) pursuant to which the GEE Parties on the one hand and the SNI Holdco Parties on the other hand released and discharged one another from any and all claims that either such party may have against the other based on, related to or arising out of the Merger Agreement. A copy of the Settlement Agreement, which includes the Release, is attached hereto as Exhibit 10.2. The description of the Settlement Agreement and Release contained in this Current Report on Form 8-K is qualified in its entirety by reference to Exhibit 10.2.

Item 2.03 Creation of a Direct Financial Obligation.

On May 15, 2019, the Company issued and sold to the Investors \$2,000,000 in aggregate principal amount of its 8% Notes. The 8% Notes mature on October 3, 2021 (the “Maturity Date”). The 8% Notes are convertible into shares of the Company’s Series C 8% Cumulative Convertible Preferred Stock (“Series C Preferred Stock”) at a conversion price equal to \$1.00 per share (subject to adjustment as provided in the 8% Notes upon any stock dividend, stock combination or stock split or upon the consummation of certain fundamental transactions) (the “Conversion Price”). Interest on the 8% Notes accrues at the rate of 8% per annum and shall be paid quarterly in non-cash payments-in-kind (“PIK”) in arrears on June 30, September 30, December 31 and March 31, beginning on June 30, 2019, on each conversion date with respect to the 8% Notes (as to that principal amount then being converted), and on the Maturity Date (each such date, an “Interest Payment Date”). Interest shall be paid on an Interest Payment Date in shares of Series C Preferred Stock of the Company, which Series C Preferred Stock shall be valued at its liquidation value. All or any portion of the 8% Notes may be redeemed by the Company for cash at any time. The redemption price shall be an amount equal to 100% of the then outstanding principal amount of the 8% Notes being redeemed, plus accrued and unpaid PIK interest thereon. The Company may, at its option, prepay any portion of the principal amount of the 8% Notes without the prior consent of the holders thereof; provided, however, that any prepayments of the 8% Notes shall be made on a pro rata basis to all holders of 8% Notes based on the aggregate principal amount of 8% Notes held by such holders. The Company shall be required to prepay the 8% Notes together with accrued and unpaid PIK interest thereon upon the consummation by the Company of any Change of Control. For purposes of the 8% 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. Each of the 8% 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, as amended, 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 MGG Investment Group LP, 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 May 15, 2019 by and among the Company, the Borrowers, the Agent and each of the holders of the 8% Notes.

None of the 8% Notes issued to the Investors are registered under the Securities Act of 1933, as amended (the “Securities Act”). Each of the Investors who received 8% Notes is an accredited investor. The issuance of the 8% Notes to such Investor is exempt from the registration requirements of the Act in reliance on an exemption from registration provided by Rule 506(b) of Regulation D under the Act and Section 4(2) of the Act.

A copy of the Form of 8% Note is filed as Exhibit 4.1 hereto. Copies of the Subordination Agreements with each of the holders of the 8% Notes are filed as Exhibits 10.3, 10.4, 10.5, 10.6, 10.7, 10.8, 10.9 and 10.10 hereto. The descriptions of each of the 8% 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 Exhibits 10.3, 10.4, 10.5, 10.6, 10.7, 10.8, 10.9 and 10.10, 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.

Item 5.03 Amendment of Articles of Incorporation

On May 17, 2019, the Company filed a Statement of Resolution Establishing its Series C Preferred Stock with the State of Illinois. (the Resolution Establishing Series”). Pursuant to the Resolution Establishing Series, the Company designated 3,000,000 of its authorized preferred stock as “Series C 8% Cumulative Convertible Preferred Stock”, without par value. The Series C Preferred Stock has a Liquidation Value equal to \$1.00 per share and ranks *pari passu* with the Company’s Series B Convertible Preferred Stock (“Series B Preferred Stock”) and 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. Holders of shares of Series C Preferred Stock shall be entitled to receive an annual non-cash (“PIK”) dividend of 8% of the Liquidation Value per share. Such dividend shall be payable quarterly on June 30, September 30, December 31 and March 31 of each year commencing on June 30, 2019, in preference to any dividend paid on or declared and set aside for the Series B Preferred Stock or any Junior Securities and shall be paid-in-kind in additional shares of Series C Preferred Stock. Except as set forth in the Resolution Establishing Series or as may be required by Illinois law, the holders of the Series C 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 C 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 superior to the Series C Preferred Stock in relative rights, preferences or privileges (including with respect to dividends, liquidation or voting). Each share of Series C 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 \$1.00 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. A copy of the Statement of Resolution Establishing Series C 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-K is qualified in its entirety by reference to Exhibit 3.1.

Item 9.01 Financial Statements and Exhibits.

Exhibit

Exhibit No.	Description
3.1	Statement of Resolution Establishing Series of Series C 8% Cumulative Convertible Preferred Stock
4.1	Form of 8% Convertible Subordinated Note due October 3, 2021
10.1	Form of Subscription Agreement dated May 15, 2019 by and between the Company and the Investor party thereto
10.2	Settlement Agreement dated as of May 15, 2019 by and among Ronald R. Smith, individually, the Company, and Ronald R. Smith, in his capacity as the Stockholders' Representative, as that role is defined in the Agreement and Plan of Merger entered into as of March 31, 2017 by and among the Company, SNI Holdco Inc., Mr. Smith, the Stockholders' Representative, and certain other stockholders of SNI Holdco Inc.
10.3	Subordination and Intercreditor Agreement dated as of May 15, 2019 by and among MGG Investment Group LP, as administrative agent and collateral agent for the Senior Lenders referred to therein, Peter J. Tanous, 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
10.4	Subordination and Intercreditor Agreement dated as of May 15, 2019 by and among MGG Investment Group LP, as administrative agent and collateral agent for the Senior Lenders referred to therein, Alex Stuckey, 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
10.5	Subordination and Intercreditor Agreement dated as of May 15, 2019 by and among MGG Investment Group LP, as administrative agent and collateral agent for the Senior Lenders referred to therein, Arthur B. Laffer, 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
10.6	Subordination and Intercreditor Agreement dated as of May 15, 2019 by and among MGG Investment Group LP, as administrative agent and collateral agent for the Senior Lenders referred to therein, Darla Moore, 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
10.7	Subordination and Intercreditor Agreement dated as of May 15, 2019 by and among MGG Investment Group LP, as administrative agent and collateral agent for the Senior Lenders referred to therein, William Isaac, 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
10.8	Subordination and Intercreditor Agreement dated as of May 15, 2019 by and among MGG Investment Group LP, as administrative agent and collateral agent for the Senior Lenders referred to therein, Ronald Smith, 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
10.9	Subordination and Intercreditor Agreement dated as of May 15, 2019 by and among MGG Investment Group LP, as administrative agent and collateral agent for the Senior Lenders referred to therein, FRUS Capital 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
10.10	Subordination and Intercreditor Agreement dated as of May 15, 2019 by and among MGG Investment Group LP, as administrative agent and collateral agent for the Senior Lenders referred to therein, Irrevocable Living Trust of Derek E. Dewan, Brittany M. Dewan, Trustee, 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
99.1	Press release dated May 16, 2019

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: May 21, 2019

By: /s/ Kim Thorpe
Kim Thorpe
Chief Financial Officer

STATEMENT OF RESOLUTION
ESTABLISHING SERIESGEE GROUP INC.
(Filed May 17, 2019)

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 of the Company (the "Board") on May 15, 2019 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 C 8% Cumulative Convertible Preferred Stock" (the "Series C Preferred Stock") and the number of Shares constituting such series shall be 3,000,000. The relative rights, powers, preferences, limitations and restrictions of the Series C Preferred Stock shall be as set forth herein.
2. Defined Terms. For purposes hereof, the following terms shall have the following meanings:

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

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

"Date of Issuance" means, for any Share of Series C 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 the Common Stock and any series of preferred stock of the Company designated as junior to the Series C Preferred Stock.

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

"Liquidation Value" means, with respect to any Share, \$1.00 (as adjusted for any stock splits, recapitalizations or similar transaction with respect to the Series C Preferred Stock).

"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.

"Redemption Date" has the meaning set forth in **Section 8.1**

"Redemption Price" has the meaning set forth in **Section 8.1**.

"Series B Preferred Stock" means the Company's Series B Convertible Preferred Stock, without par value.

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

"**Share**" means a share of Series C 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 C Preferred Stock shall rank pari passu with the Series B Preferred Stock and senior to all Junior Securities.

4. **Dividends.** Holders of Shares of Series C Preferred Stock shall be entitled to receive an annual dividend of 8% of the Liquidation Value per Share. Such dividend shall be payable quarterly on June 30, September 30, December 31 and March 31 of each year commencing on June 30, 2019, in preference to any dividend paid on or declared and set aside for the Series B Preferred Stock or any Junior Securities and shall be paid-in-kind in additional shares of Series C Preferred Stock. .

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 C Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Company available for distribution to its stockholders on a pari passu basis with the holders of Shares of Series B Preferred Stock then outstanding, 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 C 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 C 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 C 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 C Preferred Stock are converted into or exchanged for cash, new securities or other property as a majority of the then outstanding Shares 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 C 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 C 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 C Preferred Stock. The amount deemed distributed to the holders of Series C 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 (as determined in good faith by the Board) 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 C Preferred Stock the full preferential amount to which they are entitled under **Section 5.1**, (a) the holders of the Shares shall share ratably with the holders of the Series B Preferred Stock on a pari passu basis in any distribution of the remaining assets and funds of the Company based on the percentage of Shares of the Series C 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 C 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 C 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 C 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 C 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 C 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 C Preferred Stock shall have the right by written election to the Company to convert all or any portion of the outstanding Shares of Series C 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.

7.2 Procedures for Conversion; Effect of Conversion

(a) Procedures for Holder Conversion. In order to effectuate a conversion of Shares of Series C 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 C 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 C 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 C 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 C 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 C Preferred Stock, such number of shares of Common Stock issuable upon the conversion of all outstanding Series C 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 C 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 C 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 C 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 C 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 C 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 C Preferred Stock in relation to any shares of stock, securities or assets thereafter acquirable upon conversion of Series C 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 C 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 C 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 C 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 C 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 C 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 C 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 C 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 C 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 C 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 C 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 C 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 C Preferred Stock and the Conversion Shares.

