NEXTAFF™
FRANCHISE DISCLOSURE DOCUMENT

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FRANCHISE DISCLOSURE DOCUMENT

MALONE NEXTAFF LLC dba NEXTAFF
A Kentucky Limited Liability Company
1868 Campus Place
Louisville, KY 40299
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www.nextaff.com

As a franchisee, you will operate a business which provides temporary staffing services including the identification, evaluation and acquisition of quality talent (the "NEXTAFF Office").

The total investment necessary to begin operation of a new NEXTAFF Office is from $98,800 to $136,800, which includes $40,000 that must be paid to us; or, $20,000 to be paid to us if you are an employee of a NEXTAFF Office for a minimum of 24 months immediately before signing a Franchise Agreement; or $32,000 to be paid to us if you are a veteran of the United States Armed Forces.

The total investment necessary to begin operation of a conversion NEXTAFF Office is from $1 - $40,000 which includes $1 that must be paid to the franchisor.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least fourteen (14) calendar days before you sign a binding agreement with, or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale. Note, however, that no government agency has verified the information contained in this document.

You may wish to receive your disclosure document in another format that is more convenient to you. To discuss the availability of disclosures in different formats, contact Cary Daniel at 6842 W. 121st Court, Overland Park, KS 66209 or 913-562-5614.

The terms of your contract will govern your franchise relationship. Do not rely on the disclosure document alone to understand your contract. Read your entire contract carefully. Show your contract in this disclosure document to an advisor, such as a lawyer or accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. For information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document is available from the Federal Trade Commission (the "FTC"). You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C., 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising. There may also be laws on franchising in your state. Ask your state agencies about them.

FTC Issuance Date: March 31, 2019

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrators listed in Exhibit D for information about the franchisor, or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES THROUGH MEDIATION OR LITIGATION IN KENTUCKY. OUT-OF-STATE LITIGATION OR MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE OR LITIGATE WITH US IN KENTUCKY THAN IN YOUR HOME STATE.

2. THE FRANCHISE AGREEMENT STATES THAT KENTUCKY LAW GOVERNS THE AGREEMENTS AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

3. YOU MAY BE REQUIRED TO MEET A MINIMUM PERFORMANCE STANDARD. YOUR INABILITY TO MEET THESE REQUIREMENTS MAY RESULT IN LOSS OF ANY TERRITORIAL RIGHTS YOU ARE GRANTED, TERMINATION OF YOUR FRANCHISE AND LOSS OF YOUR INVESTMENT.

4. IF YOU ARE IN A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP, YOUR OWNERS MUST PERSONALLY GUARANTY YOUR OBLIGATIONS UNDER THE FRANCHISE AGREEMENT AND THE AREA DEVELOPMENT AGREEMENT AND AGREE TO BE BOUND PERSONALLY BY EVERY CONTRACTUAL PROVISION, WHETHER CONTAINING MONETARY OR NON-MONETARY OBLIGATIONS, INCLUDING THE COVENANTS NOT TO COMPETE.

5. YOUR SPOUSE MAY BE REQUIRED TO SIGN A DOCUMENT THAT MAKES YOUR SPOUSE LIABLE FOR ALL FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT, EVEN IF YOUR SPOUSE HAS NO OWNERSHIP INTEREST IN THE FRANCHISE. THIS GUARANTEE WILL PLACE BOTH YOUR AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS (PERHAPS INCLUDING YOUR HOUSE) AT RISK IF YOUR FRANCHISE FAILS.

6. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: See the next page for state effective dates.