UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 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): August 5, 2019

KELLY SERVICES, INC.
(Exact Name of Registrant as Specified in Charter)

DELAWARE	0-1088	38-1510762
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification Number)

999 WEST BIG BEAVER ROAD, TROY, MICHIGAN 48084
(Address of Principal Executive Offices) (Zip Code)

(248) 362-4444
(Registrant's Telephone Number, Including Area Code)

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))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common	**KELYA**	**Nasdaq Global Market**
Class B Common	**KELYB**	**Nasdaq Global Market**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On August 5, 2019, George S. Corona advised the Board of Directors (the “Board”) of Kelly Services, Inc. (the “Company”) of his intention to retire from his role as President and Chief Executive Officer (“CEO”) effective as of September 30, 2019. Mr. Corona will continue to serve as a non-executive employee of the Company, in a transitional and advisory role, until his retirement from the Company during the first half of 2020. Mr. Corona will continue to serve as a member of the Board.

The Board has elected Peter W. Quigley to succeed Mr. Corona as CEO of the Company, effective October 1, 2019, and has also appointed Mr. Quigley as a member of the Board, for a term beginning on October 1, 2019. At such time, the Board will be expanded to ten directors. Mr. Quigley will not receive compensation for his service as a member of the Board.

Mr. Quigley, age 58, previously served as the Company’s Executive Vice President, President, Global Staffing, and General Manager, Global Information Technology, Global Service and Global Business Services, a position he has held since May 2017. Since joining the Company in November 2002, Mr. Quigley has served in positions of increasing responsibility, including as Senior Vice President, General Counsel and Chief Administrative Officer. Mr. Quigley earned a juris doctorate with honors from the National Law Center at George Washington University in Washington, D.C. and a bachelor’s degree with distinction in political science and history from the University of Michigan.

On August 6, 2019, the Board, based on the recommendation of its Compensation Committee, approved changes in Mr. Quigley’s compensation in recognition of his increased responsibilities, effective October 1, 2019. Mr. Quigley’s annual base salary will be increased to $840,000. His Short-Term Incentive Plan (“STIP”) target award opportunity will be increased to 110% of his base salary. In connection with his appointment to CEO, the Compensation Committee of the Board has also approved grants of restricted stock units and performance shares with an aggregate grant date value of approximately $218,750 to Mr. Quigley under the 2019 Long-Term Incentives (“LTI”), effective as of October 1, 2019, representing prorated awards for 2019 based on his appointment date. The performance goals and vesting periods applicable to the STIP and LTI grants previously made to Mr. Quigley for 2019 will apply to his additional grants.

Pursuant to the terms of the Senior Executive Severance Plan (the “Severance Plan”) and effective the date he assumes responsibility as the Company’s CEO, in the event that Mr. Quigley’s employment is terminated by the Company other than for “cause”, “disability” or death, or by Mr. Quigley for “good reason” in connection with a “change in control” (as such terms are defined in the Severance Plan), Mr. Quigley will become eligible to receive severance benefits. In the case of a qualified termination that occurs not in connection with a change in control, he would receive severance payments in the form of base salary continuation for a period of twenty-four months and a prorated portion of his annual incentive compensation for the fiscal year in which the termination occurred, based on performance results. For a qualified termination that occurs in connection with a change in control, Mr. Quigley would be eligible to receive a lump sum severance payment equal to two times the sum of his annual base salary and target annual incentive compensation, plus a prorated portion of his annual incentive compensation.

In connection with the transition, the Company and Mr. Corona entered into a transition employment agreement, effective August 6, 2019. Under the agreement, Mr. Corona will serve as a non-executive employee of the Company, in a consulting and advisory role, from October 1, 2019 through Mr. Corona’s retirement from the Company in 2020. During this period of time, Mr. Corona will assist with the leadership transition as reasonably requested by Mr. Quigley, including work on special projects. In exchange for providing such transition services during this period, Mr. Corona will receive a base salary of $15,000 per month, continue to participate in the Company’s employee benefit plans to the extent allowable and as in effect from time to time, and be eligible to receive a cash performance bonus solely with respect to the approximately nine months in the 2019 performance year during which he will have served as CEO of the Company (determined based on Mr. Corona’s base salary and incentive target opportunity in effect during those nine months and the level of achievement of 2019 performance goals for the STIP).