8. Redemption

8.1 Redemption at the Option of the Company. At any time and from time to time, the Company at its option may redeem in cash all or any part of the Series C Preferred Stock at a redemption price per Share equal the Liquidation Value of such Share plus accrued and unpaid dividends to the date of redemption (the "Redemption Price"). Any election by the Company to redeem Shares of Series C Preferred Stock shall be submitted in writing to the holders of the Series C Preferred Stock not less than ten (10) calendar days prior to the date selected for such redemption (the "Redemption Date"). Any call for redemption of any portion of the Series C Preferred Stock by the Company pursuant to this **Section 8.1** shall be made on a pro rata basis among all holders of Series C Preferred Stock. The Company shall pay the applicable Redemption Price on the later of (i) the Redemption Date and (ii) upon the receipt of surrender of the certificates representing the shares of Series C Preferred Stock to be redeemed (properly endorsed or assigned for transfer to the Company); *provided*, that if such certificates are lost, stolen or destroyed, the Company may require such holder to execute an agreement reasonably satisfactory to the Company to indemnify the Company from any loss incurred by it in connection therewith, prior to paying such Redemption Price. Shares of Series C Preferred Stock to be redeemed on the Redemption Date will from and after the Redemption Date, no longer be deemed to be outstanding; and all powers, designations, preferences and other rights of the holder thereof as a holder of shares of Series C Preferred Stock (except the right to receive from the Company the applicable Redemption Price) shall cease and terminate with respect to such shares; *provided*, that in the event that a share of Series C Preferred Stock is not redeemed due to a default in payment by the Company or because the Company is otherwise unable to pay the applicable Redemption Price in cash in full, all shares of Series C Preferred Stock submitted for redemption will remain outstanding and will be entitled to all of the powers, designations, preferences and other rights as provided herein.

9. Reissuance of Series C Preferred Stock. Any Shares of Series C 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.

10. 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 10**).

11. Amendment and Waiver. No term of the Series C 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 C Preferred Stock, and any such written amendment, modification or waiver will be binding upon the Company and each holder of Series C Preferred Stock. No amendment, modification or waiver of the terms or relative priorities of the Series C 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 11**.

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: May 15, 2019

GEE Group Inc.
(Exact Name of Corporation)

attested
by: /s/ Kim Thorpe
(Signature of Secretary)
Kim Thorpe, Secretary

by: /s/ Derek Dewan
(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 AS PERMITTED UNDER THE SECURITIES ACT AND THE APPLICABLE STATE SECURITIES LAWS (A) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT FILED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS THEREUNDER AND IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF THE UNITED STATES OR ANY OTHER JURISDICTION. 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. HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

Original Issue Date: May 15, 2019

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8% CONVERTIBLE SUBORDINATED NOTE

DUE October 3, 2021

THIS CONVERTIBLE SUBORDINATED NOTE is one of a series of duly authorized and validly issued 8% Convertible Subordinated Notes of GEE Group, Inc., an Illinois corporation, with headquarters at 7751 Belfort Parkway, Suite 150, Jacksonville, Florida 32256 (the "Company"), identical as to all terms and designated as its 8% Convertible Subordinated Note, due on October 3, 2021 (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 his registered assigns (the "Holder"), or shall have paid pursuant to the terms hereunder, the principal sum of \$ _____ (_____ DOLLARS) by October 3, 2021, 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:

"8% Convertible Notes" or "Notes" means the 8% Convertible Subordinated Notes issued by the Company on the date hereof, including this Note.

"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.

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

“Conversion Shares” means, collectively, the shares of Series C Preferred 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.

“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 \$1.00 per share of Series C Preferred 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.

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

“Series C Preferred Stock” means the Series C 8% Cumulative Convertible Preferred 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

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

“Subordination Agreement” means the Subordination and Intercreditor Agreement entered into as of May 15, 2019, by and among MGG Investment Group LP, 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.

“Subscription Agreement” means the Subscription Agreement dated as of May 15, 2019 by and between the Company and the Holder.

“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.

“Transaction Documents” means this Note and the Subscription Agreement.

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 8% per annum. Interest shall be paid quarterly in arrears on June 30, September 30, December 31 and March 31, beginning on June 30, 2019, 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"). Interest shall be paid on each Interest Payment Date in shares of Series C Preferred Stock of the Company, which Series C Preferred Stock shall be valued at the Conversion Price per share then in effect.

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. The Company may, at its option, prepay any portion of the principal amount of this Note without the prior written consent of the Holder; provided, however, that any prepayments of the 8% Convertible Notes shall be made on a pro rata basis to all holders of 8% Convertible Notes based on the aggregate principal amount of 8% 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 Subscription Agreement and may be transferred or exchanged only in compliance with 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 Series C Preferred Stock at the option of the Holder, at any time and from time to time. 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. 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 Series C Preferred 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 Series C Preferred 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 Series C Preferred 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. 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 Series C Preferred 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 Series C Preferred 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 Series C Preferred Stock that shall be so issuable shall, upon issue, be duly authorized, validly issued, fully paid and nonassessable

v. Fractional Shares. Upon a conversion hereunder the Company shall not be required to issue stock certificates representing fractions of shares of Series C Preferred Stock, but may if otherwise permitted, make a cash payment in respect of any final fraction of a share based on the Series C Preferred Stock Conversion Price 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 Series C Preferred Stock.

vi. Transfer Taxes. The issuance of certificates for shares of the Series C Preferred 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 Series C Preferred Stock on shares of Series C Preferred Stock; (B) subdivides outstanding shares of Series C Preferred Stock into a larger number of shares; or (C) combines (including by way of a reverse stock split) outstanding shares of Series C Preferred 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 Series C Preferred 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 Series C Preferred 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 Series C Preferred 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 Series C Preferred 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 Series C Preferred 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 Series C Preferred 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 Series C Preferred 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 Series C Preferred 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.

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 Series C Preferred Stock, (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the Series C Preferred Stock, (C) the Company shall authorize the granting to all holders of the Series C Preferred 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 Series C Preferred 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 Series C Preferred 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 10 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 Series C Preferred 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 Series C Preferred Stock of record shall be entitled to exchange their shares of Series C Preferred 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 10-day period commencing on the date of such notice through the effective date of the event triggering such notice.

Section 6. Redemption.

a) Redemption. The Company shall have the right at any time 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 10 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 8% 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 10 calendar days after 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 8% Convertible Notes, immediately due and payable in cash; provided however, that notwithstanding the foregoing, the 8% 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 8% 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: Kim Thorpe, 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) 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.

c) 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.

d) 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.

e) 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 8% 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.

f) 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.

g) 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.

h) 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: Derek Dewan
Title: Chief Executive Officer

ANNEX A

NOTICE OF CONVERSION

The undersigned hereby elects to convert principal under the 8% Convertible Subordinated Note of GEE Group, Inc., an Illinois corporation (the "Company"), due on October 3, 2021, into shares of Series C 8% Cumulative Convertible Preferred Stock, without par value per share (the "Series C Preferred 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 Series C Preferred Stock.

Conversion calculations:

Date to Effect Conversion:

Principal Amount of Note to be Converted:

Number of shares of Series C Preferred Stock to be issued:

Signature:

Name:

Address:

SUBSCRIPTION AGREEMENT

This Subscription Agreement (the "Agreement") dated as of May 15, 2019, has been executed by the undersigned (the "Subscriber") in connection with the offer and sale by GEE Group Inc., an Illinois corporation (the "Company") of US\$2,000,000 aggregate principal amount of its 8% Convertible Subordinated Notes (the "Notes"). The offering of the Notes (the "Offering") is being made in reliance upon the exemption from registration afforded by Section 4(a)(2) of the Securities Act and Rule 506(b) of Regulation D ("Regulation D") promulgated by the United States Securities and Exchange Commission (the "SEC") under the Securities Act of 1933, as amended (the "Securities Act"). Upon the terms and subject to the conditions set forth herein, the Company desires to sell Notes to Subscriber, and Subscriber desires to purchase Notes from the Company on the terms and conditions set forth herein.

In consideration of the mutual promises, representations and warranties set forth herein, the Company and the Subscriber hereby agree as follows:

1. *Agreement to Subscribe*

1.1 Purchase and Issuance of the 8% Convertible Subordinated Notes. The Subscriber is hereby subscribing for \$ _____ aggregate principal amount of Notes (the "Subscriber Notes"). The aggregate price payable for the Subscriber Notes is US\$ _____ (the "Purchase Price"). Prior to the Closing, Subscriber will deliver to a bank account designated by the Company in writing, the Purchase Price by wire transfer of immediately available funds. Unless, as of or prior to the Closing all conditions of the Offering have been satisfied by both the Company and the subscribers thereof (including the Subscriber), the Purchase Price will be promptly returned to Subscriber without interest or deduction.

1.2 Closing. The closing for the sale of the Notes to the Subscriber shall take place at the offices of the Company on May 15, 2019 (the "Closing"), or at such other time and/or such other place as the Company may determine in its sole and absolute discretion.

2. *Representations and Warranties of the Subscriber*

The Subscriber represents and warrants to the Company that:

2.1 No Government Recommendation or Approval. The Subscriber understands that no United States federal or state agency has passed upon or made any recommendation or endorsement of the Company or the Offering of the Notes and the securities of the Company issuable upon conversion of the Notes (the "Conversion Securities", and together with the Notes, the "Offered Securities").

2.2 Intent. The Subscriber is purchasing the Subscriber Notes and the Conversion Securities issuable upon conversion of the Subscriber Notes (the "Subscriber Conversion Securities") solely for investment purposes, for the Subscriber's own account, not as a nominee or agent or for the benefit of any other person, and not with a view towards the distribution or dissemination thereof and the Subscriber has no present arrangement to sell the Subscriber Notes or the Subscriber Conversion Securities to or through any person or entity.

2.4 Restrictions on Transfer. The Subscriber understands that the Offered Securities have not been, and will not be, registered under the Securities Act, by reason of a specific exemption from the registration provisions of the Securities Act which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of the Subscriber's representations as expressed herein. The Subscriber understands that the Offered Securities are "restricted securities" under applicable U.S. federal and state securities laws and that, pursuant to these laws, the Subscriber must hold the Offered Securities indefinitely unless they are registered with the SEC and qualified by state authorities, or an exemption from such registration and qualification requirements is available. The Subscriber acknowledges that the Company has no obligation to register or qualify the Offered Securities for resale. The Subscriber further acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Offered Securities, and on requirements relating to the Company which are outside of the Subscriber's control, and which the Company is under no obligation and may not be able to satisfy. The Subscriber agrees that if any transfer of its Subscriber Notes, Subscriber Conversion Securities or any interest therein is proposed to be made, as a condition precedent to any such transfer, Subscriber may be required to deliver to the Company an opinion of counsel satisfactory to the Company.

