

SECURITIES AND EXCHANGE COMMISSION

FORM SC 13D/A

Schedule filed to report acquisition of beneficial ownership of 5% or more of a class of equity securities [amend]

Filing Date: 2018-11-16
SEC Accession No. 0001144204-18-060529

(HTML Version on secdatabase.com)

SUBJECT COMPANY

Staffing 360 Solutions, Inc.

CIK: **1499717** | IRS No.: **680680859** | State of Incorporation: **NY** | Fiscal Year End: **1229**
Type: **SC 13D/A** | Act: **34** | File No.: **005-86738** | Film No.: **181190300**
SIC: **7363** Help supply services

Mailing Address
641 LEXINGTON AVENUE
27TH FLOOR
NEW YORK NY 10022

Business Address
641 LEXINGTON AVENUE
27TH FLOOR
NEW YORK NY 10022
646-507-5710

FILED BY

Jackson Investment Group, LLC

CIK: **1571267** | IRS No.: **205783109** | State of Incorporation: **GA**
Type: **SC 13D/A**

Mailing Address
2655 NORTHWINDS
PARKWAY
ALPHARETTA GA 30009

Business Address
2655 NORTHWINDS
PARKWAY
ALPHARETTA GA 30009
770-643-5529

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No. 6)*

Staffing 360 Solutions, Inc.

(Name of Issuer)

Common Stock, \$0.00001 par value per share

(Title of Class of Securities)

095428108

(CUSIP Number)

Jackson Investment Group, LLC

2655 Northwinds Parkway

Alpharetta, GA 30009

Attention: Dennis J. Stockwell, General Counsel

770-643-5500

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

November 15, 2018

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)	
1.	Jackson Investment Group, LLC 20-5783109
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (see instructions)	
2.	(a) <input type="checkbox"/> (b) <input type="checkbox"/>
3. SEC USE ONLY	
SOURCE OF FUNDS (see instructions)	
4.	OO
5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) <input type="checkbox"/>	
CITIZENSHIP OR PLACE OF ORGANIZATION	
6.	State of Georgia, United States of America
7. SOLE VOTING POWER	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8. SHARED VOTING POWER 2,374,204 ⁽¹⁾
	9. SOLE DISPOSITIVE POWER
	10. SHARED DISPOSITIVE POWER 2,374,204 ⁽¹⁾
	11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 2,374,204 ⁽¹⁾
12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (see instructions) <input type="checkbox"/>	
PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)	
13.	38.2% ⁽²⁾
TYPE OF REPORTING PERSON (see instructions)	
14.	OO

Includes 905,508 shares which may be purchased upon exercise of that certain Amended and Restated Warrant Agreement, dated April 25, 2018 between Jackson Investment Group, LLC and Staffing 360 Solutions, Inc., as amended by that certain Amendment No. 1 to Amended and Restated Warrant Agreement, dated as of August 27, 2018 and that certain Amendment (1) No. 2 to the Amended and Restated Warrant Agreement, dated November 15, 2018 (the "A&R Warrant"), and which amended and restated that certain Warrant, dated January 26, 2017, between Jackson Investment Group, LLC and Staffing 360 Solutions, Inc., as amended by that certain Amendment 1 to Warrant Agreement, dated as of March 14, 2017 and that certain Amendment 2 to Warrant Agreement, dated as of April 5, 2017 (the "Amended Warrant").

Does not reflect (1) 13,000 shares of Series E Convertible Preferred Stock which are convertible into shares of Common Stock at the holder's option at any time from and after the earlier of October 31, 2020 or the occurrence of an event of default specified in the Certificate of Designation of the Series E Convertible Preferred Stock at a conversion rate of 561 shares of Common Stock for each share of Series E Preferred Stock converted; or (2) shares of Series E-1 Convertible Preferred Stock which are payable as a dividend on the Series E Preferred Stock at a rate of 5% per annum and which are convertible into shares of Common Stock at the holder's option during the same period at a conversion rate of 602 shares of Common Stock for each share of Series E-1 Preferred Stock converted, subject to the terms and conditions set forth in such Certificate of Designation.

- (2) Based on 5,015,018 shares of Common Stock outstanding as of November 13, 2018, as reported in the Issuer's Form 10-Q filed on November 13, 2018.
-

NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)	
1.	Richard L. Jackson
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (see instructions)	
2.	(a) <input type="checkbox"/> (b) <input type="checkbox"/>
SEC USE ONLY	
SOURCE OF FUNDS (see instructions)	
4.	OO ⁽³⁾ PF ⁽⁴⁾
CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) <input type="checkbox"/>	
CITIZENSHIP OR PLACE OF ORGANIZATION	
6.	United States of America
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7. SOLE VOTING POWER 144
	8. SHARED VOTING POWER 2,374,204 ⁽¹⁾
	9. SOLE DISPOSITIVE POWER 144
	10. SHARED DISPOSITIVE POWER 2,374,204 ⁽¹⁾
	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
11.	2,374,349 ⁽¹⁾
CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (see instructions) <input type="checkbox"/>	
PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)	
13.	38.2% ⁽²⁾
TYPE OF REPORTING PERSON (see instructions)	
14.	IN; HC

(1) Includes 905,508 shares which may be purchased upon exercise of the A&R Warrant.

Does not reflect (1) 13,000 shares of Series E Convertible Preferred Stock which are convertible into shares of Common Stock at the holder's option at any time from and after the earlier of October 31, 2020 or the occurrence of an event of default specified in the Certificate of Designation of the Series E Convertible Preferred Stock at a conversion rate of 561 shares of Common Stock for each share of Series E Preferred Stock converted; or (2) shares of Series E-1 Convertible Preferred Stock which are payable as a dividend on the Series E Preferred Stock at a rate of 5% per annum and which are convertible into shares of Common Stock at the holder's option during the same period at a conversion rate of 602 shares of Common Stock for each share of Series E-1 Preferred Stock converted, subject to the terms and conditions set forth in such Certificate of Designation.

(2) Based on 5,015,018 shares of Common Stock outstanding as of November 13, 2018, as reported in the Issuer's Form 10-Q filed on November 13, 2018.

(3) With respect to all shares other than the 144 shares referenced in footnote 4 that are reported herein.

(4) With respect to the 144 shares personally owned by Rick Jackson reported in lines 7 and 9 above.



EXPLANATORY NOTES

This Amendment No. 6 to Schedule 13D (this “Amendment No. 6”) is being filed jointly by Jackson Investment Group, LLC (“JIG LLC”) and Richard L. Jackson and amends the statement on the Schedule 13D that was originally filed jointly by JIG LLC and Richard L. Jackson with the Securities and Exchange Commission (the “Commission”) on February 7, 2017 and was amended on March 23, 2017, April 7, 2017, August 8, 2017, September 18, 2017 and September 4, 2018 (the “Statement”), with respect to the common stock, par value \$0.00001, of Staffing 360 Solutions, Inc. (the “Company”).