While serving as a non-executive employee of the Company, Mr. Corona will continue to accrue service credit toward his outstanding LTI awards. Following his retirement, Mr. Corona will be eligible to receive a pro rata portion of the outstanding LTI performance award granted to him in 2019 under the Company's Equity Incentive Plan ("EIP"). Depending on the date of his formal retirement, Mr. Corona may be eligible for a pro rata portion of the outstanding LTI performance award granted to him in 2018. The prorated award amounts will be payable following the end of the applicable performance periods at such time as the Compensation Committee of the Company's Board determines that the applicable management performance objectives have been attained. The payments will otherwise be calculated in a manner consistent with the terms of Mr. Corona's performance awards. Under the terms of the EIP, outstanding restricted stock granted to Mr. Corona will continue to vest for as long as he remains an employee of the Company. Mr. Corona will not be eligible to receive any further STIP or LTI awards following his transition to a non-executive employee role.

Amounts payable to Mr. Corona pursuant to the Company's Management Retirement Plan will be paid out in a manner consistent with the payment elections previously made by Mr. Corona. Effective October 1, 2019, Mr. Corona will not be entitled to benefits under the Company's Senior Executive Severance Plan, and as such if Mr. Corona's employment terminates for any reason prior to his retirement, he will not be entitled to receive any cash severance benefits.

Item 7.01 Regulation FD Disclosure

A copy of the press release announcing the foregoing changes issued by the Company on August 6, 2019 is attached as Exhibit 99.1 and incorporated herein by reference. The information is being furnished pursuant to Item 7.01 and will not be deemed "filed" for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, or otherwise subject to the liability of such Section.

Item 9.01 Financial Statements and Exhibits.

10.1 Transition Employment Agreement dated August 6, 2019 between Kelly Services, Inc. and George S. Corona.

99.1 Press release dated as of August 6, 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, hereunto duly authorized.

KELLY SERVICES, INC.

Date: August 6, 2019

/s/ James M. Polehna

James M. Polehna
Senior Vice President and Corporate Secretary

TRANSITION EMPLOYMENT AGREEMENT

This Transition Employment Agreement ("Agreement") is between George S. Corona ("Employee") for himself, his heirs and personal representatives, and Kelly Services, Inc. and its affiliates, and successors in interest (collectively referred to as "Employer").

RECITALS

A. Employer has employed Employee as a senior executive for many years;

B. Employee will cease his role as President and Chief Executive Officer effective at the end of the day on September 30, 2019 (the "Officer End Date") and will continue as a member of the Employer's Board of Directors (the "Board") through at least his current term ending May 2019.

C. Employee will continue to provide services to the Employer in the manner directed by Peter W. Quigley (the "Incoming CEO") and the Board to assist with the transition of the Incoming CEO and with any additional projects during a transition period, which starts October 1, 2019 and is expected to end on or before June 30, 2020, as determined by the Employee and Employer (the "Transition Period").

D. Employee is eligible for certain benefits in accordance with the Short-Term Incentive Plan (the "STIP") and the outstanding Performance Awards and Restricted Awards (consisting of Restricted Shares and Restricted Share Units) granted pursuant to the Employer Equity Incentive Plan (the "EIP"), subject to certain restrictive covenants in favor of Employer as a condition to the receipt of such amounts payable pursuant to the EIP;

E. Employee and Employer provide for the orderly transition of Employee's employment and existing responsibilities, for the future partial and full payment by Employer, and vesting of, the remaining Performance Awards and Restricted Awards to the extent earned pursuant to the EIP, and for the future partial payment of the STIP for 2019.