2.5 Accredited and Sophisticated Investor. The Subscriber is familiar with the term "accredited investor" as defined in Rule 501(a) of Regulation D promulgated under the Securities Act and is an "accredited investor" within the meaning of such term. The Subscriber is sophisticated in financial matters and is able to evaluate the risks and benefits of the investment in the Offered Securities. The Subscriber is able to bear the economic risk of his or her investment in the Offered Securities for an indefinite period of time.

2.6 Independent Investigation. The Subscriber, in making the decision to purchase the Subscriber Notes and the Subscriber Conversion Securities has relied upon an independent investigation of the Company 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 Company, its officers, directors or employees or any other representatives or agents of the Company, other than as set forth in this Agreement. The Subscriber is familiar with the business, operations and financial condition of the Company and has had an opportunity to ask questions of, and receive answers from, the Company's officers and directors concerning the Company and the terms and conditions of the Offering and has had full access to such other information concerning the Company as the Subscriber has requested.

2.7 Authority. This Agreement has been validly authorized, executed and delivered by the Subscriber and is a valid and binding agreement enforceable against Subscriber in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, moratorium, reorganization, or similar laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by equitable principles of general application and except as enforcement of rights to indemnity and contribution may be limited by federal and state securities laws or principles of public policy. The execution, delivery and performance of this Agreement by the Subscriber does not and will not conflict with, violate or cause a breach of any agreement, contract or instrument to which the Subscriber is a party.

2.8 No Advice from the Company. The Subscriber acknowledges that he or it has had the opportunity to review this Agreement and the transactions contemplated by this Agreement and the other agreements entered into between the parties hereto with the Subscriber's own legal counsel and investment and tax advisors. Except for any statements or representations of the Company made in this Agreement and the other agreements entered into between the parties hereto, the Subscriber is relying solely on such counsel and advisors and not on any statements or representations of the Company or any of its representatives, advisors or agents for legal, tax or investment advice with respect to this investment, the transactions contemplated by this Agreement or the securities laws of any jurisdiction.

2.9 Reliance on Representations and Warranties. The Subscriber understands that the Offered Securities are being offered and sold to the Subscriber in reliance on specific provisions of United States federal and state securities laws and that the Company is relying upon the truth and accuracy of the representations, warranties, agreements, acknowledgments and understandings of the Subscriber set forth in this Agreement in order to determine the applicability of such provisions.

2.10 No Advertisements. The undersigned is not subscribing for the Offered Securities as a result of or subsequent to any advertisement, article, notice or other communication published in any newspaper, magazine, or similar media or broadcast over television or radio, or presented at any seminar or meeting.

2.11 Residence Subscriber resides in the state identified in the address of Subscriber set forth on Subscriber's signature page hereto.

3. Representations and Warranties of the Company

The Company represents and warrants to the Subscriber that:

3.1 Valid Issuance; Reservation of Shares. The Notes, when issued, sold and delivered in accordance with the terms and for the consideration set forth in this Agreement, will be validly issued, fully paid and nonassessable and free of restrictions on transfer other than restrictions on transfer under applicable state and federal securities laws and liens or encumbrances created by or imposed by the Subscriber. Assuming the accuracy of the Subscriber's representations and warranties set forth in Section 2 hereof, no registration under the Securities Act is required for the offer and sale of the Subscriber Notes by the Company to the Subscriber as contemplated hereby. The Conversion Securities, when issued and delivered in accordance with the terms of the Notes or the Conversion Securities, as applicable, and for the consideration set forth in the Notes or the Conversion Securities, as applicable, will be validly issued, fully paid and nonassessable and free of restrictions on transfer other than restrictions on transfer under this Agreement, the Conversion Securities, applicable federal and state securities laws and liens or encumbrances created by or imposed by the Subscriber. Prior to the Closing, the Company will have filed with the Secretary of State of the State of Illinois, a Statement of Resolution Establishing its Series C 8% Cumulative Convertible Preferred Stock, without par value ("Series C Preferred Stock"). The Company will, at all times while the Notes are outstanding, reserve for issuance a sufficient number of shares of Series C Preferred Stock to accommodate the conversion in full of the then outstanding Notes. The Company will, at all times while shares of Series C Preferred Stock are outstanding, reserve for issuance a sufficient number of shares of its common stock, without par value, to accommodate the conversion in full of the then outstanding shares of Series C Preferred Stock.

3.2 Organization and Qualification. The Company is a corporation duly incorporated and existing in good standing under the laws of the state of Illinois and has the requisite corporate power to own its properties and assets and to carry on its business as now being conducted.

3.3 Authorization; Enforcement. The Company has the requisite corporate power and authority to enter into and perform its obligations under this Agreement and to issue the Offered Securities in accordance with the terms hereof. The execution, delivery and performance of this Agreement by the Company and the consummation by it of the transactions contemplated hereby, including the issuance of the Offered Securities, have been duly authorized by all necessary corporate action, and no further consent or authorization of the Company or its Board of Directors or stockholders is required. This Agreement and each of the Notes, when executed and delivered by the Company, constitutes a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, moratorium, reorganization, or similar laws relating to, or affecting generally the enforcement of, creditors' rights and remedies or by equitable principles of general application and except as enforcement of rights to indemnity and contribution may be limited by federal and state securities laws or principles of public policy.

3.4 No Conflicts. The execution, delivery and performance of this Agreement and the Notes and the consummation by the Company of the transactions contemplated hereby and thereby does not (i) result in a violation of the Company's Articles of Incorporation, as amended or By-Laws, , (ii) conflict with any judgment, order, writ or decree to which the Company or any of its subsidiaries or any of their respective properties or assets is subject, (iii) conflict in any material respect with, or constitute a default under any agreement, indenture or instrument to which the Company or any of its subsidiaries is a party or (iv) result in the creation of any lien, charge or encumbrance upon any assets of the Company or any of its subsidiaries or the suspension, revocation, forfeiture, or nonrenewal of any material permit or license applicable to the Company or any of its subsidiaries. Other than any SEC or state securities filings which may be required to be made by the Company subsequent to the Closing, the Company is not required under federal, state or local law, rule or regulation to obtain any consent, authorization or order of, or make any filing or registration with, any court or governmental agency or self-regulatory entity in order for it to perform any of its obligations under this Agreement or issue the Offered Securities in accordance with the terms hereof.

4. *Legends; Denominations*

4.1 Legend. The Company will issue the Subscriber Notes in the name of the Subscriber and in such denominations to be specified by the Subscriber prior to the Closing. The Subscriber Notes and, to the extent required by law, the Subscriber Conversion Securities will each bear the following legend (the "Legend"):

“THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) OR APPLICABLE STATE SECURITIES LAWS AND ACCORDINGLY, MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND THE APPLICABLE STATE SECURITIES LAWS (A) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT FILED UNDER THE SECURITIES ACT, OR (B) PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, AND IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER JURISDICTION. THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.”

4.2 Subscriber's Compliance. Nothing in this Section 4 shall affect in any way the Subscriber's obligations and agreement to comply with all applicable securities laws upon resale of the Subscriber Notes and/or the Subscriber Conversion Securities.

4.3 Company's Refusal to Register Transfer. The Company shall refuse to register any transfer of the Subscriber Notes or the Subscriber Conversion Securities not made pursuant to an effective registration statement filed under the Securities Act, or pursuant to an available exemption from the registration requirements of the Securities Act.

5. Governing Law; Jurisdiction; Waiver of Jury Trial

This Agreement shall be governed by and construed in accordance with the laws of the State of New York. The parties hereto hereby waive any right to a jury trial in connection with any litigation pursuant to this Agreement and the transactions contemplated hereby.

6. Assignment; Entire Agreement; Amendment

6.1 Assignment. Neither this Agreement nor any rights hereunder may be assigned by any party to any other person other than by Subscriber to a person agreeing to be bound by the terms hereof.

6.2 Entire Agreement; Amendment. This Agreement and any other documents delivered pursuant hereto constitute the full and entire understanding and agreement between the parties with regard to the subject matter hereof, and no party shall be liable or bound to any other party in any manner by any warranties, representations or covenants except as specifically set forth in this Agreement. Except as expressly provided in this Agreement, neither this Agreement nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument signed by the party against whom enforcement of any such amendment, waiver, discharge, or termination is sought.

7. Notices; Indemnity

7.1 Notices. Unless otherwise provided herein, any notice or other communication to a party hereunder shall be sufficiently given if in writing and personally delivered or sent by facsimile with copy sent in another manner herein provided or sent by courier (which for all purposes of this Agreement shall include Federal Express, UPS or other recognized overnight courier) or mailed to said party by certified mail, return receipt requested, at its address provided for herein or such other address as either may designate for itself in such notice to the other and communications shall be deemed to have been received when delivered personally on the scheduled arrival date when sent by next day or 2-day courier service or if sent by facsimile upon receipt of confirmation of transmittal or, if sent by mail, then three days after deposit in the mail.

7.2 Indemnification. Each party shall indemnify the other against any loss, cost or damages (including reasonable attorney's fees and expenses) incurred as a result of such party's breach of any representation, warranty, covenant or agreement in this Agreement.

8. *Counterparts*

This Agreement may be executed in any number of counterparts, each of which shall be enforceable against the parties actually executing such counterparts, and all of which together shall constitute one instrument.

9. *Survival; Severability*

The representations, warranties, covenants and agreements of the parties hereto shall survive the Closing. In the event that any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, this Agreement shall continue in full force and effect without said provision; provided that no such severability shall be effective if it materially changes the economic benefit of this Agreement to any party.

10. *Titles and Subtitles*

The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

Name of the Subscriber:

Date of Subscription: May 15, 2019

Place of Residency and/or Principal Place of Business: _____

Address of Subscriber:

Signature of Subscriber: _____

By: _____

Name: _____

Title: _____

This subscription is accepted by the Company on the 15th day of May, 2019

GEE GROUP, INC.

