

Hudson Global, Inc.
Form DEFC14A
April 08, 2019

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under §240.14a-12

Hudson Global, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

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HUDSON GLOBAL, INC.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held May 6, 2019

To the Stockholders of Hudson Global, Inc.:

NOTICE IS HEREBY GIVEN that the annual meeting of stockholders of Hudson Global, Inc. (the "Company") will be held on Monday, May 6, 2019, at 8:00 A.M., local time, at the offices of Vinson & Elkins L.L.P., located at 666 Fifth Avenue, New York, New York 10103, for the following purposes:

1. To elect five directors to hold office until the 2020 annual meeting of stockholders and until their respective successors are duly elected and qualified;
2. To approve the Company's Rights Agreement by and between the Company and Computershare Trust Company, N.A., a stockholder rights plan designed to preserve the value of the Company's significant U.S. net operating loss carryforwards and other tax benefits;
3. To approve an amendment to the Company's Amended and Restated Certificate of Incorporation to effect (a) a reverse stock split at a ratio not less than 1-for-5 and not greater than 1-for-10, with the exact ratio to be set within that range at the discretion of our Board of Directors, without further approval or authorization of our stockholders and with our Board of Directors able to elect to abandon such proposed amendment and not effect the reverse stock split authorized by stockholders, in its sole discretion, and (b) a reduction of the number of authorized shares of common stock from 100,000,000 shares to 20,000,000 shares; and
4. To ratify the appointment of BDO USA, LLP as the Company's independent registered accounting firm to audit the Company's financial statements for the fiscal year ending December 31, 2019.

We also will consider and act upon such other business, if any, as may properly come before the annual meeting or any adjournment or postponement of the annual meeting.

Only stockholders of record at the close of business on March 12, 2019 will be entitled to notice of and to vote at the annual meeting and any adjournment or postponement of the annual meeting. A list of stockholders entitled to vote at the annual meeting will be available for inspection at our principal executive offices for at least ten days prior to the annual meeting and at the annual meeting.

In connection with the annual meeting, we have prepared a proxy statement setting out detailed information about the matters that will be covered at the annual meeting. We will mail our proxy statement, along with a **WHITE** proxy card and our 2018 Annual Report to Stockholders for the fiscal year ended December 31, 2018, on or about April 8, 2019 to our stockholders of record as of the close of business on March 12, 2019. These materials are also available electronically at www.icommaterials.com/HSON and on our corporate website at www.hudsonrpo.com.

We have received notice from one of our stockholders, Tonga Partners, L.P., an affiliate of Cannell Capital, LLC (which we refer to, collectively with all of its affiliates, including Tonga Partners, L.P., as “Cannell”), stating that it intends to nominate five nominees for election as directors at the annual meeting. We do not endorse the election of any of the Cannell nominees for director. You may receive proxy solicitation materials, including an opposition proxy statement and proxy card, from Cannell or other persons or entities affiliated with Cannell. We are not responsible for the accuracy of any information provided by Cannell or its nominees. We urge you **not** to sign or return any proxy card sent to you by Cannell and strongly urge you to vote for the nominees proposed by the Board of Directors by following the instructions contained in the accompanying proxy statement.

Your vote is important regardless of the number of shares you own. Whether or not you plan to attend the annual meeting, we encourage you to read the accompanying proxy statement carefully and submit your proxy or voting instructions as soon as possible. To assure your representation at the annual meeting, please vote your shares (1) by completing, signing and dating the enclosed WHITE proxy card and returning it in the enclosed postage-paid envelope as promptly as possible or (2) in person by ballot at the annual meeting. You may vote in person if you wish to do so even if you have previously submitted your proxy or voting instructions. Important information about attending the annual meeting in person is included in the proxy statement.

For questions about the annual meeting, please write to Corporate Secretary, Hudson Global, Inc., 53 Forest Avenue, Old Greenwich, Connecticut 06870 or call (212) 351-7400.

By Order of the Board of Directors
HUDSON GLOBAL, INC.

/s/ Jeffrey E. Eberwein
Jeffrey E. Eberwein
Chief Executive Officer

Old Greenwich, Connecticut
April 8, 2019

PROXY STATEMENT

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HUDSON GLOBAL, INC.

53 Forest Avenue

Old Greenwich, Connecticut 06870

PROXY STATEMENT

For

ANNUAL MEETING OF STOCKHOLDERS

To Be Held May 6, 2019

ANNUAL MEETING INFORMATION

The Board of Directors of Hudson Global, Inc. (the “Company”, “we”, “us”, “our”) is soliciting proxies for use at our annual meeting of stockholders, which will be held on Monday, May 6, 2019, at 8:00 A.M., local time, at the offices of Vinson & Elkins L.L.P., located at 666 Fifth Avenue, New York, New York 10103, and all adjournments or postponements of the annual meeting. The specific proposals to be considered and acted upon at the annual meeting are summarized in the attached Notice of Annual Meeting of Stockholders and are described in more detail in this proxy statement.

This proxy statement, a WHITE proxy card and our 2018 Annual Report to Stockholders for the fiscal year ended December 31, 2018 were first sent or given to our stockholders on or about April 8, 2019. If you are a stockholder of record as of the record date, you may vote (1) by completing, signing and dating the enclosed WHITE proxy card and returning it in the enclosed postage-paid envelope as promptly as possible or (2) in person by ballot at the annual meeting. If you hold your shares of common stock in a brokerage account or by a bank or other nominee, you must follow the voting procedures provided by your broker, bank or other nominee, which instructions will be included with your proxy materials.

We have received notice from one of our stockholders, Tonga Partners, L.P., an affiliate of Cannell Capital, LLC (which we refer to, collectively with all of its affiliates, including Tonga Partners, L.P., as “Cannell”), stating that it intends to nominate five nominees for election as directors at the annual meeting. We do not endorse the election of any of the Cannell nominees for director. You may receive proxy solicitation materials, including an opposition proxy statement and proxy card, from Cannell or other persons or entities affiliated with Cannell. We are not responsible for the accuracy of any information provided by Cannell or its nominees. We urge you not to sign or return any proxy card sent to you by Cannell and strongly urge you to vote for the nominees proposed by the Board of Directors by following the instructions contained your **WHITE** proxy card included with this proxy statement.

You may revoke your proxy by submitting a new proxy with a later date or by notifying our Corporate Secretary in writing at 53 Forest Avenue, Old Greenwich, Connecticut 06870. If you attend the annual meeting in person and vote

by ballot, any previously submitted proxy will be revoked.

If you submit your proxy over the Internet or by telephone, or you properly execute and return the **WHITE** proxy card by mail, then the persons named as proxies will vote the shares represented by your proxy according to your instructions. If you properly complete, sign and return the **WHITE** proxy card by mail, but do not mark voting instructions on the **WHITE** proxy card, then the persons named as proxies will vote (i) **“FOR”** the five nominees for election as directors referred to in this proxy statement, (ii) **“FOR”** the approval of the Rights Agreement as set forth in this proxy statement, (iii) **“FOR”** the approval of the amendment to the Certificate of Incorporation to effect a reverse stock split and reduction in the authorized shares of common stock, and (iv) **“FOR”** the ratification of the appointment of BDO USA, LLP as independent registered public accounting firm. Our management knows of no matters other than those set forth in the Notice of Annual Meeting of Stockholders to be brought before the annual meeting. However, if any other business or matters properly shall come before the annual meeting, then the persons named as proxies in the form of proxy will vote the shares represented by each proxy in accordance with their judgment on such other business or matters.

Voting; Quorum

The record date for determining those stockholders who are entitled to notice of, and to vote at, the annual meeting has been fixed as March 12, 2019. Only holders of record of our common stock at the close of business on March 12, 2019 are entitled to vote at the annual meeting. On March 12, 2019, there were 31,857,501 shares of common stock outstanding and entitled to vote. Each share is entitled to one vote.

The holders of a majority of the stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum for the transaction of business at the annual meeting. If a quorum is not present, the stockholders entitled to vote at the annual meeting, present in person or represented by proxy may adjourn the annual meeting to another date. Whether or not a quorum is present, the chairman of the annual meeting will have the power to adjourn the meeting to another date.

In the election of directors under Proposal 1, the five nominees receiving the highest number of “**FOR**” votes from the holders of shares present in person or represented by proxy and entitled to vote on the election of directors will be elected. “Withhold” votes on Proposal 1 will not be counted as votes cast, and, therefore, will have no effect on the election of directors. The approval of Proposals 2 and 4 requires the affirmative vote of the holders of a majority of the shares present or represented by proxy and entitled to vote at the annual meeting. The approval of Proposal 3 requires the affirmative vote of the holders of a majority of the shares outstanding. If you “Abstain” from voting on Proposals 2, 3 or 4, it will have the same effect as an “Against” vote. All votes will be tabulated by the inspector of election appointed for the annual meeting, who will separately tabulate affirmative and negative votes, abstentions and broker non-votes.

Abstentions and broker non-votes, if any, count as present at the annual meeting for the purposes of determining a quorum. A broker non-vote occurs when a broker, bank or other nominee holding shares for a beneficial owner does not vote on a proposal because, with respect to such proposal, the applicable broker, bank or nominee does not have discretionary voting power and has not received instructions from the applicable beneficial owner. Because only Proposal 4 is considered a routine matter, a broker, bank or other nominee holding shares for a beneficial owner will have no discretionary voting power on any of the proposals except for Proposal 4 without receiving instructions from the applicable beneficial owner.

Information Relating to the Cannell Nomination

In 2018, the Board of Directors commenced a process to identify potential additions to the Board of Directors who met the following criteria (the “Governance Criteria”): (i) had human resources experience in the Company’s business areas; (ii) had the ability to add value to the Company and assist in the growth of its business; and (iii) would add to the Board of Director’s composition in a manner compliant with the guidelines of Institutional Shareholder Services,

including guidelines addressing gender diversity in board composition.

On January 25, 2019, Chief Executive Officer and Director, Jeffrey E. Eberwein, received a letter from J. Carlo Cannell, following a telephonic conversation between Mr. Eberwein and Mr. Cannell, in which Mr. Cannell enclosed biographies from three proposed candidates to the Board of Directors. The letter urged that one of these nominees be chosen prior to February 4, 2019. Subsequently an additional name was submitted by Mr. Cannell, and one of the candidates withdrew. Each of the candidates submitted by Mr. Cannell was interviewed by Mr. Eberwein. The candidates were determined by the Board of Directors to not meet any of the Governance Criteria described above.

The Board of Directors continued with its previously commenced process and ultimately determined that the two best candidates were Mimi Drake and Connia Nelson, both of whom had initially been identified and met with members of the Board of Directors in 2018, and their appointment was publicly announced on February 15, 2019. Neither of Ms. Drake and Ms. Nelson had been proposed by Cannell.

On February 25, 2019, Tonga Partners, L.P., an affiliate of Mr. Cannell, sent the Company a nomination letter with five nominees.

On March 4, 2019 the Company's counsel advised Cannell of a number of deficiencies in its January 25, 2019 letter, including multiple instances of failing to comply with the Company's Amended and Restated By-Laws ("By-Laws"). The Company's counsel assured Cannell of the Company's commitment to undertaking a good-faith evaluation of stockholder nominations and requested the nomination letter be amended or supplemented by no later than March 8, 2019.

On March 11, 2019 a revised nomination letter from Cannell was received by the Company's counsel.

On March 14, 2019, the Nominating and Governance Committee of the Board of Directors made the determination that none of Mr. Cannell's nominees met the Governance Criteria.

We do **not** endorse the election of any of the Cannell nominees for director. You may receive proxy solicitation materials, including an opposition proxy statement and proxy card, from Cannell, Mr. Cannell or other persons or entities affiliated with Cannell. We are not responsible for the accuracy of any information provided by Cannell or its nominees. We urge you not to sign or return any proxy card sent to you by Cannell and strongly urge you to vote for the nominees proposed by the Board of Directors by following the instructions contained in your **WHITE** proxy card included with this proxy statement.

If you would like to attend the annual meeting in person and vote at the annual meeting, you must demonstrate that you were a stockholder on March 12, 2019 and you must bring photo identification with you to the annual meeting. If your shares are held through a broker, bank or other nominee, you must bring to the annual meeting a legal proxy form and copy of your brokerage account statement, which you can obtain from your broker, bank or other nominee that holds your shares. If your shares are registered directly in your name with our transfer agent, Computershare, Inc., you need only bring photo identification with you to the annual meeting.

Important Notice Regarding the Availability of Proxy Materials for the Hudson Global, Inc. 2019 Annual Meeting of Stockholders to be Held on May 6, 2019

Our proxy statement, our form of **WHITE** proxy card, and our 2018 Annual Report to Stockholders for the fiscal year ended December 31, 2018 are available to stockholders at www.icommaterials.com/HSON and on our corporate website at www.hudsonrpo.com.

PRINCIPAL STOCKHOLDERS

Management and Directors

The following table sets forth certain information regarding the beneficial ownership of our common stock as of March 12, 2019 by: (i) each director and nominee for director; (ii) each of the named executive officers named in the Summary Compensation Table set forth below; and (iii) all of the directors, nominees and executive officers as a group. Each of the holders listed below has sole voting and investment power over the shares beneficially owned by such holder. None of the holders listed below have pledged any of their shares as security.

Name of Beneficial Owner	Shares of Common Stock Beneficially Owned	Percent of Common Stock Beneficially Owned		
Richard K. Coleman, Jr. (1)	343,427	1.1	%	
Ian V. Nash (1)(2)	329,785	1.0	%	
Jeffrey E. Eberwein (1)(3)	1,428,469	4.5	%	
Patrick M. Lyons (4)	103,488	*		
Stephen A. Nolan (5)	917,360	2.9	%	
Alan L. Bazaar(1)	299,086	*		
Connia Nelson	—	0	%	
Mimi Drake	—	0	%	
All directors, nominees and executive officers as a group (7 persons) (1)(2)(3)(4)	2,504,255	7.9	%	

*

Denotes less than 1%.

(1) Includes the following share units under our Director Deferred Share Plan, which are payable only in shares of common stock upon a director ceasing service as a Board of Directors member: Alan L. Bazaar, 272,336; Richard K. Coleman, Jr., 340,427; Jeffrey E. Eberwein, 271,479; Ian V. Nash, 279,785; and all directors and executive officers as a group, 1,164,027 shares.

- (2) Includes 50,000 shares of common stock subject to stock options, which are exercisable within 60 days of March 12, 2019.
- (3) Includes 139,478 share units under our 2009 Incentive Stock and Awards Plan, as amended and restated, which are payable in shares of common stock upon Mr. Eberwein ceasing to provide service to the Company.
- (4) Includes 16,818 shares of common stock held by Mr. Lyons' 401(k) account and 25 shares of common stock owned through the Employee Stock Purchase Plan.
- (5) Mr. Nolan resigned as chief executive officer and a director of our Company and his employment and service as a director with our Company ended April 1, 2018.

Other Beneficial Owners

The following table sets forth certain information regarding beneficial ownership by other persons known to us to own more than 5% of our outstanding common stock as of March 12, 2019.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership Voting Power		Investment Power		Aggregate	Percent of Class
	Sole	Shared	Sole	Shared		
Hotchkis and Wiley Capital Management, LLC(1) 725 South Figueroa St., 39th Floor Los Angeles, CA 90017	4,061,478	0	5,233,178	0	5,233,178	16.4 %
Heartland Advisors, Inc.(2) 789 North Water St. Milwaukee, WI 53202	0	3,856,619	0	4,042,720	4,042,720	12.7 %
Cannell Capital, LLC(3) 245 Meriwether Circle Alta, WY 83414	0	2,340,742	0	2,340,742	2,340,742	7.3 %
Polar Asset Management Partners, Inc.(4) 401 Bay Street, Suite 1900, PO Box 19 Toronto, Ontario M5H 2Y4	1,708,765	0	1,708,765	0	1,708,765	5.4 %

- (1) These amounts represent the number of shares beneficially owned as disclosed in the Schedule 13G/A filed with the Securities and Exchange Commission (the "SEC") on February 13, 2019.

- (2) These amounts represent the number of shares beneficially owned as disclosed in the Schedule 13G/A filed with the SEC on February 5, 2019.

- (3) These amounts represent the number of shares beneficially owned as disclosed in the Schedule 13D/A filed with the SEC on March 1, 2019.

(4) These amounts represent the number of shares beneficially owned as disclosed in the Schedule 13G filed with the SEC on February 10, 2017.

PROPOSAL 1: ELECTION OF DIRECTORS

Our Amended and Restated Certificate of Incorporation and Amended and Restated By-Laws (the “By-Laws”) provide that all of our directors stand for election on an annual basis. At the annual meeting, our stockholders will elect five directors to hold office until the 2020 annual meeting of stockholders and until their respective successors are duly elected and qualified. Alan L. Bazaar will not be standing for re-election as a director.

There are no family relationships among any of our directors, executive officers or nominees.

Listed below are the nominees of our Board of Directors for election at the annual meeting.