Based on the foregoing Recitals, which Employee and Employer accept as true and as part of the basis for this Agreement, and in consideration of and in reliance upon the representations and promises in this Agreement, Employee and Employer agree as follows:

1. **Cessation as President and Chief Executive Officer**.

(a) Final Day as President and Chief Executive Officer. Employee's term as an officer of the Employer ends on the Officer End Date.

(b) Continuation of Certain Compensation and Benefits. Employee will continue to receive certain compensation and benefits during the Transition Period, as provided in Section 2 of this Transition Agreement, except that the following provisions describe the future partial payment by Employer of the STIP for 2019 and the future partial and full payment and vesting of the Performance Awards and Restricted Awards outstanding on the Officer End Date:

1) With respect to the STIP for 2019, the Employee will receive 9/12 of the amount payable pursuant to the original performance metrics, representing the nine months of the twelve-month 2019 performance period that he was in the CEO role, with such amount payable no later than March 15, 2020;

2) With respect to Awards granted pursuant to the EIP (consisting of the Performance Awards, Restricted Shares and Restricted Share Units outstanding on the Officer End Date), the following amounts shall be paid on the dates stated herein.

(A) With respect to the three outstanding Performance Awards granted to Employee during 2017, 2018, and 2019, Employee can receive a payout as soon as practical following the date after the end of each Performance Period when the Committee determines the Management Objectives that are attained, if any, which will be no later than March 15 of each such subsequent year. These pro rata Performance Awards are paid based on the portion of such award that would have been earned taking into account the level of Management Objectives attained for each Performance Period and based on the Employee's continued service through the date that the Employer certifies the results. These payouts are calculated consistent with the terms of the Performance Awards and, in those situations where the Employee does not continue service through the date that the Employer certifies the results, then taking into account whether the Employee has attained Normal Retirement Eligible, as defined in each such award, during a Performance Period.

For each Performance Award outstanding when the Employee has attained Normal Retirement Eligible during a Performance Period, the awards state that the pro rata amount payable is the whole number of months that Employee has been employed during a Performance Period divided by 36.

To illustrate, assuming that the Transition Period ends on March 31, 2020, the calculation of the amount payable will be as follows:

(i) For the Performance Award granted in 2017, the full amount of the calculated award will be payable and the payment will be made during 2020 and prior to March 15, 2020. If the Transition Period should end prior to the date that the Management Objective results are certified and the Employee has not attained Normal Retirement Eligible, no payout for this award will be made.

(ii) For the Performance Award granted in 2018, no payout of the award will be made. If the Transition Period should continue through June 30, 2020, the Employee will attain Normal Retirement Eligible and the Employee will receive a pro rata amount of the award representing 30/36 based on the Management Objectives attained, with the payment made during 2021 and prior to March 15, 2021.

(iii) For the Performance Award granted in 2019, a pro rata amount of the award representing 15/36 based on the Management Objectives attained, with the payment made during 2022 and prior to March 15, 2022. The pro rata amount takes into account the Normal Retirement Eligible definition used in the Performance Award granted in 2019.

(B) With respect to the four outstanding Restricted Awards (consisting of the Restricted Shares and Restricted Share Units), such awards continue to vest for as long as the Employee remains an employee and any outstanding awards at the end of such period are forfeited. The vesting of the Restricted Awards is dependent on Employee providing service as an employee (taking into account the Transition Period) through each anniversary of the grant of such award.

To illustrate, assuming the Transition Period ends on May 29, 2020, the remaining portion of each outstanding Restricted Award will be forfeited as follows:

(i) For the Restricted Award granted in 2016, the entire award will have vested by February 2020.

(ii) For the Restricted Award granted in 2017, 75% of the award will have vested and the related distribution made by February 2020 and May 2020 and the remaining unvested 25% will be forfeited.

(iii) For the Restricted Award granted in 2018, 50% of the award will have vested and the related distribution made by February 2020 and the remaining unvested 50% will be forfeited.