This Amendment No. 6 amends the Statement as specifically set forth herein. Unless otherwise indicated herein, each capitalized term used but not otherwise defined herein shall have the meaning assigned to such term in the Statement.

Item 3. Source or Amount of Funds or Other Consideration.

Item 3 of the Statement is hereby further amended to add the following paragraphs:

On November 15, 2018, JIG LLC acquired 300,000 shares of Common Stock as a commitment fee in connection with a transaction whereby JIG LLC exchanged \$13,000,000 in outstanding principal (such outstanding principal amount, the “Debt Exchange Amount”) of the total outstanding principal amount under that certain 12% Senior Secured Promissory Note due September 15, 2020, dated September 15, 2017 (the “Secured JIG Note”) for the Company’s issuance to JIG LLC of 13,000 shares of a new senior series of convertible Preferred Stock of the Company (“Series E Convertible Preferred Stock”) (the “Debt Exchange”). Pursuant to that certain Debt Exchange Agreement, dated November 15, 2018, which is Exhibit 1 hereto, the Company issued 13,000 shares of Series E Convertible Preferred Stock to JIG LLC and issued to JIG LLC that certain Amended and Restated 12% Senior Secured Promissory Note due September 15, 2020, dated November 15, 2018 (the “A&R Note”), which is Exhibit 2 hereto, in order to effect the Debt Exchange.

The A&R Note also includes \$362,000 in principal amount of new indebtedness incurred by the Company to JIG LLC in order to reimburse transaction expenses of JIG LLC and as payment of a commitment fee required under that certain Second Omnibus Amendment and Reaffirmation Agreement, dated November 15, 2018 among JIG LLC, the Company and certain of its subsidiaries, as guarantors (the “Subsidiary Guarantors”), which among other things amended that certain Amended and Restated Note Purchase Agreement, dated as of September 15, 2017 between JIG LLC, the Company and certain of the Subsidiary Guarantors, as amended by that certain First Omnibus Amendment, Joinder and Reaffirmation Agreement, dated as of August 27, 2018 (as amended, the “A&R Note Purchase Agreement”). The A&R Note Purchase Agreement is Exhibit 3 hereto. The \$13,000,000 reduction in principal together with the addition of principal to reflect the transaction expenses and commitment fee described above resulted in a new principal amount of \$27,312,000 for the A&R Note.

In connection with the Debt Exchange, JIG LLC and the Company amended that certain Amended and Restated Warrant, dated April 25, 2018, as amended by Amendment No. 1 to the Amended and Restated Warrant Agreement, dated August 27, 2018, by entering into Amendment No. 2 to the Amended and Restated Warrant Agreement, dated November 15, 2018 between the Company and JIG LLC, which is Exhibit 4 hereto. The A&R Warrant entitles JIG LLC to acquire up to 905,508 shares of Common Stock at \$1.66 per share and may be exercised subject to the terms and conditions thereof at any time before January 26, 2024.

No new funds were provided by JIG LLC to the Company in connection with the Debt Exchange. The source of funds for JIG LLC’s prior investments in the Company were reported by JIG LLC in prior Amendments to this Statement.

Item 4. Purpose of the Transaction.

JIG LLC entered into the Debt Exchange for the purpose of allowing the Company to maintain a level of equity that would meet the continued listing requirements of The Nasdaq Stock Market with respect to the Common Stock of the Company.

The Reporting Persons are continually reviewing their interest in the Company.

Depending upon

- the Reporting Persons’ assessment of the Company’s businesses, assets and prospects,
- the contractual provisions, limitations and other terms of JIG LLC’s financing-related agreements with the Issuer,

- other plans and requirements of the Reporting Persons,
- general economic conditions and overall market conditions,
- the ability of the Reporting Persons to carry out transactions without liability under Section 16 of the Securities and Exchange Act,
- the price at which shares of Common Stock are available (1) for purchase, including through private or public market offerings or pursuant to the purchase rights of the various derivative securities held by JIG LLC as reported in this Statement, or (2) for sale, and
- availability of alternative investment opportunities and the Reporting Persons' investment strategy at the time,

the Reporting Persons may:

- seek to make additional investments in the Company, which could include an acquisition of the Company or funding specific cash needs of the Company if they arise and satisfactory terms can be agreed, or
- may determine not to pursue any further investments in the Company and instead decrease their holdings of Common Stock, and
- may seek to engage in communications with management or the Board of Directors of the Company or with other stockholders of the Company concerning the Company's businesses, prospects, operations, strategy, personnel, directors, ownership and capitalization, and
- either individually or together with others may make additional proposals with respect to the Company that may involve one or more of the types of transactions specified in clauses (a) through (j) of Item 4 of Schedule 13D.

The Reporting Persons have no other plans or proposals which relate to or would result in any of the events described in (a) through (j) of Item 4, except as described above.

The response to Item 3 above and Exhibits 1-4 are hereby incorporated herein.

Subparts (e) and (g) of Item 4 of the Statement are hereby further amended to add the following:

In connection with the Debt Exchange, the Company issued to JIG LLC 13,000 shares of Series E Convertible Preferred Stock in accordance with the Certificate of Designation of Series E Convertible Preferred Stock of the Company dated November 15, 2018, which is Exhibit 5 hereto (the "Series E Certificate of Designation"). The Series E Certificate of Designation provides that the holders of Series E Convertible Preferred Stock are entitled to receive quarterly cash dividends which accrue at an annual rate equal to 12%, provided that if the Company fails to pay such cash dividend on the quarterly due date or upon any other event of default under the Series E Certificate of Designation or the A&R Note Purchase Agreement (a "Preferred Default"), such cash dividends will accrue at an increased rate of 17% until all of the shares of the Series E Convertible Preferred Stock have been converted into Common Stock or repurchased by the Company and all accrued dividends thereon have been repaid.

Series E Convertible Preferred Stock is convertible into Common Stock of the Company at the holder's option at any time from and after the earlier of October 31, 2020 or the occurrence of a Preferred Default. Each share of Series E Preferred Stock is initially convertible into 561 shares of the Company's common stock.

Additionally, holders of Series E Convertible Preferred Stock are entitled to receive in-kind dividends payable in shares of Series E-1 Convertible Preferred Stock of the Company (the "Series E-1 Convertible Preferred Stock") which have the same terms and preferences as Series E Convertible Preferred Stock except that Series E-1 Convertible Preferred Stock is subject to (1) mandatory redemption by the Company after a Preferred Default at a redemption price equal to its stated value and all accrued but unpaid dividends; and (2) forfeiture and cancellation if the Company completes the redemption of all shares of Series E Convertible Preferred Stock outstanding on or prior to October 31, 2020. In addition, each share of Series E-1 Preferred Stock is initially convertible into 602 shares of the Company's common stock.