Nominees for Election at the Annual Meeting

Richard K. Coleman, Jr., 62, has served as a director since May 2014. Mr. Coleman is the President, Chief Executive Officer and director of Command Center, Inc., a provider of on-demand flexible employment solutions, positions he has held since April 2018. Mr. Coleman has deep experience serving in senior executive positions and on various public company boards, and has gained extensive expertise in business development and operations. In 1998, Mr. Coleman founded and served as President of Rocky Mountain Venture Services, a firm that helps companies plan and launch new business ventures and restructuring initiatives. Mr. Coleman also has served in a variety of senior operational roles, including President and Chief Executive Officer of Crossroads Systems, Inc., Chief Executive Officer of Vroom Technologies Inc., Chief Operating Officer of MetroNet Communications and President of US West Long Distance. He also has held significant officer-level positions with Frontier Communications, Centex Telemanagement and Sprint Communications. He formerly served as a director of Crossroads Systems, Inc., an intellectual property licensing company, from 2013 to 2017, Ciber, Inc., a leading global information technology company, from 2014 to 2017, NTS, Inc., a broadband services and telecommunications company, On Track Innovations Ltd., one of the pioneers of cashless payment technology, from 2012 to 2014, and Aetrium Incorporated, a recognized world leader in the global semiconductor industry from 2013 to 2014. Mr. Coleman also holds a B.S. from the United States Air Force Academy and has completed leadership, technology, and marketing programs at Kansas University, UCLA, and Harvard Business School. The particular experience, qualifications, attributes or skills that led our Board of Directors to conclude that Mr. Coleman should continue to serve as a director of our Company include his extensive business development and operating expertise, his public company board experience, and his broad leadership experience.

Jeffrey E. Eberwein, 48, has served as a director since May 2014. Mr. Eberwein is the Chief Executive Officer of our Company and has served in that capacity since April 1, 2018. Mr. Eberwein is the Chief Executive Officer of Lone Star Value Management, an investment firm he founded in 2013, of which certain funds it manages are winding down. He has 25 years of Wall Street experience, and has valuable public company and financial expertise gained through his employment history and directorships. Prior to founding Lone Star in 2013, Mr. Eberwein was a private investor and served as a portfolio manager at Soros Fund Management from 2009 to 2011 and Viking Global Investors from 2005 to 2008. Mr. Eberwein also is chairman of the board at two other publicly traded companies: ATRM Holdings, Inc., a modular building company; and Digirad Corporation, a medical imaging company. Additionally, Mr. Eberwein served as a director of Novation Companies, Inc. from April 2015 to March 2018. Mr. Eberwein previously served as chairman of the board of Ameri Holdings, Inc from May 2015 to August 2018; Crossroads Systems, Inc. from June 2013 to May 2016; NTS, Inc. and On Track Innovations Ltd. from 2012 to 2014 and Goldfield Corporation from 2012 to 2013. Mr. Eberwein earned a M.B.A. from The Wharton School, University of Pennsylvania and a B.B.A. with High Honors from The University of Texas at Austin. The particular experience, qualifications, attributes or skills that led our Board of Directors to conclude that Mr. Eberwein should continue to serve as a director of our Company include his expertise in finance and experience in the investment community.

On February 14, 2017, the SEC issued an order (Securities Exchange Act Release No. 80038) (the “Order”) finding that certain groups of investors failed to properly disclose ownership information during a series of five campaigns to influence or exert control over microcap companies, including the Company. The Order alleged violations of Section 13(d)(1) of the Securities Exchange Act of 1934 (the “Exchange Act”) and Rule 13d-1 thereunder, Section 13(d)(2) of the Exchange Act and Rule 13d-2(a) thereunder and Section 16(a) of the Exchange Act and Rules 16a-2 and 16a-3 thereunder by Mr. Eberwein and a hedge fund adviser headed by him, Lone Star Value Management, mutual fund adviser Heartland Advisors and another investor. Without admitting or denying the findings, they consented to the Order and agreed to cease and desist from committing any violations of the above-referenced Exchange Act provisions and civil penalties of \$90,000 for Mr. Eberwein, \$120,000 for Lone Star Value Management, \$180,000 for Heartland Advisors and \$30,000 for the other investor.

Ian V. Nash, 63, has served as a director since October 2015. Mr. Nash has 30 years of experience within the recruitment industry. From 2007 until 2010, Mr. Nash provided consultancy services to several recruitment companies, including Nigel Wright Recruitment Group and The SR Group. Mr. Nash also served as Chief Financial Officer and as a director of Robert Walters PLC, a London Stock Exchange-listed global recruitment company, from 2001 to 2007. Prior to that, Mr. Nash served as Chief Financial Officer of Michael Page International PLC, a London Stock Exchange-listed global recruitment company, from 1987 to 1999. Currently, Mr. Nash serves as Chairman of two privately-held recruiting firms: Acre Resources Limited, which specializes in sustainability recruitment, and EarthStream Global Limited (a subsidiary of Cloudstream Group Holdings Limited since 2018), a technology and engineering recruiting firm. Mr. Nash has served as Chairman of Acre Resources Limited and EarthStream Global Limited since 2010. Mr. Nash also has served as a director of Cloudstream Group Holdings Limited since 2018. Mr. Nash also has served since 2012 as a director, and until 2018 as Chairman, of Fulfil(1) TopCo Limited, which does business as Investigo Limited, and specializes in professional services recruitment. Mr. Nash also has served since 2013 as a director of Morgan Hunt Holdings Limited, a public-sector recruitment firm. Mr. Nash is a chartered accountant. The particular experience, qualifications, attributes or skills that led our Board of Directors to conclude that Mr. Nash should continue to serve as a director of our Company include his extensive recruitment industry experience and expertise in finance.

Mimi Drake, 50, has served as a director since February 2019. Ms. Drake brings to the Board of Directors more than 23 years of experience in the financial services industry, primarily in strategic, operating and client-focused roles. Ms. Drake serves as Co-CEO of Permit Capital Advisors, an investment advisory firm based in suburban Philadelphia, a position she has held since April 2018. Ms. Drake joined Permit Capital in 2011 and previously served as its President. Ms. Drake’s career includes executive management roles in asset management companies, where she helped to bring the firms’ strategies to market and scale them successfully. In addition to her career in financial services, Ms. Drake has also spent almost twenty years working to improve diversity and inclusion in financial services. She has served as a Founding Board Member and Chair of the Board of 100 Women in Finance, one of the largest female financial services associations in the world, with more than 15,000 members in 23 global locations. This organization includes decision markets at many of the major global financial services firms, endowments, foundations, pension funds and private equity firms. Ms. Drake is also a guest lecturer at Wharton’s Advanced Management Social Entrepreneurship program. In addition, she serves on the boards of Verus, LLC, a privately held company in Princeton, New Jersey, Drexel’s President’s Council for Energy and the Environment, Ben Franklin Technology Partners and the American Friends of the Royal Foundation. Ms. Drake earned her M.B.A. in Finance from the Wharton School at the University of Pennsylvania and her B.A. in Economics from Trinity College (*cum laude*), where she was a member of the Division One nationally ranked squash team. She also attended the Radcliff Publishing Program at Harvard University and spent three years in the publishing industry before her career in

financial services. The particular experience, qualifications, attributes or skills that led our Board of Directors to conclude that Ms. Drake should continue to serve as a director of our Company include her expertise in investment and financial services and extensive contacts throughout multiple industries as well, as her passion for improving workplace diversity and inclusion.

Connia Nelson, 63, has served as a director since February 2019. Ms. Nelson is the Senior Vice President and Chief Human Resources Officer for LifeWay Christian Resources, a position that she has held since September, 2018, where she is responsible for talent acquisition and management, employee experience, performance excellence, compensation, value-based culture, diversity and employee engagement. Ms. Nelson previously served in this same role as Vice President/Senior Director of Human Resources of Lifeway Christian Resources from September 2016 until September 2018. Prior to that, Ms. Nelson worked for Verizon Communications from May 2010 until June 2016, where she created talent management strategies to acquire and retain top talent globally, improve succession, increase the employment brand, enhance diversity, deliver total rewards, accelerate employee engagement and managed employee relations. Ms. Nelson has served as a member of the Board of Trustees for Post University of Waterbury, CT since 2004, where she currently serves as a co-chair of the marketing committee and has previously served on the student life committee. She is a Founding Board Member of Seed A Better Life, LLC, a charitable organization currently supporting an educational development project in Rwanda, a position that she has held since 2010. Ms. Nelson has also served as a member of the President's Board of Advisors for Indiana State University since 2010. Ms. Nelson holds a bachelor's degree from Indiana State University and a master's degree in organization management from Dallas Baptist University. The particular experience, qualifications, attributes or skills that led our Board of Directors to conclude that Ms. Nelson should continue to serve as a director of our Company include her extensive experience in human capital management and talent management.

Current Directors Not Standing for Re-election

Alan L. Bazaar, 48, has served as a director since June 2015. Mr. Bazaar is the Chief Executive Officer of Hollow Brook Wealth Management LLC, a position he has held since December 2013, where he is responsible for firm-wide operations, investment research and portfolio management, and previously served in this position as Co-Executive Officer since January 2013. Prior to that, Mr. Bazaar served at Hollow Brook as Managing Director from 2010 through 2012. Mr. Bazaar also is Chairman of the Board of Directors of Wireless Telecom Group, Inc., which designs and manufactures radio frequency and microwave-based products for wireless and advanced communications industries, and has served as a director of that company since June 2013. Since May 2016, Mr. Bazaar also has served as a director of Sparton Corporation, a contract designer and manufacturer of complex electromechanical devices. Mr. Bazaar served as a director of LoJack Corporation, a provider of tracking and recovery systems as well as equipment and fleet telematics, from March 2015 until the completion of its sale in March 2016. Mr. Bazaar also served as a director of NTS, Inc., a broadband services and telecommunications company, from 2012 until the completion of its sale in 2014. From 2004 until 2008, Mr. Bazaar served as a director of Media Sciences International, Inc., which manufactured and distributed business color printer supplies and industrial ink applications in the United States. From 1999 until 2009, Mr. Bazaar was a Managing Director and Portfolio Manager at Richard L. Scott Investments, LLC where he co-managed the public equity portfolio and was responsible for all elements of due diligence. Previously, Mr. Bazaar served as a director of Airco Industries, Inc., a privately held manufacturer of aerospace products, and was employed by Arthur Andersen LLP in the Assurance and Financial Buyer's Practices group and in the Business Fraud and Investigation Services Unit. Mr. Bazaar is a certified public accountant, and received a B.A. degree from Bucknell University and a M.S. and a M.B.A. from the Stern School of Business at New York University.

Vote Required

Each director will be elected by a plurality of the votes cast at the annual meeting (assuming a quorum is present). The five nominees receiving the highest number of affirmative votes will be elected. Consequently, any shares not voted at the annual meeting, whether due to abstentions, broker non-votes or otherwise, will have no impact on the election of the directors. Shares of common stock represented by executed, but unmarked, **WHITE** proxy cards will be voted in favor of the election as directors of the persons named as nominees in this proxy statement; provided that, if you hold your shares of our common stock through a broker-dealer, bank nominee, custodian or other securities intermediary, the intermediary will not vote those shares for the election of any nominee for director unless you give the intermediary specific voting instructions on a timely basis directing the intermediary to vote for such nominee.

Each Company nominee for election is currently a member of our Board of Directors and has consented to be named in this proxy statement and agreed to serve as a director if elected. Our Board of Directors has no reason to believe that the listed nominees will be unable or unwilling to serve as directors if elected. However, if any nominee should be unable to serve or will not serve, then the shares represented by proxies received will be voted for another nominee selected by our Board of Directors.

Our Board of Directors unanimously recommends that the nominees identified above be elected as directors and urges you to vote “FOR” their election.

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Independent Directors

Of the six directors currently serving on our Board of Directors, the Board of Directors has determined that Messrs. Bazaar, Coleman and Nash and Mes. Drake and Nelson are independent directors under the independence standards of the Nasdaq Global Select Market. Mr. Eberwein was an independent director, but as of April 1, 2018 is no longer considered an independent director under the independence standards of the Nasdaq Global Select Market because he became our Chief Executive Officer on that date.

Board Committees

Our Board of Directors has standing Audit, Compensation, Nominating and Governance and Strategic Planning Committees. Under the listing standards of the Nasdaq Global Select Market, the members of the Audit, Compensation and Nominating and Governance Committees must be comprised solely of independent directors. Accordingly, Mr. Eberwein is not eligible to serve on such committees. All directors receive materials for all Board committee meetings even if they do not serve, or are not eligible to serve, on the committee.

The Board of Directors has adopted, and may amend from time to time, a written charter for each of the Audit Committee, Compensation Committee, Nominating and Governance Committee and Strategic Planning Committee. We maintain a website at www.hudsonrpo.com and make available on that website, free of charge, copies of each of the charters for the Audit, Compensation and Nominating and Governance Committees. We are not including the information contained on or available through this website as a part of, or incorporating such information by reference into, this proxy statement.

Audit Committee

The Audit Committee presently consists of Ian V. Nash (Chairman), Alan L. Bazaar and Richard K. Coleman, Jr., each of whom is an independent director under the independence standards of the Nasdaq Global Select Market and SEC rules. Our Board of Directors has determined that each of Messrs. Nash, Bazaar and Coleman qualify as an “audit committee financial expert,” as defined by the SEC. The Audit Committee held 5 meetings in 2018.

The Audit Committee’s primary duties and responsibilities are to assist our Board of Directors in monitoring:

the integrity of our financial statements;

the independent registered public accounting firm's qualifications and independence;

the performance of our internal audit function and of the independent registered public accounting firm; and

our compliance with legal and regulatory requirements.

Compensation Committee

The Compensation Committee presently consists of Richard K. Coleman, Jr. (Chairman), Alan L. Bazaar and Ian V. Nash, each of whom is an independent director under the independence standards of the Nasdaq Global Select Market and SEC rules. Our Compensation Committee members also qualified as "outside directors" under Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code") with respect to years prior to 2018. The Compensation Committee held 6 meetings in 2018. None of the members of our Compensation Committee at any time in the past fiscal year has been one of our officers or employees or an officer or employee of one of our subsidiaries at any time during the fiscal year ended December 31, 2018. None of our executive officers currently serves, or in the past year has served, as a member of the Board of Directors or Compensation Committee of any entity that has one or more executive officers on our Board of Directors or Compensation Committee. The Compensation Committee's primary responsibility is to assure that the non-employee members of our Board of Directors, the executive officers, including the Chief Executive Officer, and key management are compensated effectively and in a manner consistent with our stated compensation strategy, internal equity considerations, competitive practices and the requirements of the appropriate regulatory bodies. The Compensation Committee has overall responsibility for approving and evaluating the compensation of executive officers (including the Chief Executive Officer), key management and outside directors, and administers our long-term incentive programs, including our equity compensation plan.

The Compensation Committee has retained the services of an independent, external compensation consultant, Pay Governance LLC. Pay Governance LLC has served as the independent compensation consultant to the Compensation Committee since 2010. The mandate of the consultant is to work for the Compensation Committee in its review of executive and director compensation practices, including the competitiveness of pay levels, executive compensation design issues, market trends and technical considerations. The consultant does not determine or recommend amounts or forms of compensation. The historical and ongoing nature and scope of services rendered by the independent compensation consultant on the Compensation Committee's behalf is described below:

- competitive market pay analyses, Board of Director pay studies, dilution analyses and market trends;

ongoing support with regard to the latest relevant regulatory, technical and/or accounting considerations affecting executive compensation and benefit programs;

- guidance on overall compensation program structure and executive employment agreement terms; and
- preparation for and attendance at selected management, Board committee, or Board of Director meetings.

The Compensation Committee has the final authority to hire and terminate Pay Governance LLC or any other compensation adviser. The Compensation Committee also evaluates Pay Governance LLC periodically. In addition, the Compensation Committee has the responsibility to consider the independence of Pay Governance LLC or any other compensation adviser before engaging the adviser. During 2018, the Compensation Committee reviewed the independence of Pay Governance LLC and the individual representatives of Pay Governance LLC who served as the Compensation Committee's consultants pursuant to the requirements of Nasdaq and the SEC and the specific independence factors that the requirements cite and concluded, based on such review, that Pay Governance LLC's work for the Compensation Committee does not raise any conflict of interest. In 2018, Pay Governance LLC did not provide any services to the Compensation Committee other than the executive and director compensation-related consulting services as described previously. Management did not obtain any services from Pay Governance LLC in 2018.

Nominating and Governance Committee

The Nominating and Governance Committee presently consists of Alan L. Bazaar (Chairman), Richard K. Coleman, Jr. and Ian V. Nash, each of whom is an independent director under the independence standards of the Nasdaq Global Select Market. The Nominating and Governance Committee held 6 meetings in 2018.

The Nominating and Governance Committee provides assistance to our Board of Directors by:

identifying individuals qualified to become directors and recommending to the Board of Directors candidates for all directorships to be filled by the Board of Directors or by our stockholders;

identifying directors qualified to serve on the committees established by the Board of Directors and recommending to the Board of Directors members for each committee to be filled by the Board of Directors;

identifying directors qualified to serve as Chairman of the Board of Directors and recommending to the Board of Directors nominees for Chairman of the Board of Directors; and

developing and recommending to the Board of Directors a set of corporate governance principles, including matters of:

- Board of Directors organization, membership and function;
- Board of Directors committee structure and membership;
- succession planning for our Chief Executive Officer; and
- taking a leadership role in shaping our corporate governance.