By: _____
Name:
Title:

SETTLEMENT AGREEMENT

This Settlement Agreement (this “Agreement”) is entered into as of the 15th day of May, 2019 by and among Ronald R. Smith, individually (“Mr. Smith”), GEE Group Inc. (“Buyer”), and Ronald R. Smith, in his capacity as the Stockholders’ Representative (the “Stockholders’ Representative”), as that role is defined in the Agreement and Plan of Merger entered into as of March 31, 2017 by and among Buyer, SNI Holdco Inc., Mr. Smith, the Stockholders’ Representative, and certain other stockholders of SNI Holdco Inc. (the “Merger Agreement”). Buyer and Mr. Smith, both in his individual capacity and in his capacity as Stockholders’ Representative, are referred to herein collectively as the “Parties.” All capitalized terms used in this Agreement without definition are used herein as defined in the Merger Agreement.

WHEREAS, Buyer has requested Mr. Smith to make an additional investment in Buyer, and Mr. Smith has agreed to make that investment contingent on satisfaction of the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth in the Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

1. MGG Amendment to Credit Facility. Contemporaneous with the investment by Mr. Smith contemplated in Section 4 below, Buyer will execute an amendment to its senior secured credit facility with its senior secured lender MGG Capital (the “Lender”) pursuant to which the Lender agrees to modify its loan agreements with Buyer to: (i) waive all non-payment covenant defaults that have occurred before or during the fiscal quarter ended March 31, 2019; (ii) lower scheduled quarterly principal payments due from Buyer to Lender for each of the quarters ending June 30, September 30, and December 31, 2019 and March 31, 2020; and (iii) adjust in a way accommodating to Buyer the affirmative and negative compliance covenants to which Buyer is subject in its agreements with Lender for each of the quarters ending June 30, September 30, and December 31, 2019 and March 31, 2020. Buyer agrees to provide Mr. Smith with a final version of the amendment to the credit agreement with MGG prior to the investment contemplated in Section 4 below, and Mr. Smith will only be obligated to make such investment if the agreement between MGG and Buyer is substantively consistent with the description in this Section 1.

2. Co-Investors. Prior to the investment by Mr. Smith contemplated in Section 4 below, Mr. Smith will be provided with written confirmation that other individuals or entities affiliated with the Directors of Buyer and/or members of Buyer’s senior management team have themselves invested in the Buyer in an aggregate amount at least equal to the amount to be invested by Mr. Smith.

3. Full and Unconditional Release. Contemporaneous with the investment by Mr. Smith contemplated in Section 4 below, the Parties shall execute and exchange the Full and Unconditional Mutual Release attached hereto as Exhibit A. Execution and delivery of that Full and Unconditional Mutual Release must, at the time of its delivery to the Stockholders’ Representative, have been authorized by the Board of Directors of Buyer. In addition to delivery of the Full and Unconditional Mutual Release, Buyer acknowledges its obligation to pay to the SNIH Stockholders in the manner provided in the Merger Agreement, the \$879,995.70 owed pursuant to the working capital determination of the Auditor. Buyer agrees that such amount will be paid on the earlier to occur of: (i) a refinancing or complete payoff of the senior secured debt held by MGG, or (ii) August 31, 2019. If MGG has not been paid off or its debt refinanced by July 31, 2019, Buyer shall pay \$100,000 of the working capital amount owed on August 31, 2019 and on the last day of each month thereafter, with the full amount of the remaining unpaid balance paid March 31, 2020. The working capital payment obligation set forth above shall not be voided or diminished in any way by delivery of the Full and Unconditional Mutual Release.

4. Security Terms. On or before May 15, 2019, but no earlier than the time by which the items to occur contemporaneously as noted above have been completed, Mr. Smith shall, by wire transfer of immediately available funds, invest one million dollars (\$1,000,000) in an 8% Convertible Subordinated Note issued by GEE in a form attached hereto as Exhibit B (the "Note"). The Note shall contain identical terms, other than amount, to the notes issued by GEE to the other investors set forth on the list referenced in Section 2 above, and the Note shall grant to Mr. Smith the right at any time to transfer all or any portion of the Note to one or more SNIH Stockholders that represents to Buyer he, she, or it is an Accredited Investor. To avoid any uncertainty, Mr. Smith shall not be obligated to invest in the Note unless, prior to or contemporaneous with his investment, he has received: (i) the agreement referenced in Section 1 above; (ii) the written confirmation referenced in Section 2 above; (iii) the Full and Unconditional Release referenced in Section 3 above; and (iv) the form of notes to be delivered to Buyer by each of the co-investors set forth on the list referenced in Section 2 above.

5. No Admissions. Nothing in this Agreement shall be construed as an admission or concession of liability whatsoever by any Party regarding any dispute between the Parties.

6. Legal Capacity. Each Party represents that it, he, or she has the full power, right and legal capacity to enter into this Agreement, and to perform, observe and comply with all of such agreements and obligations hereunder.

7. Non-Assignment. Each Party represents that it has not sold, assigned, or transferred any of the rights or interests that it conveys or releases under this Agreement.

8. No Presumption Against Drafter. It is the intention of the Parties that this Agreement shall be considered to have been drafted mutually by all Parties. Each of the Parties has cooperated in the drafting and preparation of this Agreement. Accordingly, this Agreement shall not be construed against any of the Parties on the basis that such one of the Parties was the draftsman.

9. Legal Counsel, Accountants and Other Advisors. The Parties acknowledge that they have been represented by such counsel, accountants, and other advisors of their own choice in this matter and have consulted with, and relied upon the advice of, such professionals prior to executing this Agreement. The Parties further acknowledge that they and their professionals have had sufficient access to information and documents they have deemed relevant.

10. Construction of Provisions. The following rules of construction shall apply to this Agreement and all documents supplemental hereto unless the context clearly requires otherwise:

a. All references herein to numbered sections are references to the sections hereof.

b. The terms “include,” “including,” and similar terms shall be construed as if followed by the phrase “without being limited to.”

c. Words of masculine, feminine, or neutral gender shall mean and include the correlative words of the other genders, and words importing the singular number shall mean and include the plural and vice versa.

d. The terms “hereof,” “herein,” “hereby,” “hereunder,” and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision or section of this Agreement.

11. Headings. The descriptive headings contained in this Agreement are for convenience of reference only, and shall not affect in any way the meaning or interpretation of this Agreement.

12. Entire Agreement. This Agreement embodies the entire agreement of the Parties as to the matters at issue in this Agreement.

13. No Oral Modification. This Agreement may not be amended, modified, changed, waived or discharged, in whole or in part, except by written instrument signed and duly acknowledged by the Party to be charged.

14. Severability. In the event that any provision of this Agreement shall be deemed by any tribunal of competent jurisdiction to be unenforceable, it shall be modified as necessary to render it enforceable to the maximum extent permissible, and shall be enforced accordingly. In the event that, notwithstanding the foregoing, a tribunal of competent jurisdiction shall refuse to enforce any of the provisions contained in this Agreement, the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision, and there shall be added automatically as part of this Agreement a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid and enforceable.

15. 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.

16. 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. Recitals. The recitals are incorporated into the body of this Agreement as fully as if set forth at length herein.

18. Execution. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document. A signature of a Party to this Agreement sent by facsimile, e-mail or other electronic transmission shall be deemed to constitute an original and fully effective signature of such Party.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date set forth above.

Ronald R. Smith, individually

STOCKHOLDERS' REPRESENTATIVE

By: _____
Ronald R. Smith, as Stockholder's
Representative

GEE GROUP INC.

By: _____
Name: _____
Title: _____

FULL AND UNCONDITIONAL MUTUAL RELEASE

In exchange for an investment made by Ronald R. Smith in a security issued by GEE Group Inc. (“GEE”), and in exchange for a commitment on the timing of payments to be made to the former stockholders of SNI Holdco Inc., a Delaware corporation (“SNI Holdco”), and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, GEE, for itself and on behalf of GEE Group Portfolio Inc. (“Merger Subsidiary”), or any entity owned, controlled, or under common control with GEE or Merger Subsidiary, or any person or entity making claims by or on behalf of any of the foregoing (collectively, the “GEE Persons”), and Ronald R. Smith, individually (“Mr. Smith”) and in his capacity as the Stockholders’ Representative, as that role is defined in the Agreement and Plan of Merger entered into as of March 31, 2017 by and among GEE, SNI Holdco, Mr. Smith, the Stockholders’ Representative, and certain other stockholders of SNI Holdco Inc. (the “Merger Agreement”) (collectively, Smith and the Stockholders’ Representative are the “SNI Holdco Parties”). All capitalized terms used in this Full and Unconditional Mutual Release without definition are used herein as defined in the Merger Agreement.

The GEE Persons hereby completely release, acquit and forever discharge: (i) SNI Holdco; (ii) each and every one of the stockholders, officers, and directors of SNI Holdco as of March 31, 2017 and as of the date of the merger pursuant to which SNI Holdco merged with and into Merger Subsidiary; (iii) Mr. Ronald R. Smith in his individual capacity and in his capacity as the Stockholders’ Representative of such stockholders; and (iv) any and all successors, assigns, agents, representatives, heirs, personal representatives, and advisors of those mentioned in clauses (i) through (iii) (all those noted in clauses (i) through (iv) are collectively referred to herein as the “SNI Persons”) from any and all claims, whether known or unknown, suspected or unsuspected, now existing or hereafter arising, that the GEE Persons or any of them now hold or own, or have at any time before this date held or owned, against the SNI Persons, including, but not limited to, claims based on, or relating to, or arising under the Merger Agreement, including any indemnification, fraud, misrepresentation, working capital, or other claim arising under the Merger Agreement, or any claim under any theory of tort, breach of contract, or any other common law or statutory cause of action, or any violation of statutory or regulatory obligations, it being GEE’s intent for the GEE Persons to surrender completely any and all rights to bring any claim(s) against any and all of the SNI Persons for any action or inaction occurring before, on, or after the date GEE signs this Release.

GEE further agrees that it has delivered this Release as a complete compromise and in full satisfaction of all matters involving disputed issues of law and fact. GEE stipulates that this Release is entered into in good faith as a compromise of all disputed claims between the GEE Persons and the SNI Persons, and neither the consideration provided for in this Release, nor anything else contained in this Release, may be construed as an admission of liability on the part of the SNI Persons, with any such liability being expressly denied by the SNI Persons.