Series E Convertible Preferred Stock is redeemable by the Company at any time at a price per share equal to the stated value (\$1,000 per share) plus all accrued and unpaid dividends thereon. However, if the Company redeems any Series E Convertible Preferred Stock prior to October 31, 2019, the redemption price is reduced to 98% of the principal redeemed.

Item 5. Interest in Securities of the Issuer.

The introduction of Item 5 of the Statement is hereby amended and restated in its entirety to read as follows:

The following disclosure assumes 5,015,018 shares of Common Stock outstanding as of November 13, 2018, as reported in the Issuer's Form 10-Q filed with the Commission on November 13, 2018.

Subparts (a) and (b) of Item 5 of the Statement are hereby amended and restated in their entirety to read as follows:

(a) Pursuant to Rule 13d-3 of the Securities Exchange Act, the Reporting Persons may be deemed to beneficially own 2,374,204 shares of Common Stock, which constitutes approximately 38.2% of the outstanding shares of Common Stock (assuming the exercise in full of the A&R Warrant held by the Reporting Persons as contemplated in Rule 13d-3). Of the shares deemed to be beneficially owned, 905,508 are not outstanding and consist of shares which may be acquired by JIG LLC pursuant to the A&R Warrant at any time prior to January 26, 2024. In addition to the 2,374,204 shares referenced above, Richard L. Jackson individually and beneficially owns 144 shares of Common Stock (which together with the 2,374,204 shares constitutes approximately 38.2% of the outstanding shares of Common Stock of the Company). With the exception of the 144 shares personally owned, Richard L. Jackson disclaims beneficial ownership of all of the shares reported to be beneficially owned by him except to the extent of his pecuniary interest therein.

(b) The Reporting Persons share the power to vote and direct the disposition of 2,374,204 shares of Common Stock reported as being beneficially owned. Richard L. Jackson has the sole power to vote and direct the disposition of the 144 shares of Common Stock reported as being beneficially owned by him.

Subpart (c) of Item 5 is hereby further amended to add the following paragraph:

(c) The response to Items 3 and 4 and Exhibits 1 through 5 are hereby incorporated herein.

Subpart (d) of Item 5 is hereby further amended to add the following paragraph:

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

Item 6 of the Statement is hereby further amended to add the following paragraphs:

The responses to Items 3, 4 and 5 and Exhibits 1 through 5 are hereby incorporated herein.

The foregoing descriptions of the agreements and documents attached as Exhibits 1 through 5 hereto do not purport to be complete and are qualified in their entirety by reference to the full text of each such agreement and document, respectively.

Item 7. Material to Be Filed as Exhibits.

Item 7 of the Statement is hereby further amended to add the following exhibits:

- | | |
|-----------|---|
| Exhibit 1 | Debt Exchange Agreement, dated November 15, 2018 between the Company and JIG LLC (attached as Exhibit 10.1 to the Form 8-K filed by Staffing 360 Solutions, Inc. on November 15, 2018 and incorporated herein by reference) |
| Exhibit 2 | Amended and Restated 12% Senior Secured Promissory Note due September 15, 2020, dated November 15, 2018 |
| Exhibit 3 | Second Omnibus Amendment and Reaffirmation Agreement, dated November 15, 2018 between JIG LLC, the Company and the Subsidiary Guarantors |
| Exhibit 4 | Amendment No. 2 to the Amended and Restated Warrant Agreement, dated November 15, 2018 between the Company and JIG LLC |
| Exhibit 5 | Certificate of Designation of Series E Convertible Preferred Stock of the Company (attached as Exhibit 3.1 to the Form 8-K filed by Staffing 360 Solutions, Inc. on November 15, 2018 and incorporated herein by reference) |
| Exhibit 6 | Joint Filing Agreement dated February 6, 2017 (attached as Exhibit 99.6 to the Schedule 13D filed by the Reporting Persons (File No. 005-86738) with the Commission on February 6, 2017 and incorporated herein by reference) |
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SIGNATURES

After reasonable inquiry and to the best of each of the undersigned's knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Date: November 16, 2018

JACKSON INVESTMENT GROUP, LLC

By: /s/ Richard L. Jackson

Richard L. Jackson, Chief Executive Officer

Date: November 16, 2018

RICHARD L. JACKSON

/s/ Richard L. Jackson

Exhibit 2

THIS NOTE HAS NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT. THIS NOTE MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN SECURED BY SUCH SECURITIES.

**AMENDED AND RESTATED 12% SENIOR SECURED NOTE
DUE SEPTEMBER 15, 2020**

\$27,312,000

November 15, 2018

FOR VALUE RECEIVED, the undersigned, STAFFING 360 SOLUTIONS, INC., a Delaware corporation (the "Company"), hereby promises to pay to JACKSON INVESTMENT GROUP, LLC (together with its successors and assigns, the "Purchaser"), the principal sum of TWENTY-SEVEN MILLION THREE HUNDRED TWELVE THOUSAND DOLLARS (\$27,312,000) on September 15, 2020 (or such earlier date upon any acceleration of this Note as provided for herein, the "Maturity Date"), together with interest (computed on the basis of a 360-day year of twelve 30 day months) (a) on the unpaid balance hereof at the rate of twelve percent (12.00%) per annum, accruing from and after the date of this Note and until the entire principal balance of this Amended and Restated 12% Senior Secured Note (this "Note") shall have been repaid in full, and (b) to the extent permitted by law, on any overdue payment of principal or interest, at a rate per annum from time to time equal to five percent (5%) in excess of the rate of interest otherwise payable hereunder.

This Note is issued in replacement and substitution for and amends and restated in its entirety that certain 12% Senior Secured Note due September 15, 2020, dated September 15, 2017, in the original principal amount of \$40,000,000, issued by the Company to the Purchaser (the "Prior Note") pursuant to the Purchase Agreement (as defined below). This Note is being issued in connection with that certain Debt Exchange Agreement dated as of the date hereof between the Company and the Purchaser (the "Debt Exchange Agreement"), in order to, among other things, (i) reflect the cancellation and satisfaction of \$13,000,000 in principal amount of outstanding indebtedness evidenced by the Prior Note resulting from the consummation of the Debt Exchange (as such term is defined in the Debt Exchange Agreement), and (ii) evidence \$250,000 in principal amount of new indebtedness incurred by the Company to the Purchaser in connection with the payment of the \$250,000 commitment fee required to be paid by the Company to the Purchaser in connection with the transactions contemplated by the Debt Exchange Agreement. This Note is not intended nor shall be construed to be a novation or an accord and satisfaction of any of the indebtedness evidenced by the Prior Note. For the avoidance of doubt, all interest accruing on and after September 15, 2017 through the date of this Note under the Prior Note shall also be evidenced by this Note and be payable in accordance with the terms hereof.