In identifying and evaluating nominees for director, the Nominating and Governance Committee seeks to ensure that our Board of Directors possesses, in the aggregate, the strategic, managerial and financial skills and experience necessary to fulfill its duties and to achieve its objectives. The Nominating and Governance Committee also seeks to ensure that the Board of Directors is comprised of directors who have broad and diverse backgrounds, possessing knowledge in areas that are important to us. In addition, the Nominating and Governance Committee believes it is important that at least one director has the requisite experience and expertise to be designated as an “audit committee financial expert.” The Nominating and Governance Committee looks at each nominee on a case-by-case basis regardless of who recommended the nominee.

In looking at the qualifications of each candidate to determine if their election would further the goals described above, the Nominating and Governance Committee takes into account all factors it considers appropriate, which may include strength of character, mature judgment, career specialization, relevant technical skills or financial acumen, diversity of viewpoint and industry knowledge. While we do not have a formal policy with regard to the consideration of diversity in identifying nominees, the Nominating and Governance Committee believes that candidates should be selected so that the Board of Directors is a diverse body, with diversity reflecting, among other things, age, gender, race and professional experience. At a minimum, each Company nominee presented and approved by the Nominating and Governance Committee must have displayed the highest personal and professional ethics, integrity and values and sound business judgment. In addition, the Nominating and Governance Committee believes a director should possess the following minimum qualifications to be recommended by the Nominating and Governance Committee to the Board of Directors:

A director must be highly accomplished in his or her respective field, with superior credentials and recognition and broad experience at the administrative and/or policy-making level in business, government, education, technology or public interest.

A director must have expertise and experience relevant to our business and be able to offer advice and guidance to the Chief Executive Officer based on that expertise and experience.

A director must be independent of any particular constituency, be able to represent all of our stockholders and be committed to enhancing long-term stockholder value.

A director must have sufficient time available to devote to activities of the Board of Directors and to enhance his or her knowledge of our business.

The Nominating and Governance Committee has the authority to retain a search firm to assist it in identifying nominees, and the Nominating and Governance Committee provides the search firm with the criteria for the nominees as described above.

The Nominating and Governance Committee will consider persons recommended by stockholders to become nominees for election as directors in accordance with the foregoing and other criteria set forth in our Nominating and Governance Committee Charter, which is available on our website as described above. Recommendations for consideration by the Nominating and Governance Committee should be sent to our Corporate Secretary in writing, together with appropriate biographical information concerning each proposed nominee. Our By-Laws also set forth certain requirements for stockholders wishing to nominate director candidates directly for consideration by the stockholders. With respect to an election of directors to be held at an annual meeting, a stockholder must, among other things, give notice of an intent to make such a nomination to our Corporate Secretary in advance of the meeting in compliance with the terms and within the time period specified in our By-Laws. Pursuant to our By-Laws, a stockholder must give a written notice of intent to our Corporate Secretary not less than 45 days and not more than 75 days prior to the first anniversary of the date on which we first mailed our proxy materials for the preceding year's annual meeting of stockholders (subject to certain exceptions if the annual meeting is advanced or delayed a certain number of days). See "Other Matters – Stockholder Proposals" for the specific deadlines for submitting stockholder proposals to our Corporate Secretary in connection with the 2020 annual meeting of stockholders.

Strategic Planning Committee

The Strategic Planning Committee presently consists of Ian V. Nash (Chairman), Alan L. Bazaar and Richard K. Coleman, Jr. The Strategic Planning Committee held 6 meetings in 2018.

The Strategic Planning Committee provides assistance to our Board of Directors by:

· assisting our Board of Directors in assessing whether our management has the resources necessary to implement our Company's strategy;

· assessing external developments and factors, including changes in the economy, competition and technology, on our Company's strategy and execution of its strategy; and

· advising on strategic development activities, including those not in the ordinary course of business, under consideration from time to time by our Company.

Board Leadership Structure

We have separate positions of Chairman of the Board of Directors and Chief Executive Officer. We believe this leadership structure helps to promote more effective governance and oversight of our Company by our Board of Directors and allows our Chief Executive Officer to focus on the execution of our Company's strategy and operations.

Our independent directors meet regularly without management, including our Chief Executive Officer, and are active in the oversight of our Company. Our Board of Directors and each Board committee have access to members of our management and the authority to retain independent legal, accounting or other advisors as they deem necessary or appropriate. Our Chief Executive Officer does not serve on any Board committee.

The duties and responsibilities of our independent Chairman include the following:

- coordinate the activities of the independent directors and serve as a liaison between the independent directors and our Chief Executive Officer;

- chair meetings and executive sessions at which only the independent directors attend;

- advise our Chief Executive Officer as to the quality, quantity and timeliness of the flow of information from management that is necessary for the independent directors to effectively perform their duties;

- jointly with the Compensation Committee, conduct an annual evaluation of the performance of the Chief Executive Officer and report to the Board of Directors the results of that evaluation;

- in conjunction with the Chief Executive Officer, consider potential conflicts of interest of directors;

conduct, as appropriate, exit interviews of senior management upon resignation; and

recommend to the Chief Executive Officer the retention of outside advisors and consultants who report directly to the Board of Directors.

We believe that our Board of Directors' leadership structure provides an appropriate balance between strong and strategic leadership and independent oversight of our Company, and that our Board of Directors leadership structure continues to serve the best interests of our Company and stockholders.

Risk Oversight

The Audit Committee of our Board of Directors oversees our risk management process. Our Risk Committee, which consists of certain members of our senior management and our Head of Internal Audit has day-to-day responsibility for our risk management process. The members of the Risk Committee are our Chief Executive Officer, Chief Financial Officer, Vice President of Finance and our Head of Internal Audit. Our Head of Internal Audit serves as the liaison between the Risk Committee and the Audit Committee. Our Head of Internal Internal Audit provides periodic updates to the Audit Committee on behalf of the Risk Committee regarding, among other things, risk assessments and actions taken to mitigate risks. In addition, our Head of Internal Audit reports directly to the Chairman of the Audit Committee and provides periodic updates to the Audit Committee about risk management issues, particularly those regarding accounting and finance related risks.

Corporate Governance Guidelines

Our Board of Directors has adopted Corporate Governance Guidelines to further promote the effective functioning of our Board of Directors and Board committees and to set forth a common set of expectations as to how our Board of Directors and Board committees should perform their functions. Our Corporate Governance Guidelines are available, free of charge, on our website at www.hudsonrpo.com. The information contained in, or that can be accessed through, our website does not constitute a part of this proxy statement.

Compensation Recovery Policy

In December 2016, our Board of Directors adopted a compensation recovery policy, effective January 1, 2017, pursuant to which certain incentive-based compensation received by our executive officers on the basis of financial results that are later restated may be subject to recovery. The incentive-based compensation subject to the policy includes any compensation that is granted, earned or vested based wholly or in part upon the attainment of a measure

that is determined and presented in accordance with the accounting principles used in preparing our financial statements, any measures that are derived wholly or in part from such measures, or stock price or total shareholder return. We intend to amend the policy as and when necessary to reflect applicable changes in law and stock exchange listing standards, including the requirements of the final regulations and listing standards expected to be promulgated pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

Meetings and Attendance

Our Board of Directors held 15 meetings in 2018. Each of the directors currently serving on our Board of Directors attended at least 75% of the aggregate number of meetings of the Board of Directors held in 2018 and meetings held by each committee of the Board of Directors on which such director served during the period that the director so served in 2018. Directors are expected to attend our annual meeting of stockholders each year. At the 2018 annual meeting of stockholders, all of the directors then serving were in attendance either in-person or by teleconference.

Communications with Board of Directors

You may communicate with our Board of Directors by writing to our Corporate Secretary at Hudson Global, Inc., c/o the Board of Directors (or, at your option, c/o a specific director), 53 Forest Avenue, Old Greenwich, Connecticut 06870. The Corporate Secretary will deliver this communication to the Board of Directors or the specified director, as the case may be, if they relate to appropriate and substantive corporate or Board of Directors matters. Communications that are of a commercial or frivolous nature, or otherwise inappropriate for the Board of Director's consideration will not be forwarded to the Board of Directors.

Policies and Procedures Regarding Related Person Transactions

Our Board of Directors has adopted written policies and procedures regarding related person transactions. For purposes of these policies and procedures:

a “related person” means any of our directors, executive officers or nominees for director or any of their immediate family members; and

a “related person transaction” generally is a transaction (including any indebtedness or a guarantee of indebtedness) in which we were or are to be a participant and the amount involved exceeds \$120,000, and in which a related person had or will have a direct or indirect material interest.

Each of our executive officers, directors or nominees for director is required to disclose to the Audit Committee certain information relating to related person transactions for review, approval or ratification by the Audit Committee. Disclosure to the Audit Committee should occur before, if possible, or as soon as practicable after the related person transaction is effected, but in any event as soon as practicable after the executive officer, director or nominee for director becomes aware of the related person transaction. The Audit Committee’s decision whether or not to approve or ratify a related person transaction is to be made in light of the Audit Committee’s determination that consummation of the transaction is not or was not contrary to our best interests. Any related person transaction must be disclosed to the full Board of Directors.

There have been no related party transactions since January 1, 2018.

DIRECTOR COMPENSATION

The following table sets forth information regarding the compensation received during 2018 by each of our directors during 2018, other than Mr. Nolan who did not receive any compensation for serving as a director and whose compensation as an executive officer is set forth below under “Executive Compensation – Summary Compensation Table”.

Name	Fees Earned or Paid in Cash	Stock Awards (1)	Option Awards (2)	Total
Alan L. Bazaar	\$0	\$143,469	\$ 0	\$143,469

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Richard K. Coleman, Jr.	\$0	\$156,489	\$ 0	\$156,489
Jeffrey E. Eberwein (3)	\$0	\$45,502	\$ 0	\$45,502
Ian V. Nash	\$75,000	\$169,555	\$ 0	\$244,555

The dollar amount shown reflects the aggregate grant date fair value calculated in accordance with FASB ASC Topic 718 for all awards of share units granted during the fiscal year under our Director Deferred Share Plan. (1) Assumptions used in the calculation of these amounts are included in Note 5 to the Notes to Consolidated Financial Statements in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018.

During 2018, no directors were granted options to purchase shares of our common stock. The aggregate number of (2) outstanding stock options as of December 31, 2018 for each of our directors named above was: Mr. Bazaar, 0; Mr. Coleman, 0; Mr. Eberwein, 0; and Mr. Nash, 50,000.

Mr. Eberwein became our Chief Executive Officer on April 1, 2018, and, as such, did not receive compensation as a director after that date. See “Executive Compensation – Executive Employment Agreement with Jeffrey E. (3) Eberwein” for more information regarding compensation Mr. Eberwein will be entitled to for serving as our Chief Executive Officer.

Retainer and Meeting Fees

Each non-employee director is entitled to receive an annual retainer of \$25,000 paid in quarterly installments, a fee of \$2,000 for each Board of Directors and Board committee meeting attended in person, and a fee of \$1,000 for each telephonic Board of Directors and Board committee meeting in which the director participates. The Chairmen of the Audit Committee, Compensation Committee, Nominating and Governance Committee and Strategic Planning Committees receive an additional annual retainer of \$25,000, \$10,000, \$5,000 and \$75,000, respectively, paid in quarterly installments. The annual retainer, the fees for attending in-person and telephonic Board of Directors and Board committee meetings, and the retainer for serving as a Chairman of a Board committee, except for the Chairman of the Strategic Planning Committee, are paid in share units each pursuant to the “Director Deferred Share Plan” as described below. The retainer for serving as the Chairman of the Strategic Planning Committee is paid in cash in quarterly installments. Also, each non-employee director is entitled to receive \$65,000 annually paid in share units as described below under “Director Deferred Share Plan.” Additionally, directors are reimbursed for out-of-pocket expenses associated with attending meetings of the Board of Directors and Board committees.

Director Deferred Share Plan

Each quarter, effective seven calendar days following the release of our earnings, the retirement account of each non-employee director is credited under our Director Deferred Share Plan with the applicable number of share units for the quarterly portion of the annual retainer, the fees for attending in-person and telephonic Board of Directors and Board committee meetings, and the quarterly portion of the retainer for serving as a chairman of a Board committee. Also, on the date of our annual meeting of stockholders, the retirement account of each non-employee director is credited under the Director Deferred Share Plan with \$65,000 of share units. All share units fully vest on the date of grant. All share units are equivalent to one share of our common stock and are payable only in common stock issued under our 2009 Incentive Stock and Awards Plan upon a director ceasing service as a Board of Directors member.

Stock Options

In October 2015, the Compensation Committee established a new stock option program under our 2009 Incentive Stock and Awards Plan for new non-employee directors. Under the program, upon first being elected or appointed as a director, or at the next annual meeting of stockholders if appointed between annual meetings, we will grant each non-employee director an option to purchase 50,000 shares of our common stock. The exercise price for options is the fair market value of a share of our common stock on the date of grant. Options have a term of five years and become exercisable as follows: 50% immediately on the date of grant and 100% upon the first anniversary of the grant date (provided that if our Board of Directors does not designate such individual as a nominee for election as a director at our first annual meeting of stockholders following the grant date, then the remainder of such option that has not yet vested will immediately vest). If a director ceases service on our Board of Directors for any reason other than death, then that portion of the option grant that is exercisable on the date the director ceases service will remain exercisable for a period of two years after such date. If the director’s service ceases by reason of the director’s death, then the option

will remain exercisable by the director's beneficiary for a period of two years after the date of the director's death.

Stock Ownership Policy

The Board of Directors considers ownership of our common stock to be an important factor in aligning the interest of our directors with those of our stockholders. Our Board of Directors has established a Stock Ownership Policy for non-employee directors. The Stock Ownership Policy became effective January 1, 2012. Under the Stock Ownership Policy, non-employee directors are required to own shares of our common stock with a market value equal to at least three times the director's then-current annual cash retainer. A director must satisfy the ownership requirements within five years from the date of the director's appointment to the Board of Directors or five years from the effective date of the Stock Ownership Policy, whichever occurs later. Stock ownership can consist of shares owned directly by the director and deferred shares, but vested and unvested stock options and unvested restricted shares are not included. The value of our common stock held by directors is measured annually using the greater of the value of our common stock on the date when the shares were vested or purchased and the value of our common stock as of December 31 of the applicable year. Once the value of a director's shares reaches the required market value, the director is deemed to have met the stock ownership requirements and must retain only the number of shares that were required to meet the stock ownership requirements as of the date the director first met the requirements. As of December 31, 2018, the last measurement date for compliance with the Stock Ownership Policy, all non-employee directors met the stock ownership requirements imposed by the Stock Ownership Policy.

EXECUTIVE COMPENSATION

Executive Officers

Mr. Eberwein's full biographical information is provided above under the heading "Nominees for Election at the Annual Meeting".

Patrick Lyons, 55, became Chief Financial and Chief Accounting Officer of the Company in August 2015 with overall responsibility for the Company's global accounting and finance functions. Having served for more than 25 years in professional services financial management and leadership roles, Mr. Lyons combines analytical rigor with hands-on execution focus, driving accountability and accuracy in financial reporting, cost control and profitability. Mr. Lyons joined the Company in 2006 and most recently served as Corporate Vice President of Planning. Prior to that, Mr. Lyons was Chief Financial Officer of the Company's Americas region. Before joining the Company, Mr. Lyons held Chief Financial Officer roles at two staffing companies, Strategic Legal Resources and Adecco Staffing USA. In addition, Mr. Lyons worked for 9 years with the TNT Group as well as with Arthur Andersen where he qualified as a Chartered Accountant. Mr. Lyons holds a Bachelor of Commerce degree with honors and a postgraduate diploma in professional accounting from University College in Dublin, Ireland.

Summary Compensation Table

The following table sets forth certain information concerning the compensation earned for 2018 by (i) our Chief Executive Officer, (ii) our Chief Financial Officer, and (iii) our former Chief Executive Officer. The persons named in the table are also referred to in this proxy statement as the "named executive officers."

Name and Principal Position	Year	Salary	Bonus	Stock Awards(3)	Option Awards(4)	Non-Equity		Total
						Incentive Plan Compensation	All Other Compensation(5)	
Jeffrey Eberwein, Chief Executive Officer (1)	2018	\$300,000	\$ 0	\$352,500	\$ 0	\$ 75,000	\$ 0	\$727,500
	2017	—	—	—	—	—	—	—
Patrick Lyons, Chief Financial Officer and Chief Accounting Officer	2018	\$325,000	\$ 0	\$102,000	\$ 0	\$ 219,928	\$ 6,229	\$653,157
	2017	\$325,000	\$ 0	\$60,000	\$ 0	\$ 250,848	\$ 8,068	\$643,916
Stephen A. Nolan,	2018	\$150,000	\$ 0	\$0	\$ 0	\$ 0	\$ 1,888,794 (6)	\$2,038,794
	2017	\$600,000	\$ 0	\$500,000	\$ 0	\$ 622,080	\$ 0	\$1,722,080

Former Chief Executive
Officer (2)

- (1) Mr. Eberwein was appointed as chief executive officer (principal executive officer) of our Company by the Board of Directors on April 1, 2018.

- (2) Mr. Nolan resigned as chief executive officer (principal executive officer) of our Company and his employment with our Company ended April 1, 2018.

The dollar amount shown reflects the aggregate grant date fair value calculated in accordance with FASB ASC Topic 718 (excluding the effect of estimated forfeitures) for all awards of restricted stock units granted during the relevant fiscal year. Assumptions used in the calculation of these amounts are included in Note 6 to the Notes to (3) Consolidated Financial Statements in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018. Awards of restricted stock units that we granted in 2017 to our named executive officers are subject to performance conditions and service conditions as described below under “Outstanding Equity Awards at December 31, 2018.”