The SNI Holdco Parties hereby completely release, acquit and forever discharge the GEE Persons and any and all of their officers, directors, successors, assigns, agents, representatives, heirs, personal representatives and advisors (the “GEE Released Persons”) from any and all claims, whether known or unknown, suspected or unsuspected, now existing or hereafter arising, that the SNI Holdco Parties or any of them now hold or own, or have at any time before this date held or owned, against the GEE Released Persons, including, but not limited to, claims based on, or relating to, or arising under the Merger Agreement, including any indemnification, fraud, misrepresentation, working capital, or other claim arising under the Agreement, or any claim under any theory of tort, breach of contract, or any other common law or statutory cause of action, or any violation of statutory or regulatory obligations, it being the SNI Holdco Parties’ intent for the SNI Holdco Parties to surrender completely any and all rights to bring any claim(s) against any and all of the GEE Released Persons for any action or inaction occurring before, on, or after the date of this Release.

The SNI Holdco Parties further agree that it has delivered this Release as a complete compromise and in full satisfaction of all matters involving disputed issues of law and fact. The SNI Holdco Parties stipulate that this Release is entered into in good faith as a compromise of all disputed claims between the SNI Holdco Parties and the GEE Released Persons, and neither the consideration provided for in this Release, nor anything else contained in this Release, may be construed as an admission of liability on the part of the GEE Released Persons, with any such liability being expressly denied by the GEE Released Persons.

The parties hereto acknowledge and agree that the release and discharge set forth in this Release is a general release. The parties hereto knowingly waive, and assume the risk of, any and all claims of any nature whatsoever, that exist as of this date but of which a party does not know or suspect to exist, including, without limitation, claims that, if known, would have materially affected its decision to enter into this Release. The parties confirm that they understand that facts relating to the claims may turn out to be other than or different from the facts now known or believed by such party to be true; and each party hereto knowingly assumes that risk and acknowledges and agrees that this Release shall remain in effect and shall not be subject to termination or revocation by reason of any such different facts.

Notwithstanding anything to the contrary set forth above, no portion of this Full and Unconditional Mutual Release shall release any SNI Released Person or any GEE Released Person from any payment obligation, liability, responsibility, or covenant explicitly set forth in that certain Settlement Agreement, dated May 15, 2019, and pursuant to which this Release is delivered.

GEE GROUP INC.

By: _____
Name: _____
Title: _____

RONALD R. SMITH

STOCKHOLDERS' REPRESENTATIVE

Ronald R. Smith, individually

By: _____
Ronald R. Smith, as Stockholder's
Representative

EXHIBIT B

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 AS PERMITTED UNDER THE SECURITIES ACT AND THE APPLICABLE STATE SECURITIES LAWS (A) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT FILED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS THEREUNDER AND IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF THE UNITED STATES OR ANY OTHER JURISDICTION. 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. HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

Original Issue Date: May 15, 2019

\$1,000,000

8% CONVERTIBLE SUBORDINATED NOTE

DUE October 3, 2021

THIS CONVERTIBLE SUBORDINATED NOTE is one of a series of duly authorized and validly issued 8% Convertible Subordinated Notes of GEE Group, Inc., an Illinois corporation, with headquarters at 7751 Belfort Parkway, Suite 150, Jacksonville, Florida 32256 (the "Company"), designated as its 8% Convertible Subordinated Note, due on October 3, 2021 (this note, the "Note" and, collectively with the other such series of notes, the "Notes").

FOR VALUE RECEIVED, the Company promises to pay to Ronald Smith or his registered assigns (the "Holder"), or shall have paid pursuant to the terms hereunder, the principal sum of \$1,000,000 (ONE MILLION DOLLARS) by October 3, 2021, 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:

"8% Convertible Notes" or "Notes" means the 8% Convertible Subordinated Notes issued by the Company on the date hereof, including this Note.

"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.

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

“Conversion Shares” means, collectively, the shares of Series C Preferred 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. “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 \$1.00 per share of Series C Preferred 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.

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

“Series C Preferred Stock” means the Series C 8% Cumulative Convertible Preferred 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

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

“Subordination Agreement” means the Subordination and Intercreditor Agreement entered into as of May 15, 2019, by and among MGG Investment Group LP, 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.

“Subscription Agreement” means the Subscription Agreement dated as of May ___, 2019 by and between the Company and the Holder.

“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.

“Transaction Documents” means this Note and the Subscription Agreement.

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 8% per annum. Interest shall be paid quarterly in arrears on June 30, September 30, December 31 and March 31, beginning on June 30, 2019, 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"). Interest shall be paid on each Interest Payment Date in shares of Series C Preferred Stock of the Company, which Series C Preferred Stock shall be valued at the Conversion Price per share then in effect.

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. The Company may, at its option, prepay any portion of the principal amount of this Note without the prior written consent of the Holder; provided, however, that any prepayments of the 8% Convertible Notes shall be made on a pro rata basis to all holders of 8% Convertible Notes based on the aggregate principal amount of 8% 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 Subscription Agreement and may be transferred or exchanged only in compliance with the Subscription 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 Series C Preferred Stock at the option of the Holder, at any time and from time to time. 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. 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 Series C Preferred 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 Series C Preferred 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 Series C Preferred 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. 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 Series C Preferred 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 Series C Preferred 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 Series C Preferred Stock that shall be so issuable shall, upon issue, be duly authorized, validly issued, fully paid and nonassessable

v. Fractional Shares. Upon a conversion hereunder the Company shall not be required to issue stock certificates representing fractions of shares of Series C Preferred Stock, but may if otherwise permitted, make a cash payment in respect of any final fraction of a share based on the Series C Preferred Stock Conversion Price 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 Series C Preferred Stock.

vi. Transfer Taxes. The issuance of certificates for shares of the Series C Preferred 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 Series C Preferred Stock on shares of Series C Preferred Stock; (B) subdivides outstanding shares of Series C Preferred Stock into a larger number of shares; or (C) combines (including by way of a reverse stock split) outstanding shares of Series C Preferred 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 Series C Preferred 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 Series C Preferred 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 Series C Preferred 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 Series C Preferred 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 Series C Preferred 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 Series C Preferred 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 Series C Preferred 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 Series C Preferred 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.

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 Series C Preferred Stock, (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the Series C Preferred Stock, (C) the Company shall authorize the granting to all holders of the Series C Preferred 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 Series C Preferred 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 Series C Preferred 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 10 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 Series C Preferred 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 Series C Preferred Stock of record shall be entitled to exchange their shares of Series C Preferred 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 10- day period commencing on the date of such notice through the effective date of the event triggering such notice.

Section 6. Redemption.

a) Redemption. The Company shall have the right at any time 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 10 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 8% 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 10 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 8% Convertible Notes, immediately due and payable in cash; provided however, that notwithstanding the foregoing, the 8% 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 8% 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: Kim Thorpe, 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) 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.

c) 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.

d) 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.

e) 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 8% 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.

f) 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.

g) 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.

h) 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: Derek Dewan

Title: Chief Executive Officer

ANNEX A

NOTICE OF CONVERSION

The undersigned hereby elects to convert principal under the 8% Convertible Subordinated Note of GEE Group, Inc., an Illinois corporation (the "Company"), due on October 3, 2021, into shares of Series C 8% Cumulative Convertible Preferred Stock, without par value per share (the "Series C Preferred 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 Series C Preferred Stock.

Conversion calculations:

Date to Effect Conversion:

Principal Amount of Note to be Converted:

Number of shares of Series C Preferred Stock to be issued:

Signature:

Name:

Address:

SUBORDINATION AND INTERCREDITOR AGREEMENT

This Subordination AND INTERCREDITOR Agreement (this "Agreement") is entered into as of May 15, 2019, by and among MGG Investment Group LP, as administrative agent and collateral agent for the Senior Lenders referred to below ("Senior Agent"), Peter J. Tanous, an individual ("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 March 31, 2017 (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 the 8% Convertible Subordinated Nonnegotiable Promissory Note in the original principal amount of \$150,000, dated as of May 15, 2019, (such note, as amended, restated, supplemented, modified or otherwise changed from time to time, including any replacement note therefor, being hereinafter referred to as the "Subordinated Note"), pursuant to which Subordinated Creditor agreed to make a subordinated loan to the Parent; and

WHEREAS, it is a condition precedent to the Amendment No. 5 Effective Date 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), 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) Equity Interests of the Parent in connection with the conversion of the outstanding principal of and accrued interest on the Subordinated Indebtedness into Equity Interests of the Parent pursuant to Section 4 of the Subordinated Note, (b) Restructuring Securities in connection with an Insolvency Proceeding and (c) PIK Payments.

“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 Equity Interests or 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, 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 8% Convertible Subordinated Note is subject to the terms and provisions of that certain Subordination and Intercreditor Agreement, dated as of May 15, 2019 (the “Subordination and Intercreditor Agreement”), by and among MGG Investment Group LP, as agent for certain lenders, Peter J. Tanous, and the other parties signatory thereto from time to time. In the event of any conflict between the provisions of this 8% Convertible Subordinated Note 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 \$150,000 (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, 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, if applicable, 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), 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), 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:

MGG Investment Group LP
One Penn Plaza, 53rd Floor
New York, New York 10119
Attention: Kevin F. Griffin
Telephone: 212-356-6100
Email: creditagreementnotices@mgginv.com

with a copy to:

Schulte Roth & Zabel LLP
919 Third Avenue
New York, NY 10022
Attention: Frederic L. Ragucci, Esq.
Telephone: (212) 756-2409
Facsimile: (212) 593-5955

If to Subordinated Creditor:

Peter J. Tanous

[_____]
[_____]

Attention
Telephone:

with a copy to:

[_____]
[_____]

Attention:
Facsimile:

If to any Loan Party:

GEE Group Inc.
7751 Belfort Parkway, Suite 150
Jacksonville, FL 33256

Attention: [_____]
Telephone: [_____]
Email: [_____]

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 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:

PETER J. TANOUS

Subordination and Intercreditor Agreement (Tanous)

SENIOR AGENT:
MGG INVESTMENT GROUP LP, as Administrative
Agent and Collateral Agent

By: MGG GP LLC, its general partner

By: _____
Name:
Title:

Subordination and Intercreditor Agreement (Tanous)

ACKNOWLEDGED AND AGREED:

LOAN PARTIES:

GEE GROUP INC

By: _____
Name:
Title:

SCRIBE SOLUTIONS INC.

By: _____
Name:
Title:

AGILE RESOURCES, INC.

By: _____
Name:
Title:

ACCESS DATA CONSULTING CORPORATION

By: _____
Name:
Title:

TRIAD PERSONNEL SERVICES, INC.

By: _____
Name:
Title:

TRIAD LOGISTICS, INC.

By: _____
Name:
Title:

Subordination and Intercreditor Agreement (Tanous)

PALADIN CONSULTING, INC.