Payments of principal, interest and any other amount due with respect to this Note are to be made in lawful money of the United States of America at the address of the Purchaser as specified in Section 10.1 of the Purchase Agreement (defined below) or at such other place as shall have been designated by the Purchaser by written notice from the Purchaser to the Company.

This Note has been issued pursuant to that certain Amended and Restated Note Purchase Agreement, dated as of September 15, 2017 (as amended, restated supplemented or modified from time to time, the “Purchase Agreement”), among the Company, the Subsidiary Guarantors party thereto and the Purchaser, and is entitled to the benefits thereof and is secured by and entitled to the benefits of the Security Documents and is guaranteed by each of the Subsidiary Guarantors pursuant to the guaranty provided for in Article 4 of the Purchase Agreement. Unless otherwise indicated, capitalized terms used in this Note shall have the respective meanings ascribed to such terms in the Purchase Agreement.

This Note is a registered Note and, as provided in the Purchase Agreement, upon surrender of this Note for registration of transfer, accompanied by a written instrument of transfer duly executed, by the registered holder hereof or such holder’s attorney duly authorized in writing, a new Note for a like principal amount (less any principal amount repaid prior to such transfer in accordance with the Purchase Agreement) will be issued to, and registered in the name of, the transferee. Prior to due presentment for registration of transfer, the Company may treat the Person in whose name this Note is registered as the owner hereof for the purpose of receiving payment and for all other purposes, and the Company will not be affected by any notice to the contrary. The transfer or assignment of this Note by the Purchaser is subject to the provisions of Section 10.5 of the Purchase Agreement, and so long as no Default or Event of Default exists, the consent of the Company (which consent shall not be unreasonably withheld, delayed or conditioned).

This Note is subject to optional prepayment, in whole or from time to time in part, without penalty or premium, subject to the notice and other requirements as provided in Section 2.3(b) of the Purchase Agreement. Subject to certain conditions and limitations as set forth in Section 2.3(c) of the Purchase Agreement, under certain circumstances a portion of the principal balance of this Note may be forgiven by the Purchaser in an amount and to the extent provided for in Section 2.3(c) of the Purchase Agreement.

All accrued and unpaid interest on the outstanding principal balance of this Note shall be due and payable quarterly on January 1, April 1, July 1 and October 1 in each year on and after the date hereof (with the first such quarterly payment due on January 1, 2019 to include all accrued and unpaid interest on this Note from and after the date hereof, together with all unpaid interest under the Prior Note accrued prior to the date hereof) and on the Maturity Date, provided that upon any prepayment of this Note or any portion thereof, accrued and unpaid interest shall be payable with respect to the principal amount of this Note so prepaid on such date of prepayment. Any overdue or default interest on this Note shall be due and payable on demand.

If an Event of Default occurs and is continuing, the principal of this Note and accrued interest on this Note may be accelerated and declared or otherwise become due and payable in the manner and with the effect provided in the Purchase Agreement.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK (WITHOUT REGARD TO THE PRINCIPLES THEREOF REGARDING CONFLICTS OF LAWS). THE TERMS OF SECTIONS 10.12 AND 10.13 OF THE PURCHASE AGREEMENT WITH RESPECT TO SUBMISSION TO JURISDICTION, CONSENT TO SERVICE OF PROCESS, VENUE AND WAIVER OF JURY TRIAL ARE INCORPORATED HEREIN BY REFERENCE, MUTATIS MUTANDIS, AND THE COMPANY AGREES TO SUCH TERMS.

In no event shall the amount or rate of interest due and payable under this Note exceed the maximum amount or rate of interest allowed by Applicable Law and, in the event any such excess payment is made by the Company or received by Purchaser, such excess sum shall be credited as a payment of principal or, if no principal shall remain outstanding, shall be refunded to the Company. It is the express intent hereof that Company shall not pay and Purchaser not receive, directly or indirectly or in any manner, interest in excess of that which may be lawfully paid under Applicable Law.

The Company hereby waives presentment, demand, protest or notice of any kind in connection with this Note. Time is of the essence of this Note.

STAFFING 360 SOLUTIONS, INC.

By: _____

Name: Brendan Flood

Title: Chairman and Chief Executive Officer

Exhibit 3

SECOND OMNIBUS AMENDMENT AND REAFFIRMATION AGREEMENT

THIS SECOND OMNIBUS AMENDMENT AND REAFFIRMATION AGREEMENT (this “*Agreement*”), dated as of November 15, 2018, is by and among Staffing 360 Solutions, Inc. (the “*Company*”), Faro Recruitment America, Inc. (“*Faro*”), Monroe Staffing Services, LLC (“*Monroe*”), Staffing 360 Georgia, LLC, a Georgia limited liability company (“*S360 Georgia*”), Lighthouse Placement Services, Inc. (“*Lighthouse*”), Key Resources, Inc., a North Carolina corporation (“*Key Resources*”); together with each of Faro, Monroe, S360 Georgia and Lighthouse referred to herein collectively as the “*Subsidiary Guarantors*”; the Subsidiary Guarantors and the Company are referred to herein collectively as the “*Obligors*”), and Jackson Investment Group, LLC (the “*Purchaser*”).

WHEREAS, the Obligors and the Purchaser are parties to that certain Amended and Restated Note Purchase Agreement, dated as of September 15, 2017 (the “*Original Purchase Agreement*”), as amended by that certain First Omnibus Amendment, Joinder and Reaffirmation Agreement dated as of August 27, 2018 (the “*First Omnibus Amendment*”; the Original Purchase Agreement as amended by the First Omnibus Amendment is referred to herein as the “*Existing Purchase Agreement*”, and the Existing Purchase Agreement as amended by this Agreement and as the same may hereafter further be amended, restated, supplemented or otherwise modified from time to time is referred to herein as the “*Purchase Agreement*”; capitalized terms used but not otherwise defined herein shall have the meanings assigned thereto in the Purchase Agreement), pursuant to which the Company issued that certain (a) 12% Senior Secured Promissory Note due September 15, 2020, dated September 15, 2017, in the principal amount of \$40,000,000 (the “*Original Senior Note*”) to the Purchaser in exchange for the purchase price therefore, and (b) the Second Senior Note (as defined below) to the Purchaser in exchange for the purchase price therefore;