The dollar amount shown reflects the aggregate grant date fair value calculated in accordance with FASB ASC Topic 718 (excluding the effect of estimated forfeitures) for all awards of stock options granted during the relevant (4) fiscal year. Assumptions used in the calculation of these amounts are included in Note 6 to the Notes to Consolidated Financial Statements in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018.

Consists only of our matching contributions under our 401(k) Savings Plan of \$6,229 for Mr. Lyons. Certain (5) personal benefits we provided to the named executive officers are not included in the table because the aggregate amount of such personal benefits for each named executive officer was less than \$10,000.

The dollar amount shown reflects the payments due to Mr. Nolan upon his resignation from the Company and (6) compensation paid to him pursuant to that certain consulting agreement, as discussed on page 18 of this proxy statement.

Disclosure Regarding Summary Compensation Table

Executive Employment Agreements

We have Executive Employment Agreements with each of our named executive officers currently employed with our Company and had, prior to his resignation on April 1, 2018, an Executive Employment Agreement with Mr. Nolan. These agreements were put in place to allow us to attract and retain key talent to our business. They are designed to provide reasonable financial security (in general, not exceeding one year's salary and target bonus) to our executive officers in the event of certain kinds of separations from our Company, while providing our Company with appropriate releases from potential claims and commitments not to solicit our clients or employees during a set period.

The Executive Employment Agreements entitle our currently employed executives, and entitled Mr. Nolan prior to his resignation, to:

an annual base salary in the amount of at least \$400,000 for Mr. Eberwein, \$600,000 for Mr. Nolan and \$325,000 for Mr. Lyons;

eligibility to receive an annual bonus as provided in our Senior Management Bonus Plan (equal to 25% of base salary for Mr. Eberwein, 90% of base salary for Mr. Nolan and 67% of base salary for Mr. Lyons);

eligibility to receive a grant of equity of our Company under our Senior Management Bonus Plan (117.5% of base salary for Mr. Eberwein, 90% of base salary for Mr. Nolan and as determined from time to time by the Compensation

Committee for Mr. Lyons);

- four weeks of vacation per year;

- severance and health and dental benefits upon termination or non-renewal of employment;

- severance and health and dental benefits upon a termination of employment after a change in control of our Company; and

- other benefits of employment comparable to other senior management of our Company.

Mr. Lyons is not entitled to an excise tax gross-up payment after a change in control of our Company under his employment agreement. However, upon a termination of the employment of Messrs. Eberwein or Lyons after a change in control of our Company, if any portion of the executive's termination payment would constitute an "excess parachute payment," then the termination payment made to the executive will either be made in full or made in the greatest amount such that no portion of the termination payment would be subject to the excise tax, whichever results in the receipt by the executive of the greatest benefit on an after-tax basis. Prior to his resignation, Mr. Nolan's Executive Employment Agreement contained provisions similar to those discussed above for Messrs. Eberwein and Lyons. In connection with entering into the employment agreements, each of Messrs. Eberwein, Nolan and Lyons executed a Confidentiality, Non-solicitation and Work Product Assignment Agreement with us.

We have the right to terminate each executive's employment at any time, subject to the provisions of the Executive Employment Agreements described below under "Potential Payments Upon Termination or Change in Control—Executive Employment Agreements."

Consulting Agreement with Stephen A. Nolan

On April 1, 2018, in connection with Mr. Nolan's resignation as chief executive officer and a director of our Company, our Company and Mr. Nolan entered into a consulting agreement. Pursuant to the consulting agreement, Mr. Nolan agreed to serve as a consultant to our Company to assist with certain transition matters from April 1, 2018 through June 30, 2018. In consideration for his services as a consultant, we paid Mr. Nolan \$45,000 per month.

2018 Incentive Compensation Program

Our Compensation Committee annually sets bonus performance targets to help drive growth in our financial performance year-over-year. In May 2018, the Compensation Committee established the following specific adjusted EBITDA and corporate costs performance targets under the 2018 Incentive Compensation Program applicable for Mr. Lyons:

adjusted EBITDA (portion of bonus: 50%): achievement of an aggregated regional adjusted EBITDA (determined on a constant currency basis and before corporate cost allocation) threshold of \$4.279 million and target of \$6.114 million measured in dollars of adjusted EBITDA was required to earn 40% and 100% payouts, respectively. No (a) bonus was payable for adjusted EBITDA performance below threshold. For adjusted EBITDA performance from 70% of target up to and including target, bonuses were payable on a pro rata basis from 40% to 100% based on dollars of adjusted EBITDA. For adjusted EBITDA performance exceeding target up to 150% of target, the executive officers would be paid bonuses on a pro rata basis between 100% up to a cap of 180%.

corporate costs (portion of bonus: 50%): achievement of a corporate costs threshold of \$6.960 million and target of \$6.328 million was required to earn 50% and 100% payouts, respectively. No bonus was payable for corporate costs performance below threshold. For corporate costs performance from 90% of target up to and including target, (b) bonuses were payable on a pro rata basis from 50% to 100% based on dollars of corporate costs. For corporate costs performance exceeding target up to 120% of target, the executive officers would be paid bonuses on a pro rata basis between 100% up to a cap of 180%.

For 2018, our adjusted EBITDA performance, on a constant currency basis, was \$4.96 million and our corporate cost performance was \$5.687 million. As a result of our adjusted EBITDA performance and corporate costs performance relative to the 2018 bonus targets, Mr. Lyons received a bonus of \$219,928.

For 2018, Mr. Eberwein received a bonus of \$75,000 based on individual performance goals that were met for 2018. In order to obtain this bonus, Mr. Eberwein had to meet the following performance goals: (i) recruitment process outsourcing alignment and leadership plan and execution; (ii) client retention plan and execution; (iii) Board of Directors approved capital deployment strategy and execution; and (iv) operating cost reduction.

Restricted Stock Units

The grants of restricted stock units made to our named executive officers in May 2018 vest based on performance conditions and service time conditions, as described below in Footnote 1 under “Outstanding Equity Awards at December 31, 2018.” See “Potential Payments Upon Termination or Change in Control—Restricted Stock Agreements” for a description of the terms of the restricted stock units triggered upon a termination of the employment of a named executive officer or a change in control of our Company.

Stock Ownership Guidelines

The Board of Directors has established a Stock Ownership Policy for senior management, including our named executive officers, and it is intended to further align the interests of management and stockholders. Under the Stock Ownership Policy, executives, other than the Chief Executive Officer, are required to own shares of our common stock with a value equal to at least one times their respective base salaries. The Chief Executive Officer must own shares of our common stock with a value equal to at least two times his annual base salary. An executive must satisfy the ownership requirements within five years of the date of the executive’s appointment to a position covered by the Stock Ownership Policy. Stock ownership can consist of shares owned directly by the executive, vested restricted shares, deferred shares, shares in the executive’s 401(k) account and shares owned through the Employee Stock Purchase Plan. Vested and unvested stock options, unvested restricted stock units and unvested restricted shares will not apply to the ownership level. The value of our common stock held by executives is measured annually using the greater of the value of our common stock on the date when the shares were vested or purchased and the value of our common stock as of December 31 of the applicable year. Once the value of an executive’s shares reaches the required market value, the executive will be deemed to have met the stock ownership requirements and must retain only the number of shares that were required meet the stock ownership requirements as of the date the executive first met the requirements. As of December 31, 2018, the last measurement date for compliance with the Stock Ownership Policy, the named executive officers continuing in office had not met their respective stock ownership requirements, but were on track to do so within the five-year prescribed period. No named executive officer continuing in office who had not met his stock ownership requirement sold shares or exercised options during 2018.

Benefits

We provide our employees with customary health care benefits and offer a defined contribution plan (401(k) plan) in lieu of a pension plan to eligible employees, including our named executive officers, who, if they meet the plan eligibility requirements, may elect to participate. Under our 401(k) plan, we have the discretion to make a matching contribution at the end of each plan year to each participant’s account in an amount up to 50% of the participant’s salary reduction contributions for the plan year, taking into account salary reduction contributions between 1% and 6% of the participant’s eligible compensation. Other than these savings programs, we provide no retirement benefits to employees or supplemental retirement benefits to our executive officers.

Perquisites

We provide no perquisites to our named executive officers as a group, and in 2018, we did not provide perquisites in an aggregate amount greater than \$10,000 to any individual named executive officer.

Impact of Tax Treatment on Compensation

As a result of changes made by the Tax Cuts and Jobs Act, starting with compensation paid in 2018, Section 162(m) of the Code will limit us from deducting compensation, including performance-based compensation, in excess of \$1 million paid to certain executive officers such as the chief executive officer, chief financial officer, or anyone who is among the three most highly compensated executive officers for any fiscal year. The only exception to this rule is for compensation that is paid pursuant to a binding contract in effect on November 2, 2017 that would have otherwise been deductible under the prior Section 162(m) rules.

In addition, Section 409A of the Code provides, among other things, rules for when compensation may be deferred and when, if deferred, it may be paid. Our compensation plans and agreements are intended to be compliant with Section 409A.

Outstanding Equity Awards at December 31, 2018

The following table sets forth information on outstanding stock options, restricted stock and restricted stock unit awards held by the named executive officers at December 31, 2018, including the number of shares underlying both exercisable and unexercisable portions of each stock option, the exercise price and expiration date of each outstanding option and the market value of shares of restricted stock and restricted stock units that have not vested based on the closing market price for our common stock on December 31, 2018, the last business day of our fiscal year, of \$1.35.

Name	Option Awards			Stock Awards		
	Number of Securities Underlying Unexercised Options – Exercisable	Number of Securities Underlying Unexercised Options – Unexercisable	Option Exercise Price	Option Expiration Date	Number of Shares of Stock That Have Not Vested	Market Value of Shares of Stock That Have Not Vested
Jeffrey Eberwein	0	0	—	—	207,353 (1)(2)	\$279,927
Stephen A. Nolan	0	0	—	—	—	\$—
Patrick Lyons	0	0	—	—	114,270 (1)	\$154,265

(1) The shares of restricted stock units were granted on May 22, 2018 with the following vesting criteria:

50.0% of the Restricted Stock Units (the "Group EBITDA Restricted Stock Units") shall vest upon the determination by the Committee that the Company achieved for the year ending December 31, 2018 a 'target' Group EBITDA (as defined below) of \$6.114 million; provided that 40.0% to 99.9% of the Group EBITDA Restricted Stock Units will vest if the Group EBITDA is between \$4.279 million and \$6.113 million (such vesting percentage determined pro rata for Group EBITDA achievement within such range), and a number of Units equal to 100.1% to 180.0% of the Group EBITDA Restricted Stock Units will vest (in the case of a number of Units up to 100.0% of the Group EBITDA Restricted Stock Units) or be granted (in the case of Units in excess of 100.0% of the Group EBITDA Restricted Stock Units) if the Group EBITDA is between \$6.115 million and \$9.171 million (such vesting percentage determined pro rata for Group EBITDA achievement within such range), subject in each case to satisfaction of the service vesting conditions; and provided further that any such newly granted Units in excess of 100.0% of the Group EBITDA Restricted Stock Units shall be deemed Restricted Stock Units subject to all of the terms and conditions of this Agreement; and

50.0% of the Restricted Stock Units (the "Corporate Costs Restricted Stock Units") shall vest upon the determination by the Committee that the Company achieved for the year ending December 31, 2018 a "target" Corporate Costs (as defined below) of \$6.327 million; provided that 50% to 99.9% of the Corporate Costs Restricted Stock Units will vest if the Corporate Costs is between \$6.960 million and \$6.328 million (such vesting percentage determined pro rata for Corporate Costs achievement within such range), and a number of Units equal to 100.1% to 180.0% of the Corporate Costs Restricted Stock Units will vest (in the case of a number of Units up to 100.0% of the Corporate Costs Restricted Stock Units) or be granted (in the case of Units in excess of 100.0% of the Corporate Costs Restricted Stock Units) if the Corporate Costs is between \$6.326 million and \$5.062 million (such vesting percentage determined pro rata for Corporate Costs achievement within such range), subject in each case to satisfaction of the service vesting conditions; and provided further that any such newly granted Units in excess of 100.0% of the Corporate Costs Restricted Stock Units shall be deemed Restricted Stock Units subject to all of the terms and conditions of this Agreement.

- (2) The shares of restricted stock units were granted on May 22, 2018 and will not be issued until Mr. Eberwein ceases service to the Company.

Potential Payments Upon Termination or Change in Control

We have entered into agreements and maintain plans that require us to provide compensation to the named executive officers in the event of a termination of employment or a change in control of our Company. These agreements provide that a change in control of our Company will occur if, among other things, our stockholders approve the sale of substantially all of our assets. On March 20, 2018, at a special meeting of stockholders, our stockholders approved the sale of substantially all of our assets and, on March 31, 2018, a change in control of our Company occurred because we sold substantially all our Company's assets upon completion of the sales of our recruitment and talent management businesses in each of Belgium, Europe (excluding Belgium) and Asia Pacific.

The amount of compensation that was paid to Mr. Nolan as a result of the change in control of our Company on March 31, 2018 and his termination for good reason from our Company on April 1, 2018 is listed in the table below. The value of the restricted stock payable to Mr. Nolan is based on our common stock valued at \$1.93, the closing market price for our common stock as of April 2, 2018. The estimated amount of compensation payable to Messrs. Eberwein and Lyons in the event of a termination of employment or a change in control of our Company is listed in the table below, assuming that the termination and/or change in control of our Company occurred at December 31, 2018, the last business day of our fiscal year, and that our common stock is valued at \$1.35, the closing market price for our common stock on December 31, 2018. Descriptions of the circumstances that would trigger payments or the provision of other benefits to these named executive officers, how such payments and benefits are determined under the circumstances, material conditions and obligations applicable to the receipt of payments or benefits and other material factors regarding such agreements and plans, and other material assumptions that we have made in calculating the estimated compensation, follow these tables.

Payments and Benefits to Stephen A. Nolan

	Termination by Executive for Good Reason	Change in Control and Termination by Executive for Good Reason
Severance	\$ 600,000	\$ 1,710,000
Health and Dental Insurance	\$ 19,196	\$ 28,794
Advisor Fees	\$ 0	\$ 15,000
Vesting of Restricted Stock	\$ 0	\$ 872,843
Vesting of Stock Options	\$ 0	\$ 0
Total	\$ 619,196	\$ 2,626,637

Payments and Benefits to Jeffrey Eberwein

	Termination by Company for Cause or by Executive	Termination by Company Without Cause or by the Executive for Good Reason	Death	Disability	Change in Control	Change in Control and Termination by Company Without Cause or by Executive for Good Reason
Severance	\$0	\$0	\$0	\$0	\$0	\$500,000
Health and Dental Insurance	\$0	\$0	\$0	\$0	\$0	\$0
Advisor Fees	\$0	\$0	\$0	\$0	\$0	\$0
Vesting of Restricted Stock	\$0	\$279,927	\$279,927	\$0	\$0	\$279,927
Vesting of Stock Options	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$279,927	\$279,927	\$0	\$0	\$779,927

Payments and Benefits to Patrick Lyons

	Termination by Company for Cause or by Executive	Termination by Company Without Cause	Death	Disability	Change in Control	Change in Control and Termination by Company Without Cause or by Executive for Good Reason
Severance	\$0	\$325,000	\$0	\$0	\$0	\$542,750
Health and Dental Insurance	\$0	\$19,497	\$0	\$0	\$0	\$19,497
Advisor Fees	\$0	\$0	\$0	\$0	\$0	\$0
Vesting of Restricted Stock	\$0	\$0	\$154,265	\$0	\$0	\$154,265
Vesting of Stock Options	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$344,497	\$154,265	\$0	\$0	\$716,512

Executive Employment Agreements

We have Executive Employment Agreements with Messrs. Eberwein and Lyons. If the executive officer dies during the term of the Executive Employment Agreement, if we terminate the executive officer's employment as a result of the executive officer's disability or for cause, or if the executive officer voluntarily terminates employment with us then we will have no further obligation to the executive officer or his estate, except to pay base salary earned through the date of death or termination.

If we terminate the executive officer's employment without cause or do not renew the executive officer's employment agreement then, subject to the executive officer executing our then-current form of general release agreement, the executive officer will be entitled to receive (i) base salary earned through the date of termination, (ii) a severance payment equal to his then-current base salary for a period of up to twelve months following such termination made in equal installments on our regular pay dates, and (iii) our portion of the premiums for providing continued health and dental insurance benefits to the executive officer for up to twelve months after termination (with only the executive's portion of such premiums deducted from the executive officer's severance payment). The severance payment, plus accrued interest, will not be paid to the executive officer until six months after the executive officer's termination, unless the severance payment is less than a certain amount, as prescribed by statute.