(iv) For the Restricted Award granted in 2019, 25% of the award will have vested and the related distribution made by February 2020 (provided that the Management Objective for 2019 is achieved) and the remaining unvested 75% will be forfeited.

3) With respect to any amount payable pursuant to the Management Retirement Plan, such amounts will be paid out consistent with the terms of the Election Agreements filed by Employee, taking into account the continuous service during the Transition Period, and the current Election Agreement remains in effect in accordance with such Plan.

4) With respect to Employer's Senior Executive Severance Plan dated March 31, 2017, the Employee will no longer be a participant in such plan after September 30, 2019, and no other severance benefits are payable to Employee. Whenever the Transition Period ends, the cessation of the Employee's services is not a termination by the Employer.

5) Employee shall be covered under Employer's medical, dental, and welfare benefits plans through the Transition Period to the extent permitted by such arrangements, subject to further discussion with the Employee.

2. **Continuation as Non-Executive Employee**.

(a) During the Transition Period, Employee will continue to provide services to the Employer as directed by the Incoming CEO and the Board at an expected average level of 1–3 days per week and, in exchange, Employee will receive a monthly amount of $15,000 to be paid consistent with the Employer's payroll practices.

(b) Employee, the Incoming CEO and the Board will determine if the Transition Period will cease before June 30, 2020.

(c) Employee will continue as a member of the Board during the Transition Period up through the Employee's current term as a member of the Board and thereafter as provided by the Board.

(d) Employee will not receive any additional awards pursuant to the STIP and the EIP for the period commencing with 2020.

3. **Knowing and Voluntary Acceptance**.

(a) Advice of Counsel. By this provision, Employer is advising Employee in writing to consult with an attorney of Employee's choice, before signing this Agreement.

(b) Knowing and Voluntary Acceptance. Employee has carefully read this Agreement, understands it, and is entering it knowingly and voluntarily.

(c) No Reliance on Any Other Representation. In signing this Agreement, Employee has not relied upon any Employer representation or statement, either oral or written, about the subject matter of this Agreement that is not set forth in this Agreement.

4. **Tax Withholdings**. All payments to Employee that are referenced in this Agreement are subject to tax withholding in accordance with applicable law.

5. **Applicable Law**. This Agreement shall be governed and construed in accordance with the laws of the State of Delaware applicable to contracts made and to be performed in the State of Michigan.

6. **Jurisdiction and Forum**. To the fullest extent permitted by applicable law, subject to ERISA, any action arising out of this Agreement or the relationship between the parties established herein shall be brought only in the State of Michigan Courts of appropriate venue, or the United States District Court sitting in Michigan, and Employee hereby consents to and submits himself to the jurisdiction of such Courts.

7. **Counterparts**. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which together shall constitute the same instrument.

8. **Notice**. Any notices or inquiries related to or required under this Agreement should be directed to **Senior Vice President and Corporate Secretary, 999 W. Big Beaver Road, Troy, Michigan 48084**.

9. **Entire Agreement**. This Agreement constitute the entire agreement between the parties related to termination of Employee's employment with Employer, except where a specific cross reference to another agreement is made. There are no other promises, conditions, or understandings, either written or oral, between Employer and Employee either with respect to the subject matter of this Agreement or modifying the terms of this Agreement. Only a writing signed by Employee and an authorized representative of Employer that specifically refers to and expressly changes this Agreement can modify the terms of this Agreement.

KELLY SERVICES, INC.

/s/ James M. Polehna

By: James M. Polehna

Its: Senior Vice President and Corporate Secretary

Dated: August 6, 2019

EMPLOYEE NAME

/s/ George S. Corona

George S. Corona, an individual

Dated: August 6, 2019

Exhibit 99.1

KELLY

For Immediate Release

KELLY SERVICES® ANNOUNCES PLANNED RETIREMENT OF PRESIDENT AND CEO GEORGE CORONA; BOARD NAMES EVP PETER QUIGLEY AS SUCCESSOR

TROY, Mich. (Aug. 6, 2019) – Kelly Services, Inc., (Nasdaq: KELYA, KELYB), a global leader in providing workforce solutions, today announced that its Board of Directors has elected Executive Vice President Peter Quigley as Kelly's next President and CEO. The appointment is effective October 1, 2019 at which time Quigley will also join the company's Board of Directors. He will replace George Corona who announced his intention to step down as President and CEO effective September 30, 2019 as part of his planned retirement. Corona will serve as a non-executive employee of the company, in a transition and advisory capacity, until his retirement in early 2020. He will remain a member of the Board.