WHEREAS, simultaneously with the execution and delivery of this Agreement, the Company and the Purchaser are entering into that certain Debt Exchange Agreement, dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the “*Debt Exchange Agreement*”), pursuant to which, among other things (a) \$13,000,000 in outstanding principal amount (such principal amount being referred to herein as the “*Debt Exchange Amount*”) of the total outstanding principal amount of indebtedness under the Original Senior Note will be satisfied and cancelled in exchange for the issuance of Series E Convertible Preferred Stock of the Company (“*Preferred Stock*”) to the Purchaser, upon the terms and conditions as set forth therein, and (b) the Original Senior Note will be amended and restated and replaced in its entirety by the Amended and Restated Note (as defined below) to (i) reflect the cancellation and satisfaction of the Debt Exchange Amount under the Original Senior Note resulting from the Debt Exchange, (ii) to evidence \$250,000 in principal amount of new indebtedness incurred by the Company to the Purchaser in connection with the payment of the closing commitment fee required to be paid pursuant to Section 8(a), and (iii) to evidence \$62,000 in principal amount of new indebtedness incurred by the Company to the Purchaser in connection with the payment of certain legal fees and transaction expenses of the Purchaser required to be paid by the Company pursuant to the Debt Exchange Agreement; and

WHEREAS, the parties desire to enter into this Agreement to, among other things, amend certain provisions of (i) the Original Purchase Agreement, (ii) that certain Amended and Restated Security Agreement, dated as of September 15, 2017, as amended by the First Omnibus Amendment (as so amended and as may be further amended, restated, supplemented or otherwise modified from time to time, the “*Security Agreement*”), by and among the Obligors and the Purchaser, and (iii) that certain Amended and Restated Pledge Agreement, dated as of September 15, 2017, as amended by the First Omnibus Amendment (as so amended and as may be further amended, restated, supplemented or otherwise modified from time to time, the “*Pledge Agreement*”), in connection with the transactions contemplated by the Debt Exchange Agreement, in each case as provided below in this Agreement.

NOW THEREFORE, in order to induce the Purchaser to enter into the Debt Exchange Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendments to the Purchase Agreement. Subject to the satisfaction of the conditions precedent in Section 4, the Purchase Agreement is hereby amended as follows:

A. Section 1.1 is hereby amended by amending and restating the following defined terms in their entirety with the applicable definitions set forth below:

“Existing Warrant Agreement” shall mean that certain Warrant Agreement, dated January 26, 2017, by and between the Purchaser and the Company, as amended and restated by that certain Amended and Restated Warrant Agreement dated as of April 25, 2018, as amended by that certain Amendment No. 1 dated as of August 27, 2018 and that certain Amendment No. 2 dated as of the Second Amendment Effective Date, and as further amended, restated, supplemented or modified from time to time.

“New Senior Note” means the Second Senior Note (as such term is defined in Section 1B of the Second Omnibus Amendment).

“Note Documents” shall mean, collectively, each of the Transaction Documents (other than the Existing Warrant Documents, the Certificate of Designation and the Exchange Shares), in each case either as originally executed or as the same may from time to time be supplemented, modified, amended, restated, extended or supplanted.

“Obligations” shall mean all present and future debt, liabilities and obligations of the Company owing to the Purchaser, or any Person entitled to indemnification hereunder, or any of their respective successors, permitted transferees or permitted assigns, arising under or in connection with this Agreement, each Senior Note or any other Note Document, including, without limitation, all principal and interest now or hereafter owing by the Company under each Senior Note.

“Original Senior Note” has the meaning assigned to such term in the Second Omnibus Amendment.

“Senior Note” means, collectively or individually, as the context may require (a) prior to the consummation of the Debt Exchange Closing, the Original Senior Note, and on and at all times after the consummation of the Debt Exchange Closing, the Amended and Restated Note, and (b) the Second Senior Note.

“Transaction Documents” means collectively, this Agreement, each Senior Note, the Security Documents, the Existing Warrant Documents, the MidCap Intercreditor Agreement, the Pay Proceeds Letter, the Debt Exchange Agreement, the Certificate of Designation, together with any other guaranty now or hereafter executed by any Obligor in favor of the Purchaser, and all consents, notices, documents, certificates and instruments heretofore, now or hereafter executed by or on behalf of any Obligor, and delivered to the Purchaser in connection with this Agreement, the Security Documents, the Debt Exchange Agreement, the Warrant or the transactions contemplated thereby, each as amended, restated, supplemented or otherwise modified from time to time.

B. Section 1.1 of the Purchase Agreement is hereby further amended by adding the following new definitions in appropriate alphabetical order:

“Amended and Restated Note” means that certain Amended and Restated 12% Senior Secured Promissory Note due September 15, 2020, dated the Second Amendment Effective Date, in the principal amount of \$27,312,000, issued by the Company to the Purchaser on the Second Amendment Effective Date in connection with the Debt Exchange Agreement, and each other senior promissory note now or hereafter delivered to the Purchaser in substitution, replacement or exchange thereof, in each case as amended, restated, supplemented or modified from time to time pursuant to the provisions of this Agreement.

“Certificate of Designation” has the meaning assigned to such term in the Debt Exchange Agreement.

“Debt Exchange” has the meaning assigned to such term in the Debt Exchange Agreement.

“Debt Exchange Agreement” has the meaning assigned to such term in the Second Omnibus Amendment.

“Debt Exchange Closing” means the Closing (as such term is defined in the Debt Exchange Agreement).

“Exchange Shares” has the meaning assigned to such term in the Debt Exchange Agreement.

“Second Amendment Effective Date” means November 15, 2018.

“Second Omnibus Amendment” means that certain Second Omnibus Amendment and Reaffirmation Agreement, dated as of the Second Amendment Effective Date, by and among the Obligors and the Purchaser, as may be amended, restated, supplemented or otherwise modified from time to time.

“Second Senior Note” shall mean that certain 12% Senior Secured Promissory Note, dated August 27, 2018, in the principal amount of Eight Million Four Hundred Twenty-Seven Thousand Seven Hundred Ninety-Four Dollars (\$8,427,794) issued by the Company to the Purchaser on August 27, 2018 pursuant to Section 2.1(b), and each other senior promissory note now or hereafter delivered to the Purchaser in substitution, replacement or exchange thereof, in each case as amended, restated, supplemented or modified from time to time pursuant to the provisions of this Agreement.

C. Section 7.14 of the Purchase Agreement is hereby amended to include the New Commitment Fee Shares (as defined below) such that all references in said Section to the Commitment Fee Shares shall be deemed to refer to (i) the Commitment Fee Shares as defined in the Original Purchase Agreement, (ii) the New Commitment Fee Shares (as such term is defined in the First Omnibus Amendment), and (iii) the New Commitment Fee Shares (as defined below).