After a change in control of our Company, if the executive officer's employment is terminated by us other than by reason of death, disability or for cause or by the executive officer for good reason, then the executive officer is entitled to a lump-sum severance payment equal to the executive officer's annual base salary immediately prior to termination, and the executive officer's target annual bonus under our Senior Management Bonus Plan for the year in which the termination occurs, plus health and dental insurance benefits for a period of up to twelve months after termination. The Executive Employment Agreements provide that, upon a termination of employment after a change in control of our Company, if any portion of the executive's termination payment would constitute an "excess parachute payment" then the termination payment made to the executive shall either be delivered in full or delivered in the greatest amount such that no portion of the termination payment would be subject to the excise tax, whichever results in the receipt by the executive of the greatest benefit on an after-tax basis. The Executive Employment Agreements do not provide for an excise tax gross-up payment.

The amounts set forth in the tables above for the named executive officers who have an Executive Employment Agreement assume that:

- health and dental insurance benefits will continue for twelve months for Mr. Lyons after termination at the current cost per year for each executive officer;

- for purposes of determining whether any excise tax is triggered, we would be able to overcome any presumption that restricted stock unit grants in 2018 were made in contemplation of a change in control pursuant to regulations issued under the Code; and

- legal and accounting advisor fees are the maximum possible under the Executive Employment Agreements.

As a condition to entering into the Executive Employment Agreement, each executive officer agreed to keep confidential information of ours confidential and to return such information to us upon termination of employment, to not solicit for one year clients who we provided services during the twelve months preceding the date of the executive officer's termination and not to solicit or hire for one year any individual we employed on the date of the executive officer's termination.

The Executive Employment Agreements define the following terms:

- "Cause" (other than under the Executive Employment Agreements with Mr. Eberwein) means:

- the willful failure to perform, or gross negligence in, the performance of, the executive's duties and obligations in any material respect or compliance with the reasonable and legal business directions of our Chief Executive Officer, following delivery to executive of a written notice from our Company which describes the basis for our Company's

reasonable belief that executive has not substantially performed executive's duties and executive's failure to remedy such performance concerns within 30 days;

· executive's willful failure to comply with a material employment policy or contractual obligation to our Company; or

· executive's commission of a felony, criminal dishonesty or fraud.

· Under Mr. Eberwein's Executive Employment Agreement, "cause" means:

· the willful failure of the executive to perform the executive's duties and obligations in any material respect, which failure is not cured within 30 days after receipt of written notice of such failure;

intentional acts of dishonesty or willful misconduct by the executive with respect to us;

conviction of a felony or violation of any law involving dishonesty, disloyalty or fraud, or a pleading of guilty or nolo contendere to such charge;

repeated refusal to perform the reasonable and legal instructions of our Board of Directors;

any material breach of the agreement or the Confidentiality, Non-Solicitation and Work Product Assignment Agreement that the executive entered into with us;

failure to confirm compliance with our Code of Business Conduct and Ethics after ten days' written notice requesting confirmation; or

any violation of the terms, including any non-competition, non-disclosure, non-solicitation or confidentiality provisions, of any written or oral agreement, arrangement or understanding to which the executive is a party or by which the executive is bound, other than his agreements with our Company.

“Change in control” means:

the consummation of a consolidation, merger, share exchange or reorganization involving us, except for certain transactions that do not result in another person acquiring control of us;

our stockholders approve a plan of complete liquidation or dissolution of us or an agreement for the sale of substantially all of our assets, other than sale of substantially all of our assets to an entity at least 75% of the combined voting power of the voting securities of which are owned by our stockholders in substantially the same proportions as their ownership immediately prior to such sale;

any person, with certain exceptions, is or becomes the beneficial owner of our securities representing more than 20% of our outstanding shares of common stock or combined voting power of our outstanding voting securities; or

individuals who were directors as of the date of the agreement and any new director whose appointment or election was approved or recommended by a vote of at least two-thirds of the directors then in office who were either directors on the date of agreement or whose appointment or election was previously so approved or recommended cease to constitute a majority of our directors.

“Disability” (defined only in the Executive Employment Agreement with Mr. Eberwein) means the executive is unable to perform the executive's essential job duties and responsibilities due to mental or physical disability for a total of twelve weeks, whether consecutive or not, during any rolling

twelve-month period.

“Good reason” (other than under the Executive Employment Agreement with Mr. Eberwein) means:

any breach of the Executive Employment Agreement by us, other than an isolated, insubstantial and inadvertent failure not occurring in bad faith that we remedy promptly after receipt of notice;

any reduction in the executive’s base salary, percentage of base salary available as incentive compensation or bonus opportunity or benefits, in each case, relative to those most favorable to the executive in effect during the 180-day period prior to a change in control;

the removal of the executive from, or failure to reelect or reappoint the executive to, any of the positions held with us on the date of a change in control or any other positions to which the executive is thereafter elected or appointed;

a good faith determination by the executive that there has been a material adverse change in the executive's working conditions or status with us relative to the most favorable working conditions or status during the 180-day period prior to a change in control;

the relocation of the executive's principal place of employment to a location more than 50 miles from the executive's principal place of employment on the date 180 days prior to a change in control; or

we require the executive to travel on our business 20% in excess of the average number of days per month the executive was required to travel during the 180-day period prior to the change in control.

Under Mr. Eberwein's Executive Employment Agreement, "good reason" prior to a change in control means:

any changes in the executive's authority, duties and responsibilities which would result in the executive no longer being our Chief Executive Officer;

any material reduction of the executive's salary, aggregate incentive compensation opportunities or aggregate benefits; or

a material breach of the Executive Employment Agreement by us.

Restricted Stock Agreements

When we make grants of restricted stock to our executive officers, including the named executive officers, we enter into Restricted Stock Agreements with such executive officers that contain provisions that are triggered upon a termination of an executive officer or a change in control of our Company.

If an executive officer's employment or service with us is terminated for any reason other than death, then the shares of restricted stock that have not yet become fully vested will automatically be forfeited.

If the executive officer's employment terminates by reason of the executive officer's death, then the shares of restricted stock that have not yet become fully vested as a result of a service vesting condition not being satisfied will automatically become fully vested and the restrictions imposed upon the restricted stock will immediately lapse, but

only if and to the extent that the performance vesting conditions shall have been achieved on or prior to the date of such termination of employment.

For awards of restricted stock granted before November 6, 2015, effective upon a change in control of our Company, if the executive is employed by us or an affiliate of ours immediately prior to the date of such change in control, the shares of restricted stock will fully vest and the restrictions imposed upon the restricted stock will be immediately deemed to have lapsed. For awards of restricted stock granted beginning on November 6, 2015, effective upon a change in control of our Company, if the executive is employed by us or an affiliate of ours immediately prior to the date of such change in control and is subsequently terminated within 12 months following the date of such change in control, the shares of restricted stock will fully vest and the restrictions imposed upon the restricted stock will be immediately deemed to have lapsed. No named executive officer has any unvested restricted stock.

As a condition to the grant of the restricted stock, the Restricted Stock Agreements provide that the executive officer will agree to keep confidential information of ours confidential during and after employment and to return such information to us upon termination of employment, not to solicit for one year clients to whom we provided services during the twelve months preceding the date of the executive officer's termination and not to solicit or hire for one year any individual we employed as of the date of the executive officer's termination. "Change in control" in the Restricted Stock Agreements has the same meaning set forth previously under "Executive Employment Agreements."

Restricted Stock Unit Agreements

When we make grants of restricted stock units to our executive officers, including the named executive officers, we enter into Restricted Stock Unit Agreements with such executive officers that contain provisions that are triggered upon a termination of an executive officer or a change in control of our Company.

If an executive officer's employment or service with us is terminated for any reason other than death, then the restricted stock units that have not yet become fully vested will automatically be forfeited.

If the executive officer's employment terminates by reason of the executive officer's death, then the restricted stock units that have not yet become fully vested as a result of a service vesting condition not being satisfied will automatically become fully vested and the restrictions imposed upon the restricted stock units will immediately lapse, but only if and to the extent that the performance vesting conditions shall have been achieved on or prior to the date of such termination of employment.

For awards of restricted stock units granted beginning on March 10, 2016, effective upon a change in control of our Company, if the executive is employed by us or an affiliate of ours immediately prior to the date of such change in control and is subsequently terminated within 12 months following the date of such change in control, the restricted stock units will fully vest and the restrictions imposed upon the restricted stock units will be immediately deemed to have lapsed.

The amounts set forth in the tables above include the value attributable to unvested restricted stock units held, in the case of Mr. Nolan, valued at the closing market price of our common stock on April 2, 2018, the date Mr. Nolan received his previously unvested restricted stock units following his resignation from our Company on April 1, 2018, and, in the case of Messrs. Eberwein and Lyons, valued at the closing market price of our common stock on December 31, 2018, the last business day of our 2018 fiscal year.

As a condition to the grant of the restricted stock units, the Restricted Stock Units Agreements provide that the executive officer will agree to keep confidential information of ours confidential during and after employment and to return such information to us upon termination of employment, not to solicit for one year clients to whom we provided services during the twelve months preceding the date of the executive officer's termination and not to solicit or hire for one year any individual we employed as of the date of the executive officer's termination. "Change in control" in the Restricted Stock Units Agreements has the same meaning set forth previously under "Executive Employment Agreements."

Stock Option Agreements

When we make grants of options to our executive officers, including the named executive officers, we enter into Stock Option Agreements with such executive officers that contain provisions that are triggered upon a termination of an executive officer or a change in control of our Company.

If we terminate the executive officer's employment for cause, then any option held by the executive officer will immediately terminate and cease to be exercisable. If an executive officer ceases to be employed by us for any reason other than death or for cause, then that portion of the option which is exercisable on the date of the executive officer's termination of employment will remain exercisable for a period of six months after such date and the remaining portion of the option will automatically expire on such date. If the executive officer's employment terminates by reason of the executive officer's death, then the option will become fully vested and will remain exercisable by the executive officer's beneficiary for a period of one year after the date of the executive officer's death. Effective upon a change in control of our Company, the option will fully vest and will immediately become exercisable, except if our stockholders will receive capital stock of another corporation in connection with a change in control of our Company and our Board of Directors determines that the option will be converted into an option to purchase shares of such capital stock. No named executive officer has any unvested stock options.

As a condition to the grant of the option, the Stock Option Agreements provide that the executive officer will agree to keep confidential information of ours confidential during and after employment and to return such information to us upon termination of employment, not to solicit for one year clients to whom we provided services during the twelve months preceding the date of the executive officer's termination and not to solicit or hire for one year any individual we employed as of the date of the executive officer's termination. "Cause" and "change in control" in the Stock Option Agreements have the same meanings set forth previously under "Executive Employment Agreements."

If Cannell is successful in electing three or more of its nominees at the annual meeting, which would constitute a majority of the Board, then a change of control of the Board would be deemed to have occurred under the agreements described in this section. Such a change of control may trigger certain change of control provisions contained therein as described above. In the event that within one year of such change of control, the Company terminates the executive party to the applicable agreement, other than by reason of death, disability or cause, or the executive terminates his or her employment for good reason, in each case pursuant to the terms of the applicable agreement, the terminated executive is entitled to a termination payment and/or continued participation in employee benefits programs, as well as the benefits described in each of such agreements, in each case pursuant to the terms of the applicable agreement.

COMPENSATION POLICIES AND PRACTICES AND RISK

We monitor and assess periodically our enterprise risks, including risks from our compensation policies and practices for our employees. Based on our periodic assessments, we believe that risks arising from our compensation policies and practices for our employees, including our named executive officers, are not reasonably likely to have a material adverse effect on our Company.

Our compensation policies and practices also do not encourage the taking of excessive or inappropriate risks for several reasons, including:

- salaries are generally targeted at median market levels for comparable companies;
- cash bonuses are capped, except in extremely rare cases, and are determined using objective and subjective criteria;
- equity awards have service, and usually performance, vesting requirements;
- we have stock ownership guidelines for our executive officers;

we have a compensation recovery policy for our executive officers that provides our Company with authority to recoup certain compensation in the event of a financial restatement; and

· we offer only customary benefits, such as health care and a defined contribution plan.

We believe these compensation policies and practices provide an appropriate balance between short-term and long-term incentives, encourage our employees to produce superior results for our Company without having to take excessive or inappropriate risks to do so, and continue to serve the best interests our Company and stockholders.

AUDIT COMMITTEE REPORT

The primary purpose of the Audit Committee is to oversee our accounting and financial reporting processes and the audits of our financial statements. The Audit Committee's function is more fully described in its written charter, which our Board of Directors has adopted and which the Audit Committee reviews on an annual basis. Our Board of Directors annually reviews the independence of the Audit Committee members under standards of independence for audit committee members established by the Nasdaq Global Select Market and the SEC. Our Board of Directors has determined that each member of the Audit Committee is independent under those standards.

Management is responsible for the preparation, presentation and integrity of our financial statements, accounting and financial reporting principles, internal controls and procedures designed to ensure compliance with accounting standards, applicable laws and regulations. Our independent registered public accounting firm, KPMG LLP, was responsible for performing an independent audit of the consolidated financial statements and effectiveness of internal control over financial reporting for the fiscal year ended December 31, 2018. KPMG LLP was also responsible for expressing an opinion on the conformity of those financial statements with generally accepted accounting principles and the effectiveness of internal control over financial reporting.

The Audit Committee has reviewed and discussed our audited financial statements for the fiscal year ended December 31, 2018 and management's assessment of internal control over financial reporting as of December 31, 2018, with our management and has discussed with KPMG LLP the matters required to be discussed by Auditing Standard No. 1301 of the Public Company Accounting Oversight Board, Communications With Audit Committees, and Rule 2-07 of SEC Regulation S-X. In addition, KPMG LLP has provided the Audit Committee with the written disclosures and the letter required by applicable requirements of the Public Company Accounting Oversight Board, and the Audit Committee has discussed with KPMG LLP their independence.

Based on these reviews and discussions, the Audit Committee recommended to our Board of Directors that the audited financial statements and management's report on its assessment of internal control over financial reporting be included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018, for filing with the SEC.

Hudson Global, Inc.
AUDIT COMMITTEE

Ian V. Nash, Chairman
Alan L. Bazaar
Richard K. Coleman, Jr.

PROPOSAL 2: APPROVAL OF RIGHTS AGREEMENT

On October 15, 2018, our Board of Directors declared a dividend to the Company's stockholders of record as of the close of business on October 25, 2018 for each outstanding share of the Company's common stock, of one right (a "Right") to purchase one one-hundredth of a share of a new series of participating preferred stock of the Company. The terms of the Rights are set forth in the Rights Agreement, by and between the Company and Computershare Trust Company, N.A., as rights agent, dated as of October 15, 2018 (the "Rights Agreement"), the complete text of which is attached as Annex A to this proxy statement. The Rights Agreement requires stockholder approval to remain in effect after the annual meeting. Subject to limited exceptions, the Rights Agreement is generally designed to deter any person from acquiring shares of our common stock (or any interest therein) if the acquisition would result in a stockholder (or several stockholders, in the aggregate, who hold their stock as a "group" under the federal securities laws) beneficially owning 4.99% or more of our then-outstanding shares of common stock without the approval of the Board of Directors (an "Acquiring Person").

The Board of Directors entered into the Rights Agreement in an effort to preserve the value of the Company's significant U.S. net operating loss carryforwards ("NOLs") and other tax benefits. The Company's ability to utilize its NOLs may be substantially limited if the Company experiences an "ownership change" within the meaning of Section 382 of the Code. In general, an "ownership change" would occur if the percentage of the Company's ownership by one or more "5-percent shareholders" (as defined in the Code) increases by more than 50 percent over the lowest percentage owned by such stockholders at any time during the prior three years. The Rights Agreement is designed to preserve the Company's tax benefits by deterring transfers of common stock that could result in an "ownership change" under Section 382.

The Rights Agreement replaces the Company's prior rights agreement designed to preserve the value of the Company's NOLs, which was approved by stockholders in 2015 and expired in accordance with its terms in January 2018. The Company also has a provision in its Amended and Restated Certificate of Incorporation (the "Charter Provision") which generally prohibits transfers of its common stock that could result in an ownership change. The Company believes that in light of the significant amount of the NOLs, it is advisable to adopt the Rights Agreement in addition to the Charter Provision.

Description of Rights Agreement

The following is a summary of the terms of the Rights Agreement. The summary does not purport to be complete and is qualified in its entirety by reference to the Rights Agreement, the complete text of which is attached as Annex A to this proxy statement. **Please read the Rights Agreement in its entirety, as the discussion below is only a summary.**

The Rights. If the Rights become exercisable, each Right would allow its holder to purchase from the Company one one-hundredth of a share of the Company's Series B Junior Participating Preferred Stock ("Series B Preferred Stock") for a purchase price of \$3.50. Each fractional share of Series B Preferred Stock would give the stockholder approximately the same dividend, voting and liquidation rights as does one share of common stock. Prior to exercise, however, a Right does not give its holder any dividend, voting or liquidation rights.

Exercisability. The Rights will not be exercisable until the earlier of:

- 10 days after a public announcement by the Company that a person or group has become an Acquiring Person; and
- 10 business days (or a later date determined by the Board of Directors) after a person or group begins a tender or an exchange offer that, if completed, would result in that person or group becoming an Acquiring Person.

Until the date that the Rights become exercisable (the "Distribution Date"), common stock certificates will also evidence the Rights and will contain a notation to that effect. Any transfer of shares of common stock prior to the Distribution Date will constitute a transfer of the associated Rights. After the Distribution Date, the Rights will separate from the common stock and be evidenced by Right certificates, which the Company will mail to all holders of Rights that have not become void.