By: _____
Name:
Title:

BMCH, INC.

By: _____
Name:
Title:

GEE GROUP PORTFOLIO INC.

By: _____
Name:
Title:

SNI COMPANIES

By: _____
Name:
Title:

Subordination and Intercreditor Agreement (Tanous)

SUBORDINATION AND INTERCREDITOR AGREEMENT

This Subordination AND INTERCREDITOR Agreement (this "Agreement") is entered into as of May 15, 2019, by and among MGG Investment Group LP, as administrative agent and collateral agent for the Senior Lenders referred to below ("Senior Agent"), Alex Stuckey, an individual ("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 March 31, 2017 (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 the 8% Convertible Subordinated Nonnegotiable Promissory Note in the original principal amount of \$100,000, dated as of May 15, 2019, (such note, as amended, restated, supplemented, modified or otherwise changed from time to time, including any replacement note therefor, being hereinafter referred to as the "Subordinated Note"), pursuant to which Subordinated Creditor agreed to make a subordinated loan to the Parent; and

WHEREAS, it is a condition precedent to the Amendment No. 5 Effective Date 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), 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 and 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) Equity Interests of the Parent in connection with the conversion of the outstanding principal of and accrued interest on the Subordinated Indebtedness into Equity Interests of the Parent pursuant to Section 4 of the Subordinated Note, (b) Restructuring Securities in connection with an Insolvency Proceeding and (c) PIK Payments.

“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 Equity Interests or 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, 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 8% Convertible Subordinated Note is subject to the terms and provisions of that certain Subordination and Intercreditor Agreement, dated as of May 15, 2019 (the “Subordination and Intercreditor Agreement”), by and among MGG Investment Group LP, as agent for certain lenders, Alex Stuckey, and the other parties signatory thereto from time to time. In the event of any conflict between the provisions of this 8% Convertible Subordinated Note 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 \$100,000 (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, 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, if applicable, 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), 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), 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:

MGG Investment Group LP
One Penn Plaza, 53rd Floor
New York, New York 10119
Attention: Kevin F. Griffin
Telephone: 212-356-6100
Email: creditagreementnotices@mginv.com

with a copy to:

Schulte Roth & Zabel LLP
919 Third Avenue
New York, NY 10022
Attention: Frederic L. Ragucci, Esq.
Telephone: (212) 756-2409
Facsimile: (212) 593-5955

If to Subordinated Creditor:

Alex Stuckey
13750 Club Cove Drive
Jacksonville, Florida 32225
Telephone:

with a copy to:

[_____]
[_____]
[_____]

Attention:
Facsimile:

If to any Loan Party:

GEE Group Inc.
7751 Belfort Parkway, Suite 150
Jacksonville, FL 33256

Attention: [_____]
Telephone: [_____]
Email: [_____]

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 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:

ALEX STUCKEY

Subordination and Intercreditor Agreement (Stuckey)

SENIOR AGENT:

MGG INVESTMENT GROUP LP, as Administrative
Agent and Collateral Agent

By: MGG GP LLC, its general partner

By: _____

Name:

Title:

Subordination and Intercreditor Agreement (Stuckey)

ACKNOWLEDGED AND AGREED:

LOAN PARTIES:

GEE GROUP INC.

By: _____
Name:
Title:

SCRIBE SOLUTIONS INC.

By: _____
Name:
Title:

AGILE RESOURCES, INC.

By:
Name:
Title:

ACCESS DATA CONSULTING CORPORATION

By: _____
Name:
Title:

TRIAD PERSONNEL SERVICES, INC.

By: _____
Name:
Title:

TRIAD LOGISTICS, INC.

By:
Name:
Title:

Subordination and Intercreditor Agreement (Stuckey)

PALADIN CONSULTING, INC.

By:
Name:
Title:

BMCH, INC.

By: _____
Name:
Title:

GEE GROUP PORTFOLIO INC.

By: _____
Name:
Title:

SNI COMPANIES

By: _____
Name:
Title:

Subordination and Intercreditor Agreement (Stuckey)

SUBORDINATION AND INTERCREDITOR AGREEMENT

This Subordination AND INTERCREDITOR Agreement (this "Agreement") is entered into as of May 15, 2019, by and among MGG Investment Group LP, as administrative agent and collateral agent for the Senior Lenders referred to below ("Senior Agent"), Arthur B. Laffer, an individual ("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 March 31, 2017 (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 the 8% Convertible Subordinated Nonnegotiable Promissory Note in the original principal amount of \$150,000, dated as of May 15, 2019, (such note, as amended, restated, supplemented, modified or otherwise changed from time to time, including any replacement note therefor, being hereinafter referred to as the "Subordinated Note"), pursuant to which Subordinated Creditor agreed to make a subordinated loan to the Parent; and

WHEREAS, it is a condition precedent to the Amendment No. 5 Effective Date 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), 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) Equity Interests of the Parent in connection with the conversion of the outstanding principal of and accrued interest on the Subordinated Indebtedness into Equity Interests of the Parent pursuant to Section 4 of the Subordinated Note, (b) Restructuring Securities in connection with an Insolvency Proceeding and (c) PIK Payments.

“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 Equity Interests or 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, 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 8% Convertible Subordinated Note is subject to the terms and provisions of that certain Subordination and Intercreditor Agreement, dated as of May 15, 2019 (the “Subordination and Intercreditor Agreement”), by and among MGG Investment Group LP, as agent for certain lenders, Arther B. Laffer, and the other parties signatory thereto from time to time. In the event of any conflict between the provisions of this 8% Convertible Subordinated Note 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 \$150,000 (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, 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, if applicable, 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), 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), 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:

MGG Investment Group LP
One Penn Plaza, 53rd Floor
New York, New York 10119
Attention: Kevin F. Griffin
Telephone: 212-356-6100
Email: creditagreementnotices@mginv.com

with a copy to:

Schulte Roth & Zabel LLP
919 Third Avenue
New York, NY 10022
Attention: Frederic L. Ragucci, Esq.
Telephone: (212) 756-2409
Facsimile: (212) 593-5955

If to Subordinated Creditor:

Arthur B. Laffer

[_____]
[_____]

Attention

Telephone:

with a copy to:

[_____]
[_____]

Attention:

Facsimile:

If to any Loan Party:

GEE Group Inc.
7751 Belfort Parkway, Suite 150
Jacksonville, FL 33256

Attention: [_____]

Telephone: [_____]

Email: [_____]

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 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:

ARTHUR B. LAFFER

Subordination and Intercreditor Agreement (Laffer)

SENIOR AGENT:

MGG INVESTMENT GROUP LP, as Administrative
Agent and Collateral Agent

By: MGG GP LLC, its general partner

By: _____

Name:

Title:

Subordination and Intercreditor Agreement (Laffer)

ACKNOWLEDGED AND AGREED:

LOAN PARTIES:

GEE GROUP INC.

By: _____
Name: _____
Title: _____

SCRIBE SOLUTIONS INC.

By: _____
Name: _____
Title: _____

AGILE RESOURCES, INC.

By: _____
Name: _____
Title: _____

ACCESS DATA CONSULTING CORPORATION

By: _____
Name: _____
Title: _____

TRIAD PERSONNEL SERVICES, INC.

By: _____
Name: _____
Title: _____

TRIAD LOGISTICS, INC.

By: _____
Name: _____
Title: _____

Subordination and Intercreditor Agreement (Laffer)

PALADIN CONSULTING, INC.

By: _____
Name:
Title:

BMCH, INC.

By: _____
Name:
Title:

GEE GROUP PORTFOLIO INC.

By: _____
Name:
Title:

SNI COMPANIES

By: _____
Name:
Title:

Subordination and Intercreditor Agreement (Laffer)

SUBORDINATION AND INTERCREDITOR AGREEMENT

This Subordination AND INTERCREDITOR Agreement (this "Agreement") is entered into as of May 15, 2019, by and among MGG Investment Group LP, as administrative agent and collateral agent for the Senior Lenders referred to below ("Senior Agent"), Darla Moore, an individual ("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 March 31, 2017 (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 the 8% Convertible Subordinated Nonnegotiable Promissory Note in the original principal amount of \$150,000, dated as of May 15, 2019, (such note, as amended, restated, supplemented, modified or otherwise changed from time to time, including any replacement note therefor, being hereinafter referred to as the "Subordinated Note"), pursuant to which Subordinated Creditor agreed to make a subordinated loan to the Parent; and

WHEREAS, it is a condition precedent to the Amendment No. 5 Effective Date 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), 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 and 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) Equity Interests of the Parent in connection with the conversion of the outstanding principal of and accrued interest on the Subordinated Indebtedness into Equity Interests of the Parent pursuant to Section 4 of the Subordinated Note, (b) Restructuring Securities in connection with an Insolvency Proceeding and (c) PIK Payments.

“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 Equity Interests or 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, 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 8% Convertible Subordinated Note is subject to the terms and provisions of that certain Subordination and Intercreditor Agreement, dated as of May 15, 2019 (the “Subordination and Intercreditor Agreement”), by and among MGG Investment Group LP, as agent for certain lenders, Darla Moore, and the other parties signatory thereto from time to time. In the event of any conflict between the provisions of this 8% Convertible Subordinated Note 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 \$150,000 (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, 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, if applicable, 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), 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), 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:

MGG Investment Group LP
One Penn Plaza, 53rd Floor
New York, New York 10119
Attention: Kevin F. Griffin
Telephone: 212-356-6100
Email: creditagreementnotices@mginv.com

with a copy to:

Schulte Roth & Zabel LLP
919 Third Avenue
New York, NY 10022
Attention: Frederic L. Ragucci, Esq.
Telephone: (212) 756-2409
Facsimile: (212) 593-5955

If to Subordinated Creditor:

Darla Moore
[]
[]
Attention
Telephone:

with a copy to:

[]
[]
[]
Attention:
Facsimile:

If to any Loan Party:

GEE Group Inc.
7751 Belfort Parkway, Suite 150
Jacksonville, FL 33256
Attention: []
Telephone: []
Email: []

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 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:

DARLA MOORE

Subordination and Intercreditor Agreement (Moore)

SENIOR AGENT:

MGG INVESTMENT GROUP LP, as Administrative
Agent and Collateral Agent

By: MGG GP LLC, its general partner

By: _____

Name:

Title:

Subordination and Intercreditor Agreement (Moore)

ACKNOWLEDGED AND AGREED:

LOAN PARTIES:

GEE GROUP INC.