D. Section 8.17(c) of the Purchase Agreement is hereby amended and restated in its entirety as follows:

(c) Total Leverage Ratio. Commencing with the Fiscal Month ending October 31, 2018 and until such time as all Obligations are paid, satisfied and discharged in full, the Obligors will not, as of the end of any Fiscal Month, permit the Total Leverage Ratio, calculated on a trailing T12M basis, to be greater than the ratio set forth in the table below for the corresponding Fiscal Month end set forth in the table below:

<u>Fiscal Month</u>	<u>Total Leverage Ratio</u>
October 31, 2018	
November 30, 2018	5.36 to 1.00
December 31, 2018	
January 31, 2019	
February 28, 2019	4.67 to 1.00
March 31, 2019	
April 30, 2019	
May 31, 2019	4.61 to 1.00
June 30, 2019	
July 31, 2019	
August 31, 2019	4.25 to 1.00
September 30, 2019	
October 31, 2019	
November 30, 2019	3.89 to 1.00
December 31, 2019	
January 31, 2020	
February 29, 2020	3.1 to 1.00
March 31, 2020	
April 30, 2020	
May 31, 2020	2.8 to 1.00
June 30, 2020	
July 31, 2020 and each Fiscal Month thereafter	2.6 to 1.00

Notwithstanding the foregoing, if the Company fails (such failure referred to herein as the “**NASDAQ Condition Failure**”) to provide the Purchaser within 60 days after the Second Amendment Effective Date with a written communication from NASDAQ, in form and substance satisfactory to the Purchaser, confirming its oral communications with the Company prior to the date hereof to the effect that (i) the Company has satisfied the conditions to continued listing contained in the letter from NASDAQ to the Company dated October 23, 2018 and that the Panel has determined to continue the listing of the Company’s common stock, and (ii) no shareholder approval by the Company is required with respect to the consummation of the Debt Exchange (including, without limitation, the creation and/or issuance of the Preferred Stock in connection therewith), then (a) the amendment and restatement of Section 8.17(c) described above in this Section 1D shall be **null and void ab initio**, and (b) if an Event of Default (such Event of Default being referred to herein as the “**Subject Default**”) shall exist as a result of the failure of the Company to comply with Section 8.17(c) of the Purchase Agreement (due to the nullification of the amendment and restatement thereof as provided in the immediately preceding clause (a)), then the Purchaser shall be entitled to exercise all of its rights and remedies with respect to such Subject Default available to it as provided in the Purchase Agreement and the other Note Documents and to exercise its right of rescission in Section 5.7 of the Debt Exchange Agreement, provided, however, that the Purchaser agrees to forbear from exercising any right of conversion with respect to the Exchange Shares as provided in the Certificate of Designation as a result of the occurrence of any Subject Default until March 31, 2019. Nothing in this paragraph is intended to constitute a waiver or forbearance by the Purchaser with respect to any Event of Default (other than the limited forbearance with respect to the Subject Default to the extent expressly provided above in this paragraph).



F. The Company acknowledges and agrees that notwithstanding anything to the contrary in the Purchase Agreement, for purposes of calculating and determining compliance with the financial covenants in Section 8.17 of the Purchase Agreement, the Preferred Stock issued by the Company to the Purchaser shall be deemed to constitute “Debt” (as defined in the Purchase Agreement).

G. Section 8.9 of the Purchase Agreement is hereby amended to add a new sentence at the end thereof to read in its entirety as follows:

“The Company shall not at any time amend, restate, supplement or otherwise modify the Certificate of Designation without the prior written consent of the Purchaser.”

2. Amendments to Security Documents. Subject to the satisfaction of the conditions precedent in Section 4, the Security Documents are hereby amended as follows:

A. The Security Agreement is hereby amended as follows: (a) the term “Secured Obligations” as defined in the Security Agreement shall be deemed to include, without limitation, the following additional obligations (i) all obligations, covenants, agreements and liabilities, of the Company and the other Obligors under the Note Documents (including, without limitation, the Amended and Restated Note and the Second Senior Note), and (ii) the obligation of the Company to pay all amounts when due under the Amended and Restated Note, the Second Senior Note and the other Note Documents including, without limitation, all principal, accrued interest, fees and other amounts, (b) all references in the Security Agreement to the “Note” shall be deemed to refer to each Senior Note, and (c) all references in the Security Agreement to the “Note Documents” and the “Obligations” shall be deemed to refer to the Note Documents and Obligations as defined in the Purchase Agreement as amended hereby.

B. The Pledge Agreement is hereby amended as follows: (a) the term “Secured Obligations” as defined in the Pledge Agreement shall be deemed to include, without limitation, the following additional obligations (i) all obligations, covenants, agreements and liabilities, of the Company and the other Obligors under the Note Documents (including, without limitation, the Amended and Restated Note and the Second Senior Note) and (ii) the obligation of the Company to pay all amounts when due under the Amended and Restated Note, the Second Senior Note and the other Note Documents including, without limitation, all principal, accrued interest, fees and other amounts, (b) all references in the Pledge Agreement to the “Note” shall be deemed to refer to each Senior Note, and (c) all references in the Pledge Agreement to the “Note Documents” and the “Obligations” shall be deemed to refer to the Note Documents and the Obligations as defined in the Purchase Agreement as amended hereby.

3. Reaffirmation. Each of the Obligor hereby reaffirms (a) all of its obligations under the Transaction Documents to which it is a party to, and agrees that this Agreement, the Debt Exchange Agreement and all documents, agreements and instruments executed in connection herewith and therewith and the consummation of the transactions contemplated hereby and thereby do not operate to reduce or discharge any Obligor's obligations under such Transaction Documents, except to the extent of the reduction in the principal amount of the Original Senior Note by the Debt Exchange Amount as a result of the consummation of the Debt Exchange, and (b) the continuing security interests in its respective assets granted in favor of the Purchaser pursuant to each of the Security Documents. Each of the Obligor hereby (i) acknowledges and consents to the transactions contemplated by, and the execution and delivery of, this Agreement, the Debt Exchange Agreement, the Amended and Restated Note, the Warrant Amendment (as defined in the Debt Exchange Agreement), (ii) in the case of the Subsidiary Guarantors, acknowledges and agrees that its guarantee of the Obligations includes, without limitation, all principal, interest, fees and other amounts now or hereafter due by the Company under each Senior Note and the other Note Documents, (iii) in the case of the Subsidiary Guarantors, ratifies all the provisions of, and reaffirms its obligations under, the guarantee set forth in Article 4 of the Purchase Agreement and each other Note Document to which it is a party and confirms that all provisions of each such document are and shall remain in full force and effect in accordance with its terms, and (iv) reaffirms the continuing security interests in its assets granted in favor of the Purchaser pursuant to the Security Documents.