After the Distribution Date, if a person or group already is or becomes an Acquiring Person, all holders of Rights, except the Acquiring Person, may exercise their Rights upon payment of the purchase price to purchase shares of common stock (or other securities or assets as determined by the Board of Directors) with a market value of two times the purchase price (a “Flip-in Event”).

After the Distribution Date, if a Flip-in Event has already occurred and the Company is acquired in a merger or similar transaction, all holders of Rights, except the Acquiring Person, may exercise their Rights upon payment of the purchase price, to purchase shares of the acquiring or other appropriate entity with a market value of two times the purchase price of the Rights.

Rights may be exercised to purchase Series B Preferred Stock only after the Distribution Date occurs and prior to the occurrence of a Flip-in Event as described above. A Distribution Date resulting from the commencement of a tender offer or an exchange offer as described in the second bullet point above could precede the occurrence of a Flip-in Event, in which case the Rights could be exercised to purchase Series B Preferred Stock. A Distribution Date resulting from any occurrence described in the first bullet point above would necessarily follow the occurrence of a Flip-in Event, in which case the Rights could be exercised to purchase shares of common stock (or other securities or assets) as described above.

Exempted Persons and Exempted Transactions. The Board of Directors recognizes that there may be instances when an acquisition of common stock that would cause a stockholder to become an Acquiring Person may not jeopardize the availability of the Company’s tax benefits. Accordingly, the Rights Agreement grants discretion to the Board of Directors to designate a person as an “Exempt Person” or to designate a transaction involving common stock as an “Exempt Transaction.” An “Exempt Person” cannot become an Acquiring Person under the Rights Agreement. The Board of Directors can revoke an “Exempt Person” designation if it subsequently makes a contrary determination regarding whether a transaction by such person may jeopardize the availability of the Company’s tax benefits.

Expiration. The Rights will expire on the earliest of (i) October 15, 2021, the third anniversary of the date on which the Board of Directors authorized and declared a dividend of the Rights, or such earlier date as of which the Board of Directors determines that the Rights Agreement is no longer necessary for the preservation of the Company’s tax benefits, (ii) the time at which the Rights are redeemed, (iii) the time at which the Rights are exchanged, (iv) the effective time of the repeal of Section 382 of the Code if the Board of Directors determines that the Rights Agreement is no longer necessary for the preservation of the Company’s tax benefits, (v) the first day of a taxable year to which the Board of Directors determines that no NOLs or other tax benefits may be carried forward, and (vi) the day following the certification of the voting results of the annual meeting, if stockholder ratification of the adoption of the Rights Agreement has not been obtained prior to that date.

Redemption. The Board of Directors may redeem all (but not less than all) of the Rights for a redemption price of \$0.001 per Right at any time before the later of the Distribution Date and the date of the first public announcement or disclosure by the Company that a person or group has become an Acquiring Person. Once the Rights are redeemed,

the right to exercise the Rights will terminate, and the only right of the holders of such Rights will be to receive the redemption price. The redemption price will be adjusted if the Company declares a stock split or issues a stock dividend on common stock.

Exchange. After the later of the Distribution Date and the date of the first public announcement by the Company that a person or group has become an Acquiring Person, but before an Acquiring Person owns 50% or more of the outstanding common stock, the Board of Directors may exchange each Right (other than Rights that have become void) for one share of common stock or an equivalent security.

Anti-Dilution Provisions. The Board of Directors may adjust the purchase price of the Series B Preferred Stock, the number of shares of Series B Preferred Stock issuable and the number of outstanding Rights to prevent dilution that may occur as a result of certain events, including, among others, a stock dividend, a stock split or a reclassification of the Series B Preferred Stock or common stock. No adjustments to the purchase price of less than one percent will be made.

Amendments. Before the time the Rights cease to be redeemable, the Board of Directors may amend or supplement the Rights Agreement without the consent of the holders of the Rights, except that no amendment may decrease the redemption price below \$0.001 per Right. At any time thereafter, the Board of Directors may amend or supplement the Rights Agreement to cure an ambiguity, to alter time period provisions, to correct inconsistent provisions or to make any additional changes to the Rights Agreement, but only to the extent that those changes do not impair or adversely affect the interests of the holders of Rights and do not result in the Rights again becoming redeemable. The limitations on the Board of Director's ability to amend the Rights Agreement does not affect the Board of Director's power or ability to take any other action that is consistent with its fiduciary duties, including, without limitation, accelerating or extending the expiration date of the Rights, or making any amendment to the Rights Agreement that is permitted by the Rights Agreement or adopting a new rights agreement with such terms as the Board of Directors determines in its sole discretion to be appropriate.

Vote Required

The affirmative vote of the holders of a majority of the shares having voting power present in person or represented by proxy at the annual meeting (assuming a quorum is present) is required for the approval of the Rights Agreement. Consequently, broker non-votes will have no effect on the approval of the Rights Agreement, but abstentions will act as a vote against the approval of the Rights Agreement. Shares of common stock represented by executed, but unmarked, **WHITE** proxy cards will be voted "**FOR**" the approval of the Rights Agreement.

Our Board of Directors unanimously recommends that you vote "FOR" approval of the Rights Agreement.

PROPOSAL 3: AMENDMENT TO THE AMENDED AND RESTATED CERTIFICATE OF INCORPORATION TO EFFECT A REVERSE STOCK SPLIT

General

On February 25, 2019, our Board of Directors unanimously approved, and recommended that our stockholders approve, an amendment to our Amended and Restated Certificate of Incorporation (the “Charter Amendment”), to effect a reverse stock split at a ratio of not less than one-for-five and not more than one-for-ten and a reduction of the number of authorized shares of common stock from 100,000,000 shares to 20,000,000 shares, with the exact ratio to be set within this range by our Board of Directors at its sole discretion (the “Reverse Stock Split”), with the final decision of whether to proceed with the Reverse Stock Split and the effective time of the Reverse Stock Split to be determined by the Board of Directors, in its sole discretion. If the stockholders approve the Reverse Stock Split, and the Board of Directors decides to implement it, the Reverse Stock Split will become effective as of 12:01 a.m., Eastern Standard Time, on a date to be determined by the Board of Directors that will be specified in the Charter Amendment (the “Effective Time”). If the Board of Directors does not decide to implement the Reverse Stock Split within twelve months from the date of the annual meeting, the authority granted in this proposal to implement the Reverse Stock Split will terminate.

The Reverse Stock Split will be realized simultaneously for all outstanding common stock. The Reverse Stock Split will affect all holders of common stock uniformly and each stockholder will hold the same percentage of common stock outstanding immediately following the Reverse Stock Split as that stockholder held immediately prior to the Reverse Stock Split, except for minor changes that may result from the treatment of fractional shares, as described below. The Reverse Stock Split will not change the par value of our common stock and will not reduce the number of authorized shares of common stock. Outstanding shares of common stock resulting from the Reverse Stock Split will remain fully paid and non-assessable.

The text of the proposed Charter Amendment to effect the Reverse Stock Split is included as [Annex B](#) to this proxy statement. Any amendment to our Amended and Restated Certificate of Incorporation to effect the Reverse Stock Split will include the Reverse Stock Split ratio fixed by our Board of Directors, within the range approved by our stockholders.

Criteria to Be Used for Decision to Apply the Reverse Stock Split

If our stockholders approve the Reverse Stock Split, our Board of Directors will be authorized to proceed with the Reverse Stock Split. The exact ratio of the Reverse Stock Split, within the one-for-five to one-for-ten range, would be determined by our Board of Directors, in its sole discretion, and publicly announced by us prior to the Effective Time. In determining whether to proceed with the Reverse Stock Split and setting the appropriate ratio for the Reverse

Stock Split, our Board of Directors will consider, among other things, factors such as:

- Nasdaq's minimum price per share requirements;
- the historical trading prices and trading volume of our common stock;
- the number of shares of our common stock outstanding;

the then-prevailing and expected trading prices and trading volume of our common stock and the anticipated impact of the Reverse Stock Split on the trading market for our common stock;

- the anticipated impact of a particular ratio on our ability to reduce administrative and transactional costs;
- business developments affecting us; and
- prevailing general market and economic conditions.

Reasons for the Reverse Stock Split

The Board of Directors believes that the increased market price of the common stock expected as a result of implementing the Reverse Stock Split could improve the marketability and liquidity of our common stock and will encourage interest and trading in our common stock. The Reverse Stock Split could allow a broader range of institutions to invest in our common stock, potentially increasing trading volume and liquidity of our common stock. The Reverse Stock Split could also help increase analyst and broker interest in our common stock as their policies can discourage them from following or recommending companies with low stock prices.

The Board of Directors (or any authorized committee of the Board of Directors) reserves the right to elect to abandon the Reverse Stock Split, notwithstanding stockholder approval thereof, if it determines, in its sole discretion, that the Reverse Stock Split is no longer in the best interests of the Company.

Procedure for Effecting Reverse Stock Split

If the Reverse Stock Split (which includes the corresponding reduction of the number of authorized shares of common stock) is approved by the Company's stockholders, and if at such time the Board of Directors still believes that a Reverse Stock Split is in the best interests of the Company and its stockholders, the Board of Directors will determine the exact timing of the filing of the Charter Amendment. We will then file the Charter Amendment, the form of which is attached hereto as Annex B, with the Secretary of State of the State of Delaware to effect the Reverse Stock Split. All shares of our common stock that were issued and outstanding immediately prior to the Effective Time would automatically be converted into new shares of our common stock based on the Reverse Stock Split ratio. If the Board of Directors does not decide to implement the Reverse Stock Split within twelve months from the date of the annual meeting, the authority granted in this proposal to implement the Reverse Stock Split will terminate.

As soon as practicable after the Effective Time of the Reverse Stock Split, stockholders of record on the record date would receive a letter from our transfer agent asking them to return the outstanding certificates representing pre-split shares of common stock, which would be cancelled upon receipt by our transfer agent, and new certificates representing the post-split shares of common stock would be sent to each of our stockholders. We will bear the costs of the issuance of the new stock certificates. Stockholders who hold uncertificated shares, either as direct or beneficial owners, will have their holdings electronically adjusted by the Company's transfer agent (and, for beneficial owners, by their brokers or banks that hold in "street name" for their benefit, as the case may be) to give effect to the Reverse Stock Split. Stockholders who hold uncertificated shares as direct owners will be sent a statement of holding from the Company's transfer agent that indicates the number of shares owned in book-entry form.

Beginning after the effectiveness of the Reverse Stock Split, each certificate representing shares of pre-split common stock will be deemed for all corporate purposes to evidence ownership of post-split common stock.

STOCKHOLDERS SHOULD NOT DESTROY ANY STOCK CERTIFICATES AND SHOULD NOT SUBMIT THEIR STOCK CERTIFICATES UNTIL THEY RECEIVE A TRANSMITTAL FORM FROM OUR TRANSFER AGENT.

Principal Effects of the Reverse Stock Split

If the Reverse Stock Split is approved and our Board of Directors elects to effect the Reverse Stock Split, the number of outstanding shares of common stock will be reduced in proportion to the ratio of the Reverse Stock Split chosen by our Board of Directors.

Common Stock

With the exception of the number of shares issued and outstanding and any adjustment that may occur due to the provisions for the treatment of fractional shares, the rights and preferences of outstanding shares of common stock prior and subsequent to the Reverse Stock Split would remain the same. Holders of the Company's common stock would continue to have no preemptive rights. Following the Reverse Stock Split, each full share of the Company's common stock resulting from the Reverse Stock Split would entitle the holder thereof to one vote per share and would otherwise be identical to the shares of our common stock immediately prior to the Reverse Stock Split. Following the Reverse Stock Split, our common stock will continue to be listed on The Nasdaq Global Select Market, under the symbol "HSON," although it would receive a new CUSIP number.

Effects of the Reverse Stock Split on 2009 Incentive Stock and Awards Plan and Outstanding Equity Awards

If the Reverse Stock Split is implemented, the number and type of shares subject to the 2009 Incentive Stock and Awards Plan, as amended and restated, and outstanding awards and/or unexercised options exercisable for shares of common stock shall be adjusted by the Compensation Committee of the Board of Directors. The Compensation Committee may also make provision for a cash payment to the holder of such outstanding awards in exchange for the cancellation of the outstanding award.

Effects of the Reduction of Authorized Common Stock

We are currently authorized under our Amended and Restated Certificate of Incorporation to issue up to a total of 110,000,000 shares of capital stock, comprised of 100,000,000 shares of common stock and 10,000,000 shares of preferred stock. If the Reverse Stock Split is approved and effected, it will reduce the total number of shares of common stock that we are authorized to issue from 100,000,000 shares of common stock to 20,000,000 shares of common stock. The decrease in the number of authorized shares of common stock would result in fewer shares of authorized but unissued common stock being available for future issuance for various purposes, including raising capital or making acquisitions. However, we believe that if the Reverse Stock Split is approved and effected, the amount of authorized but unissued shares of common stock and preferred stock will be sufficient for our future needs.

The Reverse Stock Split will not reduce the number of authorized shares of preferred stock or otherwise have any impact on the preferred stock.

Accounting Matters

As a result of the Reverse Stock Split, the stated capital on the Company's balance sheet attributable to the common stock, which consists of the par value per share of the common stock multiplied by the aggregate number of shares of common stock issued and outstanding, will be reduced in proportion to the size of the Reverse Stock Split. Correspondingly, the Company's additional paid-in capital account, which consists of the difference between the Company's stated capital and the aggregate amount paid to the Company upon issuance of all currently outstanding shares of the common stock, will be credited with the amount by which the stated capital is reduced.

Fractional Shares

No fractional shares will be issued in connection with the Reverse Stock Split. Instead, the Company will issue one full share of the post-Reverse Stock Split common stock to any stockholder who would have been entitled to receive a fractional share of common stock as a result of the Reverse Stock Split. Each holder of common stock will hold the same percentage of the outstanding common stock immediately following the Reverse Stock Split as that stockholder did immediately prior to the Reverse Stock Split, except for minor adjustments due to the additional net share fraction that will need to be issued as a result of the treatment of fractional shares.

Risks Associated with the Reverse Stock Split

The Reverse Stock Split may result in or contribute towards an ownership change under Section 382 of the Code. If the Company were to undergo an ownership change under Section 382 of the Code, the Company's ability to use its net operating loss carryovers incurred prior to the ownership change against income arising after the ownership change will be significantly limited. In general, an "ownership change" under Section 382 of the Code occurs with respect to the Company if, over a rolling three-year period, the Company's "5-percent shareholders" increase their aggregate stock ownership by more than 50 percentage points over their lowest stock ownership during the rolling three-year period. Although we do not expect the Reverse Stock Split to result in an ownership change with respect to the Company, because we do not know the number of Company stockholders that may become "5-percent shareholders" as a result of the Reverse Stock Split, it is uncertain at this time whether the Reverse Stock Split will result in an ownership change or the extent to which the Reverse Stock Split may contribute towards an ownership change over the rolling three year period following the Reverse Stock Split.

There can be no assurance that the Reverse Stock Split would have the desired effects on the common stock. The Board of Directors, however, believes that the abovementioned risks are off-set by the prospect that the Reverse Stock Split may, by increasing the per share price, make an investment in the common stock more attractive for certain investors.

No Going Private Transaction

The Company does not anticipate that the number of stockholders following any Reverse Stock Split will decrease, and the Board of Directors does not intend for this transaction to be the first step in a “going private transaction” within the meaning of Rule 13e-3 of the Exchange Act and the implementation of the proposed Reverse Stock Split will not cause the Company to go private. The Company has no plan at the date of this proxy statement to take itself private.

Material United States Federal Income Tax Consequences of the Reverse Stock Split

The following discussion is a summary of the material U.S. federal income tax consequences of the Reverse Stock Split to us and to U.S. Holders (as defined below) that hold shares of our common stock as capital assets (i.e., for investment) for U.S. federal income tax purposes. This discussion is based upon current U.S. tax law, which is subject to change, possibly with retroactive effect, and differing interpretations. Any such change may cause the U.S. federal income tax consequences of the Reverse Stock Split to vary substantially from the consequences summarized below. We have not sought and will not seek any rulings from the Internal Revenue Service (the “IRS”) regarding the matters discussed below and there can be no assurance the IRS or a court will not take a contrary position to that discussed below regarding the tax consequences of the Reverse Stock Split.

For purposes of this discussion, a “U.S. Holder” is a beneficial owner of our common stock that, for U.S. federal income tax purposes, is or is treated as (i) an individual who is a citizen or resident of the United States; (ii) a corporation (or any other entity or arrangement treated as a corporation) created or organized under the laws of the United States, any state thereof, or the District of Columbia; (iii) an estate, the income of which is subject to U.S. federal income tax regardless of its source; or (iv) a trust if (1) its administration is subject to the primary supervision of a court within the United States and all of its substantial decisions are subject to the control of one or more “United States persons” (within the meaning of Section 7701(a)(30) of the Code, or (2) it has a valid election in effect under applicable U.S. Treasury regulations to be treated as a United States person.