Corona was named President and Chief Executive Officer of Kelly Services in May 2017, after more than 20 years of experience in a variety of roles at Kelly, including eight years as EVP and Chief Operating Officer. Prior to joining the company in 1994, Corona held management roles at Digital Equipment Professional Services Group and Burroughs Corporation.

As COO and CEO, Corona is credited with successfully leading Kelly in transforming and adapting to the highly competitive workforce solutions marketplace. Over the past decade, he oversaw the transformation of Kelly's operating models to align with market demands; sharpened the company's focus on areas that could best deliver profitable growth; and drove increased efficiency in delivering excellent service to clients of all sizes. He served as executive sponsor on some of Kelly's largest accounts, and he was pivotal in efforts to win, retain and expand key client relationships.

— more —

“George has been an exceptional leader since stepping into the role of CEO,” said Donald R. Parfet, Chairman of the Board of Directors. “He’s helped us become a more focused company, make solid investments in technology and the future of work, and stay aligned with our Noble Purpose of connecting people to work in ways that enrich their lives. We are grateful for his 25 years of service to Kelly, and we wish him the best in his well-deserved retirement,” he said.

“It has been a privilege to lead a company like Kelly that prides itself on its 73-year tradition of integrity, quality and service excellence,” Corona said. “The timing is right for me to act on my planned retirement and to pass the torch to a new CEO, who will continue to guide Kelly toward the full achievement of our strategy. We have a strong, seasoned leadership team in place, and an organization full of talented individuals who understand what’s next for our industry and for our customers,” he said. “Having worked closely with Peter for many years through numerous situations, I am confident that our organization is in the hands of an extremely capable, collaborative and growth-minded leader. I look forward to continuing to work with Peter as a member of Kelly’s Board of Directors.”

“Recognizing George’s planned retirement, and guided by our succession plan, the Board followed a comprehensive process to ensure we identified extraordinary candidates to serve as Kelly’s next CEO,” Parfet said. “Peter Quigley is an outstanding leader and a 17-year veteran of the company. During his time here, he has managed or been responsible for a majority of operations and headquarters functions. He is one of the principal architects of Kelly’s current business strategy,” he said.

Quigley serves as Kelly’s representative on the Board of Directors of Persol Holdings, a leading Japanese staffing and solutions company, publicly traded on the Nikkei stock exchange. He also serves as a Board member of PersolKelly, the company’s joint venture with Persol that provides staffing in 12 geographies in APAC. Other responsibilities and honors he has outside of Kelly include his role as 2nd Vice Chair of the Board of Directors of the American Staffing Association as well as appearing on the SIA’s 100 Most Influential People in Staffing list.

Parfet concluded: “We congratulate Peter on his newest role and we are confident he will continue to move the company forward.”

— more —

About Kelly Services®

Kelly connects talented people to companies in need of their skills in areas including Science, Engineering, Education, Office, Contact Center, Light Industrial, and more. We're always thinking about what's next in the evolving world of work, and we help people ditch the script on old ways of thinking and embrace the value of all workstyles in the workplace. We directly employ nearly 500,000 people around the world, and we connect thousands more with work through our global network of talent suppliers and partners in our outsourcing and consulting. Visit kellyservices.com and let us help with what's next for you.

# # #

Media Contact:
Gray R. Reynolds
Corporate Communications
248.244.4234
gray.reynolds@kellyservices.com

Analyst Contact:
James Polehna
Investor Relations
248.244.4586
polehjm@kellyservices.com