4. Conditions Precedent: This Agreement shall not become effective until the satisfaction (or waiver by the Purchaser in its sole discretion, which such waiver must be in writing signed by Purchaser and specifically reference this Section 4) of each of the following conditions:

A. Documentation. The Purchaser shall have received, on or prior to the Second Amendment Effective Date, the following, each in form and substance satisfactory to the Purchaser and its counsel:

- (i) counterparts of this Agreement duly executed by each Obligor;
- (ii) the Debt Exchange Agreement, duly executed by the Company;
- (iii) the Amended and Restated Note, duly executed by the Company; and
- (iv) the Warrant Amendment (as defined in the Debt Exchange Agreement), duly executed by the Company.

B. Issuance of New Commitment Fee Shares. The Company shall have instructed its stock transfer agent to reflect the issuance of the New Commitment Fee Shares (defined below) to the Purchaser on the date hereof and to deliver a share certificate to the Purchaser as required pursuant to Section 8(a) of this Agreement, and the Purchaser shall have received copies of said instructions, in form and substance reasonably satisfactory to it.

C. Representations Accurate. All representations and warranties made by the Obligor contained herein or in any other Transaction Document shall be true and correct in all material respects on and as of the date hereof. In addition to the foregoing, the Obligor hereby represent and warrant to the Purchaser that (i) since the Original Closing Date, no material default, breach or other violation has occurred under or with respect to any Material Contract (including, without limitation, the Existing Senior Secured Debt Documents), and (ii) no material default, breach or other violation shall arise under any Material Contract (including, without limitation, the Existing Senior Secured Debt Documents) as a result of the Obligor's execution, delivery and performance of this Agreement, the Debt Exchange Agreement, the Amended and Restated Note, the Warrant Amendment (as defined in the Debt Exchange Agreement) and the other Transaction Documents, including, without limitation, the consummation of the Debt Exchange and the other transactions contemplated by the Debt Exchange Agreement.

D. Secretary's Certificates. Purchaser shall have received (a) a Secretary Certificate for the Company, together with attached copies of the certificate of formation, organization or jurisdictional equivalent of each such Person and all amendments thereto certified to be true and complete as of a recent date by the appropriate Governmental Authority of the state or other jurisdiction of its incorporation or organization, together with the bylaws, operating agreement or equivalent document, in each case, certified by the relevant secretary or manager of such Person as of a recent date; (b) good standing certificates or jurisdictional equivalent for each such Person, issued by the relevant Secretary of State and or equivalent governmental authority in which such Person is organized, in each case as of a recent date; (c) a copy of resolutions adopted by the governing board of the Company and each Subsidiary Guarantor, authorizing the execution, delivery and performance of this Agreement, and in the case of the Company, the Debt Exchange Agreement, the Amended and Restated Note and the Warrant Amendment (as defined in the Debt Exchange Agreement) and other related transaction documents, which in the case of the New Subsidiary Guarantor shall include approval of this Agreement; and (d) specimen signatures of the officers or members of the Company executing the Agreement, Debt Exchange Agreement, the Amended and Restated Note and the Warrant Amendment (as defined in the Debt Exchange Agreement), certified as genuine by the relevant secretary or manager of such Person. The Secretary Certificate of the Company shall attach and certify as true, correct and complete a copy of the Certificate of Designation as filed with the Delaware Secretary of State.

E. Opinion. Purchaser shall have received a favorable legal opinion of counsel to the Company covering such matters relating to the transactions contemplated hereby and by the Debt Exchange Agreement, the Certificate of Designation, the Amended and Restated Note and the Warrant Amendment (as defined in the Debt Exchange Agreement) as Purchaser may reasonably request, and in form and scope reasonably satisfactory to Purchaser and its counsel.

5. Release. Each of the Obligors hereby remise, release, acquit, satisfy and forever discharge the Purchaser and its respective agents, employees, officers, directors, predecessors, attorneys and all others acting or purporting to act on behalf of or at the direction of the Purchaser of and from any and all manner of actions, causes of action, suit, debts, accounts, covenants, contracts, controversies, agreements, variances, damages, judgments, claims and demands whatsoever, in law or in equity, which any of such parties ever had or now has against the Purchaser and its respective agents, employees, officers, directors, attorneys and all persons acting or purporting to act on behalf of or at the direction of the Purchaser ("**Releasees**"), for, upon or by reason of any matter, cause or thing whatsoever arising from, in connection with or in relation to any of the Transaction Documents (including this Agreement) through the date hereof; provided, that the foregoing clause shall not apply to a Releasee in the event of fraud or willful misconduct of the such Releasee. Without limiting the generality of the foregoing, the Obligors waive and affirmatively agree not to allege or otherwise pursue any defenses, affirmative defenses, counterclaims, claims, causes of action, setoffs or other rights they do, shall or may have as of the date hereof, including, but not limited to, the rights to contest any conduct of the Purchaser or other Releasees on or prior to the date hereof; provided, that the foregoing clause shall not apply to a Releasee in the event of fraud or willful misconduct of such Releasee.

6. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by telecopy or other electronic transmissions, e.g. .pdf), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

7. This Agreement shall be deemed and shall constitute a "Note Document" and "Transaction Document" as such terms are defined in the Purchase Agreement. Except as modified and amended herein, the Purchase Agreement, the Security Agreement and the Pledge Agreement remain in full force and effect.

8. Commitment Fee Shares.

The Company hereby covenants and agrees that it shall issue to the Purchaser on the date hereof three hundred thousand (300,000) shares of the Company's Common Stock (the "***New Commitment Fee Shares***") as a commitment fee and additional compensation to the Purchaser for entering into the Debt Exchange, which fee shall be fully earned on the date hereof and non-refundable. Such shares shall be issued in the name of the Purchaser on the date hereof and the related share certificate shall be delivered to the Purchaser not later than five (5) days after the date hereof. The New Commitment Fee Shares shall be evidenced by an original share certificate duly executed, and validly issued and delivered by the Company to the Purchaser, representing 300,000 shares of Common Stock of the Company (the "***Shares***"). Such Share certificate shall contain any restrictive legend comparable to the legend in Section 6.31(e)(i) of the Purchase Agreement, provided however, the Company shall promptly cause such legend to be removed at any time that there is an effective registration statement covering the resale of such Shares. The Purchaser agrees that it shall return such Share certificate to the Company for its prompt inclusion of a restrictive legend comparable to the legend in Section 6.31(e)(i) if the Company provides written notice to the Purchaser that the registration statement referenced in Section 7.14 has ceased to be effective under applicable SEC rules and regulations. The Purchaser further agrees that (i) any sales of the Shares pursuant to an effective registration statement shall be made in accordance with the plan of distribution of such registration statement and (ii) shall comply with all prospectus delivery requirements.