By: _____
Name:
Title:

SCRIBE SOLUTIONS INC.

By: _____
Name:
Title:

AGILE RESOURCES, INC.

By: _____
Name:
Title:

ACCESS DATA CONSULTING CORPORATION

By: _____
Name:
Title:

TRIAD PERSONNEL SERVICES, INC.

By: _____
Name:
Title:

TRIAD LOGISTICS, INC.

By: _____
Name:
Title:

Subordination and Intercreditor Agreement (Moore)

PALADIN CONSULTING, INC.

By: _____
Name:
Title:

BMCH, INC.

By: _____
Name:
Title:

GEE GROUP PORTFOLIO INC.

By: _____
Name:
Title:

SNI COMPANIES

By: _____
Name:
Title:

Subordination and Intercreditor Agreement (Moore)

SUBORDINATION AND INTERCREDITOR AGREEMENT

This Subordination AND INTERCREDITOR Agreement (this "Agreement") is entered into as of May 15, 2019, by and among MGG Investment Group LP, as administrative agent and collateral agent for the Senior Lenders referred to below ("Senior Agent"), William Isaac, an individual ("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 March 31, 2017 (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 the 8% Convertible Subordinated Nonnegotiable Promissory Note in the original principal amount of \$150,000, dated as of May 15, 2019, (such note, as amended, restated, supplemented, modified or otherwise changed from time to time, including any replacement note therefor, being hereinafter referred to as the "Subordinated Note"), pursuant to which Subordinated Creditor agreed to make a subordinated loan to the Parent; and

WHEREAS, it is a condition precedent to the Amendment No. 5 Effective Date 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), 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) Equity Interests of the Parent in connection with the conversion of the outstanding principal of and accrued interest on the Subordinated Indebtedness into Equity Interests of the Parent pursuant to Section 4 of the Subordinated Note, (b) Restructuring Securities in connection with an Insolvency Proceeding and (c) PIK Payments.

“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 Equity Interests or 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, 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 8% Convertible Subordinated Note is subject to the terms and provisions of that certain Subordination and Intercreditor Agreement, dated as of May 15, 2019 (the “Subordination and Intercreditor Agreement”), by and among MGG Investment Group LP, as agent for certain lenders, William Isaac, and the other parties signatory thereto from time to time. In the event of any conflict between the provisions of this 8% Convertible Subordinated Note 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 \$150,000 (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, 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, if applicable, 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), 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), 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:

MGG Investment Group LP
One Penn Plaza, 53rd Floor
New York, New York 10119
Attention: Kevin F. Griffin
Telephone: 212-356-6100
Email: creditagreementnotices@mginv.com

with a copy to:

Schulte Roth & Zabel LLP
919 Third Avenue
New York, NY 10022
Attention: Frederic L. Ragucci, Esq.
Telephone: (212) 756-2409
Facsimile: (212) 593-5955

If to Subordinated Creditor:

William Isaac
[]
[]
Attention
Telephone:

with a copy to:

[]
[]
[]
Attention:
Facsimile:

If to any Loan Party:

GEE Group Inc.
7751 Belfort Parkway, Suite 150
Jacksonville, FL 33256
Attention: []
Telephone: []
Email: []

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 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:

WILLIAM ISAAC

Subordination and Intercreditor Agreement (Isaac)

SENIOR AGENT:

MGG INVESTMENT GROUP LP, as Administrative
Agent and Collateral Agent

By: MGG GP LLC, its general partner

By: _____

Name:

Title:

Subordination and Intercreditor Agreement (Isaac)

ACKNOWLEDGED AND AGREED:

LOAN PARTIES:

GEE GROUP INC.

By: _____
Name:
Title:

SCRIBE SOLUTIONS INC.

By: _____
Name:
Title:

AGILE RESOURCES, INC.

By: _____
Name:
Title:

ACCESS DATA CONSULTING CORPORATION

By: _____
Name:
Title:

TRIAD PERSONNEL SERVICES, INC.

By: _____
Name:
Title:

TRIAD LOGISTICS, INC.

By: _____
Name:
Title:

Subordination and Intercreditor Agreement (Isaac)

PALADIN CONSULTING, INC.

By: _____
Name:
Title:

BMCH, INC.

By: _____
Name:
Title:

GEE GROUP PORTFOLIO INC.

By: _____
Name:
Title:

SNI COMPANIES

By: _____
Name:
Title:

Subordination and Intercreditor Agreement (Isaac)

SUBORDINATION AND INTERCREDITOR AGREEMENT

This Subordination AND INTERCREDITOR Agreement (this "Agreement") is entered into as of May 15, 2019, by and among MGG Investment Group LP, as administrative agent and collateral agent for the Senior Lenders referred to below ("Senior Agent"), Ronald R. Smith, an individual ("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 March 31, 2017 (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 the 8% Convertible Subordinated Nonnegotiable Promissory Note in the original principal amount of \$1,000,000, dated as of May 15, 2019, (such note, as amended, restated, supplemented, modified or otherwise changed from time to time, including any replacement note therefor, being hereinafter referred to as the "Subordinated Note"), pursuant to which Subordinated Creditor agreed to make a subordinated loan to the Parent; and

WHEREAS, it is a condition precedent to the Amendment No. 5 Effective Date 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), 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) Equity Interests of the Parent in connection with the conversion of the outstanding principal of and accrued interest on the Subordinated Indebtedness into Equity Interests of the Parent pursuant to Section 4 of the Subordinated Note, (b) Restructuring Securities in connection with an Insolvency Proceeding and (c) PIK Payments.

“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 Equity Interests or 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, 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 8% Convertible Subordinated Note is subject to the terms and provisions of that certain Subordination and Intercreditor Agreement, dated as of May 15, 2019 (the “Subordination and Intercreditor Agreement”), by and among MGG Investment Group LP, as agent for certain lenders, Ronald R. Smith, and the other parties signatory thereto from time to time. In the event of any conflict between the provisions of this 8% Convertible Subordinated Note 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 \$1,000,000 (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, 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, if applicable, 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), 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), 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:

MGG Investment Group LP
One Penn Plaza, 53rd Floor
New York, New York 10119
Attention: Kevin F. Griffin
Telephone: 212-356-6100
Email: creditagreementnotices@mginv.com

with a copy to:

Schulte Roth & Zabel LLP
919 Third Avenue
New York, NY 10022
Attention: Frederic L. Ragucci, Esq.
Telephone: (212) 756-2409
Facsimile: (212) 593-5955

If to Subordinated Creditor:

Ronald R. Smith

[_____]

[_____]

Attention

Telephone:

If to any Loan Party:

GEE Group Inc.
7751 Belfort Parkway, Suite 150
Jacksonville, FL 33256
Attention: Mr. Kim Thorpe
Senior Vice President and Chief Financial Officer
Telephone: (904) 512-7504
Email: kim.thorpe@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 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:

RONALD R. SMITH

Subordination and Intercreditor Agreement (Smith)

SENIOR AGENT:

MGG INVESTMENT GROUP LP, as Administrative
Agent and Collateral Agent

By: MGG GP LLC, its general partner

By: _____

Name:

Title:

Subordination and Intercreditor Agreement (Smith)

ACKNOWLEDGED AND AGREED:

LOAN PARTIES:

GEE GROUP INC.

By: _____

Name:

Title:

SCRIBE SOLUTIONS INC.

By: _____

Name:

Title:

AGILE RESOURCES, INC.

By: _____

Name:

Title:

ACCESS DATA CONSULTING CORPORATION

By: _____

Name:

Title:

TRIAD PERSONNEL SERVICES, INC.

By: _____

Name:

Title:

TRIAD LOGISTICS, INC.

By: _____

Name:

Title:

Subordination and Intercreditor Agreement (Smith)

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PALADIN CONSULTING, INC.

By: _____

Name:

Title:

BMCH, INC.

By: _____

Name:

Title:

GEE GROUP PORTFOLIO INC.

By: _____

Name:

Title:

SNI COMPANIES

By: _____

Name:

Title:

Subordination and Intercreditor Agreement (Smith)

SUBORDINATION AND INTERCREDITOR AGREEMENT

This Subordination AND INTERCREDITOR Agreement (this "Agreement") is entered into as of May 15, 2019, by and among MGG Investment Group LP, as administrative agent and collateral agent for the Senior Lenders referred to below ("Senior Agent"), FRUS CAPITAL LLC ("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 March 31, 2017 (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 the 8% Convertible Subordinated Nonnegotiable Promissory Note in the original principal amount of \$100,000, dated May 15, 2019, (such note, as amended, restated, supplemented, modified or otherwise changed from time to time, including any replacement note therefor, being hereinafter referred to as the "Subordinated Note"), pursuant to which Subordinated Creditor agreed to make a subordinated loan to the Parent; and

WHEREAS, it is a condition precedent to the Amendment No. 5 Effective Date 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), 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) Equity Interests of the Parent in connection with the conversion of the outstanding principal of and accrued interest on the Subordinated Indebtedness into Equity Interests of the Parent pursuant to Section 4 of the Subordinated Note, (b) Restructuring Securities in connection with an Insolvency Proceeding and (c) PIK Payments.

“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 Equity Interests or 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, 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 8% Convertible Subordinated Nonnegotiable Promissory Note is subject to the terms and provisions of that certain Subordination and Intercreditor Agreement, dated as of May 15, 2019 (the “Subordination and Intercreditor Agreement”), by and among MGG Investment Group LP, as agent for certain lenders, FRUS Capital LLC, and the other parties signatory thereto from time to time. In the event of any conflict between the provisions of this 8% Convertible Subordinated Nonnegotiable Promissory Note 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 \$100,000 (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 and 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), 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), 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:

MGG Investment Group LP
One Penn Plaza, 53rd Floor
New York, New York 10119
Attention: Kevin F. Griffin
Telephone: 212-356-6100
Email: creditagreementnotices@mginv.com

with a copy to:

Schulte Roth & Zabel LLP
919 Third Avenue
New York, NY 10022
Attention: Frederic L. Ragucci, Esq.
Telephone: (212) 756-2409
Facsimile: (212) 593-5955

If to Subordinated Creditor:

FRUS Capital LLC
2200 Ocean Drive South, PH1
Jacksonville Beach, FL 32250
Attention: Kim Thorpe, Managing Member
Telephone:

with a copy to:

[_____]
[_____]
[_____]

Attention:
Facsimile:

If to any Loan Party:

GEE Group Inc.
7751 Belfort Parkway, Suite 150
Jacksonville, FL 33256
Attention: [_____]
Telephone: [_____]
Email: [_____]

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 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:

FRUS CAPITAL LLC

By: _____
Name: Kim Thorpe
Title: Managing Member

Subordination and Intercreditor Agreement (Thorpe)

SENIOR AGENT:

MGG INVESTMENT GROUP LP, as Administrative
Agent and Collateral Agent

By: MGG GP LLC, its general partner

By: _____

Name:

Title:

Subordination and Intercreditor Agreement (Thorpe)

ACKNOWLEDGED AND AGREED:

LOAN PARTIES:

GEE GROUP INC.