This summary does not address all aspects of U.S. federal income taxation that may be relevant to U.S. Holders in light of their particular circumstances or to stockholders who may be subject to special tax treatment under the Code, including, without limitation, dealers in securities, commodities or foreign currency, persons who are treated as non-U.S. persons for U.S. federal income tax purposes, certain former citizens or long-term residents of the United States, insurance companies, tax-exempt organizations, banks, financial institutions, small business investment

companies, regulated investment companies, real estate investment trusts, retirement plans, persons whose functional currency is not the U.S. dollar, traders that mark-to-market their securities or persons who hold their shares of our common stock as part of a hedge, straddle, conversion or other risk reduction transaction. If a partnership (or other entity treated as a partnership for U.S. federal income tax purposes) is the beneficial owner of our common stock, the U.S. federal income tax treatment of the partnership (or other entity treated as a partnership) and a partner in the partnership will generally depend on the status of the partner and the activities of such partnership. Accordingly, partnerships (and other entities treated as partnerships for U.S. federal income tax purposes) holding our common stock and the partners in such entities should consult their own tax advisors regarding the U.S. federal income tax consequences of the Reverse Stock Split to them.

The state and local tax consequences, alternative minimum tax consequences, non-U.S. tax consequences and U.S. estate and gift tax consequences of the Reverse Stock Split are not discussed herein and may vary as to each U.S. Holder. Furthermore, the following discussion does not address any tax consequences of transactions effectuated before, after or at the same time as the Reverse Stock Split, whether or not they are in connection with the Reverse Stock Split. This discussion should not be considered as tax or investment advice, and the tax consequences of the Reverse Stock Split may not be the same for all stockholders. U.S. Holders should consult their own tax advisors to understand their individual federal, state, local, and foreign tax consequences.

Tax Consequences to the Company. We believe that the Reverse Stock Split should constitute a reorganization under Section 368(a)(1)(E) of the Code. Accordingly, we should not recognize taxable income, gain or loss in connection with the Reverse Stock Split.

Tax Consequences to U.S. Holders. Subject to the discussion below regarding the receipt of a fractional share, a U.S. Holder generally should not recognize gain or loss as a result of the Reverse Stock Split for U.S. federal income tax purposes. A U.S. Holder's aggregate adjusted tax basis in the shares of our common stock received pursuant to the Reverse Stock Split should equal the aggregate adjusted tax basis of the shares of our common stock exchanged therefor (increased by the amount of gain or income recognized, if any, attributable to the rounding up of a fractional share, as discussed below). The U.S. Holder's holding period in the shares of our common stock received pursuant to the Reverse Stock Split should include the holding period in the shares of our common stock exchanged therefor (except with respect to any fractional share of our common stock received, as discussed below). U.S. Treasury Regulations provide detailed rules for allocating the tax basis and holding period of shares of common stock surrendered in a recapitalization to shares received in such recapitalization. A U.S. Holder that acquired shares of our common stock on different dates and at different prices should consult their tax advisors regarding the allocation of the tax basis and holding period from shares of common stock surrendered in the Reverse Stock Split to shares received in the Reverse Stock Split.

Each fractional share issued pursuant to the Reverse Stock Split that is attributable to the rounding up of fractional shares to the nearest whole number of shares may be treated for U.S. federal income tax purposes as a disproportionate distribution. If so treated, a U.S. Holder that receives a fractional share of our common stock attributable to the rounding up of a fractional share to the nearest whole number of shares should recognize dividend income in an amount equal to the fair market value of such fractional share to the extent of the Company's current or accumulated earnings and profits, and to the extent that any portion of the distribution exceeds such current or accumulated earnings and profits, such portion will be treated as a return of tax basis and thereafter as gain from the sale or exchange. A U.S. Holder's holding period in any such fractional share commences on the effective date of the Reverse Stock Split.

YOU SHOULD CONSULT YOUR TAX ADVISOR AS TO THE PARTICULAR FEDERAL, STATE, LOCAL, FOREIGN AND OTHER TAX CONSEQUENCES OF THE REVERSE STOCK SPLIT IN LIGHT OF YOUR SPECIFIC CIRCUMSTANCES.

Reservation of Right to Abandon Reverse Stock Split

The Board of Directors reserves the right to not file the Charter Amendment and to abandon any Reverse Stock Split without further action by our stockholders at any time before the effectiveness of the filing of the Charter Amendment with the Secretary of the State of Delaware, even if this proposal is approved by our stockholders at the annual meeting. By voting in favor of this proposal, you are expressly also authorizing the Board of Directors to delay, not proceed with, and abandon, the proposed Charter Amendment if it should so decide, in its sole discretion,

that such action is in the best interests of our stockholders.

Vote Required

The affirmative vote of the holders of a majority of the shares outstanding (assuming a quorum is present) is required for the approval of the Charter Amendment to effect the Reverse Stock Split. Both broker non-votes and abstentions will act as a vote against the Reverse Stock Split. Shares of common stock represented by executed, but unmarked, **WHITE** proxy cards will be voted **“FOR”** the Charter Amendment.

Our Board of Directors unanimously recommends that you vote “FOR” approval of the amendment to the Amended and Restated Certificate of Incorporation to effect a reverse stock split.

**PROPOSAL 4: RATIFICATION OF THE APPOINTMENT OF BDO USA, LLP
AS INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

General

The Audit Committee has appointed BDO USA, LLP (“BDO”) as our independent registered public accounting firm to audit our financial statements for the fiscal year ending December 31, 2019. Our Board of Directors is seeking stockholder ratification of the appointment of BDO as our independent registered public accounting firm for our fiscal year ending December 31, 2019. BDO has served as our independent registered public accounting firm since April 2019. If the stockholders do not ratify the selection of BDO as the Company’s independent registered public accounting firm, BDO will continue to be the Company’s independent registered public accounting firm, however the appointment will be reconsidered by the Audit Committee.

Representatives of BDO are expected to be available to answer appropriate questions from stockholders at the annual meeting and will have an opportunity to make a statement, if they desire to do so, during the annual meeting.

Change in Auditors. On April 1, 2019, following a competitive process to evaluate independent registered public accounting firms, the Audit Committee of the Board of Directors dismissed KPMG LLP (“KPMG”) as the Company’s independent registered public accounting firm. The change in the Company’s independent registered public accounting firm was made primarily to reduce the fees payable by the Company in connection with the audit of its consolidated financial statements for the fiscal year ending December 31, 2019 to an amount that the Company believes is more aligned with the size and structure of the operations of the Company prospectively.

KPMG’s audit reports on the Company’s consolidated financial statements as of and for the fiscal years ended December 31, 2018 and 2017 did not contain an adverse opinion or a disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope or accounting principles.

During the fiscal years ended December 31, 2018 and 2017, and the subsequent interim periods through April 1, 2019, there were (i) no disagreements (as described in Item 304(a)(1)(iv) of Regulation S-K and the related instructions) between the Company and KPMG on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which, if not resolved to KPMG’s satisfaction, would have caused KPMG to make reference thereto in its reports on the financial statements for such years, and (ii) no “reportable events” within the meaning of Item 304(a)(1)(v) of Regulation S-K.

The Company previously disclosed this information in its Current Report on Form 8-K filed with the SEC on April 4, 2019, provided KPMG with a copy of the disclosures and requested that KPMG furnish a letter addressed to the SEC stating whether or not it agrees with the statements made therein. A copy of KPMG’s letter dated April 4, 2019, was filed as an exhibit to such Form 8-K.

During the fiscal years ended December 31, 2018 and 2017, and the subsequent interim periods through April 1, 2019, neither the Company nor anyone acting on its behalf has consulted with BDO regarding (i) the application of accounting principles to a specific transaction, either completed or proposed, or the type of audit opinion that might be rendered on the Company’s financial statements, and neither a written report or oral advice was provided to the Company that BDO concluded was an important factor considered by the Company in reaching a decision as to any accounting, auditing, or financial reporting issue, (ii) any matter that was the subject of a disagreement within the meaning of Item 304(a)(1)(iv) of Regulation S-K, or (iii) any reportable event within the meaning of Item 304(a)(1)(v) of Regulation S-K.

Fees Paid to Our Independent Registered Public Accounting Firm

The following table presents fees billed for professional audit services rendered by KPMG for the audit of our annual financial statements for the fiscal years ended December 31, 2018 and December 31, 2017 and fees billed for other services rendered by KPMG during those periods.

	2018	2017
Audit fees(1)	\$1,490,200	\$1,476,400
Audit-related fees(2)	0	0
Tax fees(3)	0	0
All other fees(4)	0	0
Total fees	\$1,490,200	\$1,476,400

Audit fees consist of the aggregate fees billed for professional services rendered by KPMG for the audit and review (1) of financial statements and services provided in connection with statutory and regulatory filings (domestic and international). BDO did not provide any audit services during 2018 or 2017.

(2) None.

(3) None.

(4) None.

The Audit Committee has established a policy regarding pre-approval of the audit and non-audit services performed by the independent registered public accounting firm. The Audit Committee will not approve any service that will impair the independence of the independent registered public accounting firm. The pre-approval policy requires each audit service and each non-audit service in excess of \$50,000 performed by the independent registered public accounting firm to receive the specific prior approval of the entire Audit Committee. The Chairman of the Audit Committee has authority to approve any non-audit service equal to or less than \$50,000, and any subsequent fee adjustments which, in the aggregate for each non-audit service, are equal to or less than \$15,000. Only if the cost of any audit or non-audit service exceeds by the greater of ten percent or \$5,000 the amount previously approved by the Audit Committee or the Chairman of the Audit Committee must the Audit Committee or the Chairman of the Audit Committee give prior approval for the additional cost. The Chairman of the Audit Committee reports any approvals pursuant to such authority to the Audit Committee at its next scheduled meeting. The Audit Committee's pre-approval policies do not permit the delegation of the Audit Committee's pre-approval responsibilities to management. The independent registered public accounting firm must provide the Audit Committee or the Chairman of the Audit Committee with a description of each specific audit or non-audit service to be rendered and detailed documentation for any fee increase requests.

Vote Required

The affirmative vote of the holders of a majority of the shares having voting power present in person or represented by proxy at the annual meeting (assuming a quorum is present) is required for the ratification of the appointment of BDO as our independent registered public accounting firm for our fiscal year ending December 31, 2019. Consequently, broker non-votes will have no effect on the ratification of the appointment, but abstentions will act as a vote against ratification of the appointment. Shares of common stock represented by executed, but unmarked, **WHITE** proxy cards will be voted "**FOR**" the ratification of the appointment. If the appointment is not ratified by a majority of the votes cast, the adverse vote will be considered as an indication to the Audit Committee that it should consider selecting another independent registered public accounting firm for the following fiscal year. Even if the appointment is ratified, the Audit Committee, in its discretion, may select a new independent registered public accounting firm at any time during the year if it believes that such a change would be in the Company's and its stockholders' best interest.

Our Board of Directors unanimously recommends that you vote "FOR" the ratification of the appointment of BDO USA, LLP as independent registered public accounting firm to audit our financial statements and management's assessment of internal controls over financial reporting for our fiscal year ending December 31, 2019.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires our directors, executive officers and any person beneficially owning more than 10% of our common stock to file reports concerning their ownership of our equity securities with the SEC. Based solely on a review of the copies of such forms furnished to us and on written representations that no Form 5 was

required to be filed, we believe that, during the fiscal year ended December 31, 2018, we believe that all of our directors, executive officers and persons who beneficially owned more than 10% of our common stock timely complied with the Section 16(a) filing requirements, except that on August 15, 2018, Mr. Nash filed a Form 4 in connection with his grant of share units under the Company's Director Deferred Share Plan on August 9, 2018.

OTHER MATTERS

Stockholder Proposals

Proposals which our stockholders intend to present at, and wish to have included in our proxy statement for, the 2020 annual meeting of stockholders pursuant to Rule 14a-8 under the Exchange Act must be delivered to our Corporate Secretary at our office located at 53 Forest Avenue, Old Greenwich, Connecticut 06870 by December 10, 2019. In addition, a stockholder who intends to present business, including nominating persons for election as directors, other than pursuant to Rule 14a-8 at the 2020 annual meeting must comply with the requirements set forth in our By-Laws. Among other things, to bring business before an annual meeting, a stockholder must give written notice of such business, complying with our By-Laws, to our Corporate Secretary not less than 45 days and not more than 75 days prior to the first anniversary of the date on which we first mailed proxy materials for the preceding year's annual meeting (subject to certain exceptions if the annual meeting is advanced or delayed a certain number of days). Under our By-Laws, if we do not receive notice of a stockholder proposal submitted otherwise than pursuant to Rule 14a-8 (i.e., proposals stockholders intend to present at the 2020 annual meeting, but do not intend to include in our proxy statement for such meeting) on or after January 24, 2020 and on or prior to February 23, 2020, then the notice will be considered untimely and we will not be required to present the proposal at the 2020 annual meeting.

Proxy Solicitation

We will pay all costs that we incur in connection with the solicitation of proxies for the annual meeting, including the costs of preparing, assembling, printing and mailing this proxy statement, the Notice of Annual Meeting of Stockholders, the **WHITE** proxy card and any additional solicitation material furnished to the stockholders. In addition to soliciting proxies by mail, certain of our officers and other employees may solicit proxies personally, by telephone or by electronic communication. Copies of the solicitation materials will be furnished to brokers, banks and other nominees holding shares in their names that are beneficially owned by others so that they may forward this solicitation material to such beneficial owners. Although there is no formal agreement to do so, we may reimburse such brokers, banks and other nominees for their reasonable expenses in communicating with the persons for whom they hold our common stock. We have retained InvestorCom, LLC to aid in the solicitation at an estimated cost of \$25,000 plus reimbursable out-of-pocket expenses. InvestorCom, LLC expects that approximately 25 of its employees will assist in the solicitation. Our aggregate expenses, including legal fees and the fees and expenses of InvestorCom, LLC are expected to be approximately \$110,000, of which \$ 47,500 has been incurred as of the date of this proxy statement.

No Dissenters' Appraisal Rights

Under the Delaware General Corporation Law, the Company's stockholders are not entitled to dissenters' appraisal rights with respect to any of the proposals to be presented at the annual meeting, and the Company will not independently provide stockholders with any such right.

Stockholders Sharing the Same Address

Pursuant to the rules of the SEC, services that deliver our communications to stockholders that hold their shares through a bank, broker or other holder of record may deliver to multiple stockholders sharing the same address a single copy of our 2018 Annual Report to Stockholders for the fiscal year ended December 31, 2018 and proxy statement, unless we have received contrary instructions from one or more of the stockholders. Upon written or oral request, we will promptly deliver a separate copy of the 2018 Annual Report to Stockholders for the fiscal year ended December 31, 2018 and/or proxy statement to any stockholder at a shared address to which a single copy of each document was delivered. Stockholders sharing an address who are currently receiving multiple copies of the 2018 Annual Report to Stockholders for the fiscal year ended December 31, 2018 and/or proxy statement may also request delivery of a single copy upon oral or written request. Stockholders may notify us of their requests by writing to Corporate Secretary, Hudson Global, Inc., 53 Forest Avenue, Old Greenwich, Connecticut 06870 or calling (212) 351-7400.

By Order of the Board of Directors
HUDSON GLOBAL, INC.

/s/ Jeffrey E. Eberwein
Jeffrey E. Eberwein
Chief Executive Officer

Old Greenwich, Connecticut
April 8, 2019

HUDSON GLOBAL, INC.

ANNUAL MEETING OF STOCKHOLDERS – MAY 6, 2019

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned stockholder of Hudson Global, Inc., a Delaware corporation (the “Company”), hereby appoints Jeffrey E. Eberwein and Patrick Lyons, each with full power of substitution, as proxies, to vote all capital stock of the Company that the stockholder would be entitled to vote on all matters that may properly come before the Company’s 2019 Annual Meeting of the Stockholders (the “Annual Meeting”) to be held on May 6, 2019, at 8:00 a.m., local time, at the offices of Vinson & Elkins L.L.P., located at 666 Fifth Avenue, New York, New York 10103, and any adjournments or postponements thereof. The undersigned stockholder hereby revokes any proxy or proxies heretofore given by the undersigned for the Annual Meeting.

This proxy when properly executed and returned will be voted in the manner directed by the undersigned stockholder. If no direction is made, this proxy will be voted in accordance with the recommendations of the Company’s Board of Directors. The proxies are also authorized to vote upon such other matters as may properly come before the Annual Meeting in accordance with their discretion.

PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK AS SHOWN HERE:

The Board recommends a vote FOR the election of all of the listed nominees and FOR Proposals 2, 3 and 4.

1. Election of nominees named below to the Board of Directors of the Company.

“ FOR ALL NOMINEES.

“ WITHHOLD AUTHORITY FOR ALL NOMINEES.

“ FOR ALL EXCEPT

(See instructions below)

Nominees: ; Jeffrey E. Eberwein
; Richard K. Coleman, Jr.
; Ian V. Nash
; Mimi Drake
; Connia Nelson

INSTRUCTIONS: To withhold authority to vote for any individual nominee(s), mark “FOR ALL EXCEPT” and fill in the circle next to each nominee you wish to withhold, as shown here:

To approve the Company’s Rights Agreement by and between the Company and Computershare Trust Company, 2.N.A., a stockholder rights plan designed to preserve the value of the Company’s significant U.S. net operating loss carryforwards and other tax benefits.

FOR “ AGAINST “ ABSTAIN “

To approve an amendment to the Company’s Amended and Restated Certificate of Incorporation to effect (a) a reverse stock split at a ratio not less than 1-for-5 and not greater than 1-for-10, with the exact ratio to be set within that range at the discretion of our Board of Directors, without further approval or authorization of our stockholders and with our Board of Directors able to elect to abandon such proposed amendment and not effect the reverse stock split authorized by stockholders, in its sole discretion, and (b) a reduction of the number of authorized shares of common stock from 100,000,000 shares to 20,000,000 shares.