9. Private Placement Representations.

Purchaser agrees that the Shares are being acquired for investment and that Purchaser will not offer, sell or otherwise dispose of the Shares except under circumstances which will not result in a violation of the Securities Act of 1933, as amended (the "***Securities Act***"), or any applicable state securities laws. In addition, in connection with the issuance of the Shares, Purchaser specifically represents to the Company by acceptance or issuance of the Shares, as follows:

(a) Purchaser is aware of the Company's business affairs and financial condition, and has acquired information about the Company sufficient to reach an informed and knowledgeable decision to acquire the Shares. Purchaser is acquiring the Shares for its own account for investment purposes only and not with a view to, or for the resale in connection with, any "distribution" thereof in violation of the Securities Act;

(b) Purchaser understands that the Shares have not been registered under the Securities Act in reliance upon a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Purchaser's investment intent as expressed herein;

(c) Purchaser further understands that the Shares must be held indefinitely unless subsequently registered under the Securities Act and qualified under any applicable state securities laws, or unless exemptions from registration and qualification are otherwise available. Purchaser is aware of the provisions of Rule 144, promulgated under the Securities Act; and

(d) Purchaser is an "accredited investor" as such term is defined in Rule 501 of Regulation D promulgated under the Securities Act.

10. Reaffirmation of Security Interest.

Each of the Obligors hereby confirms and agrees that: (i) all security interests and liens granted to Purchaser under the Security Documents continue in full force and effect, and (ii) all Collateral remains free and clear of any liens other than liens in favor of Purchaser and Permitted Liens. Nothing contained herein or in the Debt Exchange Agreement is intended to impair or limit the validity, priority and extent of the Purchaser's security interest in and liens upon the Collateral.

11. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK (WITHOUT REGARD TO THE PRINCIPLES THEREOF REGARDING CONFLICTS OF LAWS).

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, each of the parties hereto has caused this Second Omnibus Amendment and Reaffirmation Agreement to be duly executed by its authorized officers, and the Purchaser, has caused the same to be accepted by its authorized officer, as of the day and year first above written.

COMPANY:

STAFFING 360 SOLUTIONS, INC.

By: _____
Name: Brendan Flood
Title: Chairman and Chief Executive Officer

SUBSIDIARY GUARANTORS:

FARO RECRUITMENT AMERICA, INC.

By: _____
Name: Brendan Flood
Title: President and Chief Executive Officer

MONROE STAFFING SERVICES, LLC

By: _____
Name: Brendan Flood
Title: President and Chief Executive Officer

STAFFING 360 GEORGIA, LLC

By: _____
Name: Brendan Flood
Title: President and Chief Executive Officer

LIGHTHOUSE PLACEMENT SERVICES, INC.

By: _____
Name: Brendan Flood
Title: President

KEY RESOURCES, INC.

By: _____
Name: Brendan Flood
Title: President and Chief Executive Officer

PURCHASER:

JACKSON INVESTMENT GROUP, LLC

By: _____
Name: Douglas B. Kline
Title: Chief Executive Officer

Exhibit 4

AMENDMENT NO. 2
to
AMENDED AND RESTATED WARRANT AGREEMENT

THIS AMENDMENT NO. 2 dated November 15, 2018 (this "Amendment") amends the Warrant (defined below), and is by and between **Staffing 360 Solutions, Inc.**, a Delaware corporation (the "Company"), and **Jackson Investment Group, LLC**, a Georgia limited liability company (together with its successors and assigns, the "Holder").

WHEREAS, on April 25, 2018, the Company and Holder entered into an Amended and Restated Warrant Agreement, as amended by that certain Amendment No. 1 dated as of August 27, 2018 (as so amended, the "Warrant"), which entitles Holder to purchase 905,508 shares of the Company's common stock, par value \$0.00001 per share ("Common Stock"), at a current exercise price of \$3.50 per share (each subject to adjustment as provided in the Warrant); and

WHEREAS, in connection with the Holder's execution of that certain Debt Exchange Agreement dated as of the date hereof, between Holder and the Company, the parties desire to amend the Warrant to decrease the Exercise Price and the Exercise Period.

NOW, THEREFORE, in consideration of the mutual agreements herein contained, the parties hereto agree that the Warrant shall be amended as follows:

1. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed in the Warrant.
2. Section 3.1 of the Warrant is hereby amended and restated in its entirety to read as follows:

"Section 3.1 Exercise Price. The Warrant shall entitle the Registered Holder thereof, subject to the provisions of this A&R Warrant Agreement, the right to purchase from the Company up to 905,508 shares of Common Stock at the price of \$1.66 per share, subject to adjustment from time to time as provided in Article IV (the "Exercise Price")."

3. Section 3.2 of the Warrant is hereby amended and restated in its entirety to read as follows:

"Section 3.2 Exercise Period. The Warrant may be exercised by the Registered Holder thereof, in whole or in part (but not as to a fractional share of Common Stock), at any time and from time to time commencing six months following the Date of Issuance and prior to 5:00 P.M., New York time on the seventh (7th) anniversary of the Effective Date (the "Exercise Period"); provided that Registered Holder shall be able to exercise its Warrant only if the exercise of such Warrant is exempt from, or in compliance with, any applicable registration requirements of the Securities Act and the applicable securities laws of the states in which the Registered Holder of the Warrant or other persons to whom it is proposed that the Warrant Exercise Shares be issued, on exercise of the Warrant reside. To the extent that the Warrant or portion thereof is not exercised prior to the expiration of the Exercise Period, it shall be automatically cancelled with no action by any Person, and with no further rights thereunder, upon such expiration."

4. On and after the date of this Amendment, the parties agree that the term "A&R Warrant Agreement", appearing in the Warrant certificate issued to Holder in connection with the Warrant, shall be deemed to refer to the Warrant agreement as amended by this Amendment and as the same may hereafter be amended, restated, supplemented or modified from time to time.

5. This Amendment may be executed in any number of original or facsimile or electronic PDF counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

[Intentionally blank – signatures on next page]

IN WITNESS WHEREOF, this Amendment No. 2 has been duly executed by the undersigned parties hereto, effective as of the date first above written.

COMPANY:

STAFFING 360 SOLUTIONS, INC.

By: _____
Brendan Flood, Chairman and Chief Executive Officer

Accepted and agreed:

JACKSON INVESTMENT GROUP, LLC

By: _____
Douglas B. Kline, Chief Financial Officer

[Signature Page to Amendment No. 2 to Amended and Restated Warrant Agreement]