By: _____
Name: _____
Title: _____

SCRIBE SOLUTIONS INC.

By: _____
Name: _____
Title: _____

AGILE RESOURCES, INC.

By: _____
Name: _____
Title: _____

ACCESS DATA CONSULTING CORPORATION

By: _____
Name: _____
Title: _____

TRIAD PERSONNEL SERVICES, INC.

By: _____
Name: _____
Title: _____

TRIAD LOGISTICS, INC.

By: _____
Name: _____
Title: _____

Subordination and Intercreditor Agreement (Thorpe)

PALADIN CONSULTING, INC.

By: _____
Name:
Title:

BMCH, INC.

By: _____
Name:
Title:

GEE GROUP PORTFOLIO INC.

By: _____
Name:
Title:

SNI COMPANIES

By: _____
Name:
Title:

Subordination and Intercreditor Agreement (Thorpe)

SUBORDINATION AND INTERCREDITOR AGREEMENT

This Subordination AND INTERCREDITOR Agreement (this "Agreement") is entered into as of May 15, 2019, by and among MGG Investment Group LP, as administrative agent and collateral agent for the Senior Lenders referred to below ("Senior Agent"), Irrevocable Living Trust of Derek E. Dewan ("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 March 31, 2017 (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 the 8% Convertible Subordinated Nonnegotiable Promissory Note in the original principal amount of \$200,000, dated May 15, 2019, (such note, as amended, restated, supplemented, modified or otherwise changed from time to time, including any replacement note therefor, being hereinafter referred to as the "Subordinated Note"), pursuant to which Subordinated Creditor agreed to make a subordinated loan to the Parent; and

WHEREAS, it is a condition precedent to the Amendment No. 5 Effective Date 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), 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 and 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) Equity Interests of the Parent in connection with the conversion of the outstanding principal of and accrued interest on the Subordinated Indebtedness into Equity Interests of the Parent pursuant to Section 4 of the Subordinated Note, (b) Restructuring Securities in connection with an Insolvency Proceeding and (c) PIK Payments.

“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 Equity Interests or 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, 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 8% Convertible Subordinated Nonnegotiable Promissory Note is subject to the terms and provisions of that certain Subordination and Intercreditor Agreement, dated as of May 15, 2019 (the “Subordination and Intercreditor Agreement”), by and among MGG Investment Group LP, as agent for certain lenders, Irrevocable Living Trust of Derek E. Dewan, and the other parties signatory thereto from time to time. In the event of any conflict between the provisions of this 8% Convertible Subordinated Nonnegotiable Promissory Note 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 \$200,000 (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 trust, duly organized and validly existing 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), 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), 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:

MGG Investment Group LP
One Penn Plaza, 53rd Floor
New York, New York 10119
Attention: Kevin F. Griffin
Telephone: 212-356-6100
Email: creditagreementnotices@mginv.com

with a copy to:

Schulte Roth & Zabel LLP
919 Third Avenue
New York, NY 10022
Attention: Frederic L. Ragucci, Esq.
Telephone: (212) 756-2409
Facsimile: (212) 593-5955

If to Subordinated Creditor:

Irrevocable Living Trust of Derek E. Dewan
7003 Gaines Court
Jacksonville, Florida 32217
Attention: Brittany M. Dewan, Trustee
Telephone:

with a copy to:

[_____]]
[_____]]
[_____]]

Attention:
Facsimile:

If to any Loan Party:

GEE Group Inc.
7751 Belfort Parkway, Suite 150
Jacksonville, FL 33256
Attention: [_____]]
Telephone: [_____]]
Email: [_____]]

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 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:

IRREVOCABLE LIVING TRUST OF DEREK E.
DEWAN

By: _____
Name: Brittany M. Dewan
Title: Trustee

Subordination and Intercreditor Agreement (Dewan)

SENIOR AGENT:

MGG INVESTMENT GROUP LP, as Administrative
Agent and Collateral Agent

By: MGG GP LLC, its general partner

By: _____

Name:

Title:

Subordination and Intercreditor Agreement (Dewan)

ACKNOWLEDGED AND AGREED:

LOAN PARTIES:

GEE GROUP INC.

By: _____
Name: _____
Title: _____

SCRIBE SOLUTIONS INC.

By: _____
Name: _____
Title: _____

AGILE RESOURCES, INC.

By: _____
Name: _____
Title: _____

ACCESS DATA CONSULTING CORPORATION

By: _____
Name: _____
Title: _____

TRIAD PERSONNEL SERVICES, INC.

By: _____
Name: _____
Title: _____

TRIAD LOGISTICS, INC.

By: _____
Name: _____
Title: _____

Subordination and Intercreditor Agreement (Dewan)

PALADIN CONSULTING, INC.

By: _____
Name:
Title:

BMCH, INC.

By: _____
Name:
Title:

GEE GROUP PORTFOLIO INC.

By: _____
Name:
Title:

SNI COMPANIES

By: _____
Name:
Title:

Subordination and Intercreditor Agreement (Dewan)

GEE Group Management and Directors Invest in Company**Enter into Subscription Agreements to Purchase Securities for \$2 Million**

Jacksonville, FL, May 16, 2019/Accesswire – GEE Group Inc. (NYSE American: JOB) (“the Company” or “GEE Group”), a provider of professional staffing services and human resource solutions, today announced that members of its Senior Management and Board of Directors have entered into subscription agreements to purchase \$2 million of newly issued “Convertible Subordinated Notes” from the Company. The purchase price has been received by GEE Group pending final closing.

GEE Group entered into “Subscription Agreements” with certain of its officers and directors to purchase in the aggregate principal amount of \$2,000,000, 8% Convertible Subordinated Notes (the “Notes”) of the Company in connection with an exempt offering of the Notes by GEE Group to accredited investors under “Regulation D” of the Securities Act of 1933. The Notes provide the holders with noncash, payment in kind (“PIK”) interest of 8% payable in the form of a newly issued Series C 8% Cumulative Convertible Preferred Stock (“Series C Preferred Stock”). The Notes are convertible at the option of the holders into the Series C Preferred Stock which are convertible at the holder’s option to GEE Group common stock, The Company anticipates that it will use the proceeds from the sale of the Notes for general corporate purposes and to fund its growth initiatives.

Derek E. Dewan, Chairman and Chief Executive Officer of GEE Group, commented, “Members of the Company’s Senior Management and Board of Directors are bullish on GEE Group’s future and continue to support the Company with both their time commitment and financially. We are all encouraged about the opportunities to grow GEE Group and capitalize on the talent and resources we have in the Company.”

About GEE Group

GEE Group Inc. is a provider of specialized staffing solutions and is the successor to employment offices doing business since 1893. The Company operates in two industry segments, providing professional staffing services and solutions in the information technology, engineering, finance and accounting specialties and commercial staffing services through the names of Access Data Consulting, Agile Resources, Ashley Ellis, General Employment, Omni-One, Paladin Consulting and Triad. Also, in the healthcare sector, GEE Group, through its Scribe Solutions brand, staffs medical scribes who assist physicians in emergency departments of hospitals and in medical practices by providing required documentation for patient care in connection with electronic medical records (EMR). Additionally, the Company provides contract and direct hire professional staffing services through the following SNI brands: Accounting Now®, SNI Technology®, Legal Now®, SNI Financial®, Staffing Now®, SNI Energy®, and SNI Certes.

Forward-Looking Statements

In addition to historical information, this press release contains statements relating to the Company's future results (including certain projections, pro forma financial information, and business trends) that are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Act of 1934, as amended, (the "Exchange Act"), and are subject to the "safe harbor" created by those sections. The statements made in this press release that are not historical facts are forward-looking statements that are predictive in nature and depend upon or refer to future events. Such forward-looking statements often contain, or are prefaced by, words such as "will", "may", "plans", "expects", "anticipates", "projects", "predicts", "pro forma", "estimates", "aims", "believes", "hopes", "potential", "intends", "suggests", "appears", "seeks", or variations of such words or similar words and expressions. Forward-looking statements are not guarantees of future performance, are based on certain assumptions, and are subject to various known risks and uncertainties, many of which are beyond the Company's control, and cannot be predicted or quantified and, consequently, as a result of a number of factors, the Company's actual results could differ materially from those expressed or implied by such forward-looking statements. Certain factors that might cause the Company's actual results to differ materially from those in the forward-looking statements include, without limitation: (i) the loss, default or bankruptcy of one or more customers; (ii) changes in general, regional, national or international economic conditions; (iii) an act of war or terrorism or cyber security breach that disrupts business; (iv) changes in the law and regulations; (v) the effect of liabilities and other claims asserted against the Company including the failure to repay indebtedness or comply with lender covenants; (vi) changes in the size and nature of the Company's competition; (vii) the loss of one or more key executives; (viii) increased credit risk from customers; (ix) the Company's failure to grow internally or by acquisition or the failure to successfully integrate acquisitions; (x) the Company's failure to improve operating margins and realize cost efficiencies and economies of scale; (xi) the Company's failure to attract, hire and retain quality recruiters, account managers and salesmen; (xii) the Company's failure to recruit qualified candidates to place at customers for contract or full-time hire; and such other factors as set forth under the heading "Forward-Looking Statements" in the Company's annual reports on Form 10-K, its quarterly reports on Form 10-Q and in the Company's other filings with the Securities and Exchange Commission (SEC). More detailed information about the Company and the risk factors that may affect the realization of forward-looking statements is set forth in the Company's filings with the SEC. Investors and security holders are urged to read these documents free of charge on the SEC's web site at <http://www.sec.gov>. The Company is under no obligation to (and expressly disclaims any such obligation to) and does not intend to publicly update, revise or alter its forward-looking statements whether as a result of new information, future events or otherwise.

Contact:

GEE Group Inc.
Kim Thorpe
904.512.7504
invest@genp.com

SOURCE: GEE Group Inc.