



THE SERVICE COMPANIES

The Service Companies Services Agreement

This agreement between Acrobat Outsourcing, a wholly-owned subsidiary of The Service Companies, Inc., with its principal office located at 303 Hegenberger Road, Suite 300, Oakland, CA 94621 ("STAFFING FIRM"), and LOVARC located at 4107 Constitution Ave. Bldg 25 S Los Alamitos CA 90720 ("CLIENT") is made effective as of September 12, 2019, and will continue for a period of one (1) year made effective as of Sept. 12th, 2020. This contract will automatically renew after 1 year, if no notice is given by CLIENT.

Bill Rates: Our bill rates include the employee's hourly wage, and all deductions required by State and Federal legislation -- including employer's contribution for FICA taxes, providing Unemployment and Worker's Compensation, liability insurance and fidelity bonding, San Francisco sick leave, health care and commuter ordinances as well as other deductions and benefits paid to our employees. Additionally, all administrative charges are covered, including preparation of W-2 forms at the end of the year.

Position	Bill Rate
Dish/Utility	\$22.45 per hour
Grill/Line Cook	\$25.95 per hour
*STAFFING FIRM observes the following Holidays:	
Day	New Year's Day
	Easter Sunday
	Memorial Day
	Independence Day
	On these dates your normal bill rate will increase 1.5X.
	Labor Day
	Thanksgiving
	Christmas Day

The STAFFING FIRM may, on occasion, increase the rates set forth in proportion to any legislatively-mandated new or increased cost which may be required by federal, state, or local law commencing upon the effective date of such new or increased cost, such as FICA State Unemployment Tax. Changes may also include any new or increased cost associated with the passage of a federal or state law mandating any benefits for employees.

Affordable Care Act (ACA)/Health Care Security Ordinance (HCSO): The STAFFING FIRM offers medical benefits to all qualified temporary employees in compliance with The Affordable Care Act and the Health Care Security Ordinance for San Francisco. You will be assessed a minimal % ACA surcharge on every invoice. This rate can vary and is currently 3% of the invoice amount.

Five-hour Minimum: We require a five-hour minimum workday. If an employee is scheduled to work a minimum of five hours in one day and the employee is sent home in less than five hours due to a lack of work, the employee will be paid for five hours and THE CLIENT will be billed for five hours. **Show-up:** In the event you cancel the employee's assignment and the employee is already on his/her way to work, or at the location, the five hour minimum will be applied, and THE CLIENT will be billed for five hours.

Cancellation of Event: There will be a 50% cancellation fee of estimated hours for the Event if cancelled within 36 hours of the scheduled start time. The parties agree that the minimum hours for the Event are 5. For Saturday, Sunday and Monday jobs all cancellations or order changes need to be received by Friday morning at 9 a.m. PST to avoid fees.

Guarantee: STAFFING FIRM guarantees that the assigned employees that they recruit and assign to CLIENT will have the qualifications CLIENT requests. If CLIENT finds any assigned employee's qualifications or general work-related behavior lacking and lets the STAFFING FIRM know within one (1) hour, the STAFFING FIRM will not charge for the first two (2) hours of the assignment and will make reasonable efforts to replace the assigned employee immediately.

Employee Timesheets: The STAFFING FIRM pays its employees weekly. In order to accommodate this and ensure accurate invoicing, we utilize paper time sheets, which will be provided to you by your local staffing manager. These time slips will have the names of the staff reporting to your event or business as well as a place to indicate time in, time out and break time. The time slip requires the initials of the staff as well as the signature of the client to ensure the validity of the recorded time by all parties. After the shift, please return via email or by fax to your local staffing manager, the following business day.

Employee Breaks: Per California labor laws an employee: a. must receive a 10 minute break for every 4 hours that they work provided the shift is at least 5 hours; b. must receive an uninterrupted 30 minute break after 5 hours, except when the workday will be completed in 6 hours or less and there is mutual employer/employee consent to waive the break period. If working more than 8 hours additional breaks must be provided.

Hiring an Employee of the STAFFING FIRM: Should THE CLIENT wish to hire an employee of the STAFFING FIRM as a permanent employee, conversion fees and/or hiring fees will apply. Hiring options include:

1. If THE CLIENT maintains the employee as the STAFFING FIRM's employee for at least 90 days with a minimum of 520 hours worked then THE CLIENT can hire the STAFFING FIRM's employee with a Conversion fee of \$0.00. THE CLIENT must notify the STAFFING FIRM if they decide to hire an employee.
2. THE CLIENT may hire any employee of the STAFFING FIRM working less than 120 Days and 695 hours after paying a Temporary-to-Hire Conversion fee to the STAFFING FIRM for each employee. The Temporary-to-Hire Conversion fee is \$5,000.

Payment Terms: Qualified CLIENTS who provide good credit references to the STAFFING FIRM will be granted terms. ALL invoices are **Due Upon Receipt**.

Finance Charge: CLIENT agrees to pay interest on any unpaid balances after thirty (30) days from the date of the invoice, at the compounded rate of 1.5% per month (Annual Percentage Rate of 18%) or the maximum legal rate, whichever is lower, calculated from the date of the invoice.

Term of Agreement: The Agreement may be terminated by either party upon 30 days written notice to the other party, except that, if a party becomes bankrupt or insolvent, discontinues operations, or fails to make any payments as required by the Agreement, either party may terminate the agreement upon 24 hours written notice. No provision of this Agreement may be amended or waived unless agreed to in writing signed by the parties.

Authorized representatives of the parties have executed this Agreement below to express the parties' agreement to its terms. The provisions of this Agreement will inure to the benefit of and be binding on the parties and their respective representatives, successors, and assigns.

LOVARC

CLIENT

STAFFING FIRM: ACROBAT OUTSOURCING

Signature

Signature

Printed Name

Printed Name

Title

Title

Date

Date

Agreement Provided By: Lisa Powers