FOR “ AGAINST “ ABSTAIN “

4. To ratify the appointment of BDO USA, LLP as independent registered public accounting firm to audit the Company's financial statements for the fiscal year ending December 31, 2019.

FOR “ AGAINST “ ABSTAIN “

This proxy may be revoked prior to the time it is voted by delivering to the Corporate Secretary of the Company either a written revocation or a proxy bearing a later date, or by appearing at the Annual Meeting and voting in person.

See reverse side for additional instructions

PLEASE ACT PROMPTLY

PLEASE SIGN AND DATE THIS PROXY CARD
AND RETURN IT IN THE ENCLOSED ENVELOPE TODAY

To change the address on your account, please check the box at right and indicate your new address in the address space above. Please note that changes to the registered name(s) on the account may not be submitted via this method. "

DATE: _____
(Signature of Stockholder)

DATE: _____
(Signature of Stockholder)

Please sign exactly as your name or names appear on this proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.

ANNEX A

Rights Agreement

A-1

Rights Agreement

Dated as of October 15, 2018

By and Between

Hudson Global, Inc.

and

Computershare Trust Company, N.A.,

as Rights Agent

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RIGHTS AGREEMENT

This Rights Agreement, dated as of October 15, 2018 (this “**Agreement**”), is made and entered into by and between Hudson Global, Inc., a Delaware corporation (the “**Company**”), and Computershare Trust Company, N.A., as Rights Agent (the “**Rights Agent**”).

RECITALS:

WHEREAS, (i) the Company has generated Tax Benefits (as hereinafter defined) for United States federal income tax purposes; (ii) the Company desires to avoid an “ownership change” within the meaning of Section 382 of the Internal Revenue Code of 1986, as amended (the “**Code**”), and related Treasury Regulations (as hereinafter defined) in order to preserve the ability to fully utilize such Tax Benefits; and (iii) in furtherance of such objective, the Company desires to enter into this Agreement; and

WHEREAS, on October 15, 2018, the Board of Directors of the Company (the “**Board**”) authorized and declared a dividend distribution of one right (a “**Right**”) in respect of each of the Company’s Common Shares (as hereinafter defined) outstanding as of the Close of Business (as hereinafter defined) on October 25, 2018 (the “**Record Date**”), each Right initially representing the right to purchase one one-hundredth of a Preferred Share (as hereinafter defined), on the terms and subject to the conditions herein set forth, and further authorized and directed the issuance of one Right (subject to adjustment as provided herein) with respect to each Common Share issued or delivered by the Company (whether originally issued or delivered from the Company’s treasury) after the Record Date but prior to the earlier of the Distribution Date (as hereinafter defined) and the Expiration Date (as hereinafter defined) or as provided in Section 22.

NOW, THEREFORE, in consideration of the mutual agreements herein set forth, the parties hereto hereby agree as follows:

1. Certain Definitions. For purposes of this Agreement, the following terms have the meanings indicated:

(a) “**Acquiring Person**” means any Person (other than the Company, any Related Person or any Exempt Person) who or which, together with all Affiliates and Associates of such Person, is or becomes the Beneficial Owner of 4.99% or more of the then-outstanding Common Shares; provided, however, that (i) any Person who would otherwise constitute an Acquiring Person as of 4:00 p.m., New York City time, on the date of this Agreement (the

“*Effective Time*”), will not be deemed to be an Acquiring Person for any purpose of this Agreement unless and until such time as (A) such Person or any Affiliate or Associate of such Person thereafter becomes the Beneficial Owner of any additional Common Shares, other than (1) pursuant to any agreement or regular-way purchase order for Common Shares that is in effect on or prior to the Effective Time and consummated in accordance with its terms after the Effective Time or (2) as a result of a stock dividend, rights dividend, stock split or similar transaction effected by the Company in which all holders of Common Shares are treated equally, or (B) any other Person who is the Beneficial Owner of Common Shares becomes an Affiliate or Associate of such Person, provided that the exclusion in this clause (i) shall cease to apply with respect to any Person at such time as such Person, together with all Affiliates and Associates of such Person, ceases to Beneficially Own 4.99% or more of the then-outstanding Common Shares, (ii) a Person will not be deemed to have become an Acquiring Person solely as a result of a reduction in the number of Common Shares outstanding unless and until such time as (A) such Person or any Affiliate or Associate of such Person thereafter becomes the Beneficial Owner of any additional Common Shares, other than as a result of a stock dividend, rights dividend, stock split or similar transaction effected by the Company in which all holders of Common Shares are treated equally, or (B) any other Person who is the Beneficial Owner of Common Shares thereafter becomes an Affiliate or Associate of such Person, and in either such case, such Person, together with all Affiliates and Associates of such Person, shall thereafter be the Beneficial Owner of 4.99% or more of the outstanding Common Shares and (iii) a Person will not be deemed to have become an Acquiring Person solely as a result of an Exempt Transaction unless and until such time as (A) such Person or any Affiliate or Associate of such Person thereafter becomes the Beneficial Owner of any additional Common Shares, other than as a result of a stock dividend, rights dividend, stock split or similar transaction effected by the Company in which all holders of Common Shares are treated equally, or (B) any other Person who is the Beneficial Owner of Common Shares thereafter becomes an Affiliate or Associate of such Person, and in either such case, such Person, together with all Affiliates and Associates of such Person, shall thereafter be the Beneficial Owner of 4.99% or more of the outstanding Common Shares. Notwithstanding the foregoing, if (1) the Board determines in good faith that a Person who would otherwise be an “Acquiring Person” as defined pursuant to the foregoing provisions of this Section 1(a), has become such inadvertently and (2) such Person has divested, divests as promptly as practicable or agrees in writing with the Company to divest, a sufficient number of Common Shares so that such Person is not or would no longer be an “Acquiring Person” as defined pursuant to the foregoing provisions of this Section 1(a), then such Person shall not be deemed to be an “Acquiring Person” for any purposes of this Agreement.

(b) “*Affiliate*” and “*Associate*” mean, with respect to any Person, any other Person (other than a Related Person or an Exempt Person) whose Common Shares would be deemed constructively owned by such first Person, owned by a single “entity” as defined in Section 1.382-3(a)(1) of the Treasury Regulations, or otherwise aggregated with Common Shares owned by such first Person pursuant to the provisions of the Code or the Treasury Regulations, provided, however, that a Person will not be deemed to be the Affiliate or Associate of another Person solely because either or both Persons are or were directors of the Company.

(c) “*Agreement*” has the meaning set forth in the Preamble to this Agreement.

(d) A Person will be deemed the “*Beneficial Owner*” of, and to “*Beneficially Own*,” any securities:

(i) which such Person actually owns, directly or indirectly, or would be deemed to actually or constructively own pursuant to Section 382 of the Code and the Treasury Regulations promulgated thereunder (including any coordinated acquisition of securities by any Persons who have a formal or an informal understanding with respect to such acquisition (to the extent that ownership of such securities would be attributed to such Persons under Section 382 of the Code and the Treasury Regulations promulgated thereunder));

(ii) which such Person or any of such Person's Affiliates or Associates beneficially owns, directly or indirectly, within the meaning of Rules 13d-3 or 13d-5 promulgated under the Exchange Act, as in effect on the date of this Agreement;

(iii) which such Person or any of such Person's Affiliates or Associates has (A) the right or ability to vote, cause to be voted or control or direct the voting of pursuant to any agreement, arrangement or understanding, whether or not in writing; provided, however, that a Person shall not be deemed the Beneficial Owner of, or to Beneficially Own, any security if the agreement, arrangement or understanding to vote such security (1) arises solely from a revocable proxy or consent given to such Person in response to a public proxy or consent solicitation made pursuant to, and in accordance with, the applicable rules and regulations promulgated under the Exchange Act and (2) is not also then reportable on a statement on Schedule 13D under the Exchange Act (or any comparable or successor report) or (B) the right or the obligation to become the Beneficial Owner (whether such right is exercisable or such obligation is required to be performed immediately or only after the passage of time, the occurrence of conditions or the satisfaction of regulatory requirements) pursuant to any agreement, arrangement or understanding, whether or not in writing (other than customary agreements with and between underwriters and selling group members with respect to a bona fide public offering of securities), written or otherwise, or upon the exercise of conversion rights, exchange rights, rights (other than the Rights), warrants or options, or otherwise, through conversion of a security, pursuant to the power to revoke a trust, discretionary account or similar arrangement, pursuant to the power to terminate a repurchase or similar so-called "stock-borrowing" agreement or arrangement, or pursuant to the automatic termination of a trust, discretionary account or similar arrangement; provided, however, that a Person shall not be deemed to be the Beneficial Owner of, or to Beneficially Own, securities tendered pursuant to a tender or an exchange offer made pursuant to, and in accordance with, the applicable rules and regulations promulgated under the Exchange Act until such tendered securities are accepted for purchase or exchange;

(iv) which are Beneficially Owned (within the meaning of the preceding subsections of this Section 1(d)), directly or indirectly, by any other Person with which such Person or any of such Person's Affiliates or Associates has any agreement, arrangement or understanding, whether or not in writing, for the purpose of acquiring, holding, voting or disposing of any securities of the Company; or

(v) which are the subject of, or the reference securities for, or that underlie, any Derivative Position of such Person or any of such Person's Affiliates or Associates, with the number of Common Shares deemed Beneficially Owned in respect of a Derivative Position being the notional or other number of Common Shares in respect of such Derivative Position that is specified in (A) one or more filings with the SEC by such Person or any of such Person's Affiliates or Associates or (B) the documentation evidencing such Derivative Position as the basis upon which the value or settlement amount of such Derivative Position, or the opportunity of the holder of such Derivative Position to profit or share in any profit, is to be calculated in whole or in part (whichever of (A) or (B) is greater), or if no such number of Common Shares is specified in such filings or documentation (or such documentation is not available to the Board), as determined by the Board in its reasonable discretion.

(e) ***“Board”*** has the meaning set forth in the Recitals to this Agreement.

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(f) “**Business Day**” means any day other than a Saturday, Sunday or a day on which banking institutions in the State of New York or New Jersey are authorized or obligated by law or executive order to close.

(g) “**Close of Business**” on any given date means 5:00 p.m., New York City time, on such date; provided, however, that if such date is not a Business Day, it means 5:00 p.m., New York City time, on the next succeeding Business Day.

(h) “**Code**” has the meaning set forth in the Recitals to this Agreement.

(i) “**Common Shares**”, when used with reference to the Company, means the shares of common stock, par value \$0.001 per share, of the Company; provided, however, that if the Company is the continuing or surviving corporation in a transaction described in Section 13(a)(ii), “Common Shares”, when used with reference to the Company, means shares of the capital stock or units of the equity interests with the greatest aggregate voting power of the Company. “Common Shares”, when used with reference to any corporation or other legal entity other than the Company, including an Issuer, means shares of the capital stock or units of the equity interests with the greatest aggregate voting power of such corporation or other legal entity.

(j) “**Company**” has the meaning set forth in the Preamble to this Agreement.

(k) “**current market price**” has the meaning set forth in Section 11(d)(i).

(l) “**Derivative Position**” means any option, warrant, convertible security, stock appreciation right, or other security, contract right or derivative position or similar right (including any “swap” transaction with respect to any security, other than a broad based market basket or index), whether or not presently exercisable, that has an exercise or a conversion privilege or a settlement payment or mechanism at a price related to the value of the Common Shares or a value determined in whole or in part with reference to, or derived in whole or in part from, the value of the Common Shares and that increases in value as the market price or value of the Common Shares increases or that provides an opportunity, directly or indirectly, to profit or share in any profit derived from any increase in the value of the Common Shares, in each case regardless of whether (i) it conveys any voting rights in such Common Shares to any Person, (ii) it is required to be, or capable of being, settled through delivery of Common Shares or (iii) any Person (including the holder of such Derivative Position) may have entered into other transactions that hedge its economic effect.

(m) ***“Distribution Date”*** means the earlier of: (i) the Close of Business on the tenth calendar day following the Share Acquisition Date (or, if the tenth calendar day following the Share Acquisition Date occurs before the Record Date, the Close of Business on the Record Date), or (ii) the Close of Business on the tenth Business Day (or, unless the Distribution Date shall have previously occurred, such later date as may be specified by the Board) after the commencement of a tender or an exchange offer by any Person (other than the Company, any Related Person or any Exempt Person), if upon the consummation thereof such Person would be the Beneficial Owner of 4.99% or more of the then-outstanding Common Shares.

- (n) “*equivalent common shares*” has the meaning set forth in Section 11(a)(iii).
- (o) “*equivalent preferred shares*” has the meaning set forth in Section 11(a)(iii).
- (p) “*Effective Time*” has the meaning set forth in Section 1(a).
- (q) “*Exchange Act*” means the Securities Exchange Act of 1934, as amended.
- (r) “*Exchange Ratio*” has the meaning set forth in Section 24(a).
- (s) “*Exemption Request*” has the meaning set forth in Section 34(a).
- (t) “*Exempt Person*” means a Person whose Beneficial Ownership (together with all Affiliates and Associates of such Person) of 4.99% or more of the then-outstanding Common Shares will not, as determined by the Board in its sole discretion, jeopardize or endanger the availability to the Company of any income tax benefit, provided, however, that such a Person will cease to be an Exempt Person if the Board makes a contrary determination in its sole discretion with respect to the effect of such Person’s Beneficial Ownership (together with all Affiliates and Associates of such Person), regardless of the reason for such contrary determination.
- (u) “*Exempt Transaction*” means any transaction that the Board determines, in its sole discretion, is exempt for purposes of this Agreement.
- (v) “*Exercise Value*” has the meaning set forth in Section 11(a)(iii).
- (w) “*Expiration Date*” means the earliest of (i) the Close of Business on October 15, 2021, which is the third anniversary of the date on which the Board authorized and declared a dividend distribution of the Rights, or such earlier date as of which the Board determines that this Agreement is no longer necessary for the preservation of Tax Benefits, (ii) the time at which the Rights are redeemed as provided in Section 23, (iii) the time at which all exercisable Rights are exchanged as provided in Section 24, (iv) the Close of Business on the effective date of the

repeal of Section 382 of the Code or any successor or replacement provision if the Board determines that this Agreement is no longer necessary for the preservation of Tax Benefits, (v) the Close of Business on the first day of a taxable year of the Company to which the Board determines that no Tax Benefits may be carried forward, and (vi) the Close of Business on the first Business Day following the certification of the voting results of the Company's 2019 annual meeting of stockholders, if Stockholder Approval has not been obtained prior to such date.

(x) ***“Flip-in Event”*** means the event described in Section 11(a)(ii).

(y) ***“Flip-over Event”*** means any event described in clauses (i), (ii) or (iii) of Section 13(a).

(z) ***“Issuer”*** has the meaning set forth in Section 13(b).

- (aa) **“Person”** means any individual, firm, corporation, partnership, limited liability company, limited partnership, trust or other entity, including any group thereof making a “coordinated acquisition” of shares or otherwise treated as an “entity” within the meaning of Section 1.382-3(a)(1) of the Treasury Regulations, and includes any successor (by merger or otherwise) of such entity, but will not include a Public Group (as such term is defined in Section 1.382.2T(f)(13) of the Treasury Regulations).
- (bb) **“Preferred Shares”** means shares of Series B Junior Participating Preferred Stock, par value \$0.001 per share, of the Company having substantially the rights and preferences set forth in the form of Certificate of Designation of Series B Junior Participating Preferred Stock attached as Exhibit A.
- (cc) **“Purchase Price”** means initially \$3.50 per one one-hundredth of a Preferred Share, subject to adjustment from time to time as provided in this Agreement.
- (dd) **“Record Date”** has the meaning set forth in the Recitals to this Agreement.
- (ee) **“Redemption Price”** means \$0.001 per Right, subject to adjustment by resolution of the Board to reflect any stock split, stock dividend or similar transaction occurring after the Record Date.
- (ff) **“Related Person”** means (i) any Subsidiary of the Company or (ii) any employee benefit or stock ownership plan of the Company or of any Subsidiary of the Company or any entity holding Common Shares for or pursuant to the terms of any such plan.
- (gg) **“Requesting Person”** has the meaning set forth in Section 34(a).
- (hh) **“Right”** has the meaning set forth in the Recitals to this Agreement.
- (ii) **“Right Certificates”** means certificates evidencing the Rights, in substantially the form attached as Exhibit B.

(jj) **“Rights Agent”** means Computershare Trust Company, N.A., unless and until a successor Rights Agent has become such pursuant to the terms of this Agreement, and thereafter, “Rights Agent” means such successor Rights Agent.

(kk) **“Securities Act”** means the Securities Act of 1933, as amended.

(ll) **“SEC”** means the U.S. Securities and Exchange Commission.

(mm) **“Share Acquisition Date”** means the first date of public announcement by the Company or an Acquiring Person (by press release, filing made with the SEC or otherwise) that an Acquiring Person has become such or that discloses information that reveals the existence of an Acquiring Person.

(nn) **“Stockholder Approval”** means the approval of this Agreement by the affirmative vote of the holders of a majority of the voting power of the outstanding Common Shares of the Company entitled to vote (excluding the vote of any Acquiring Person) that are present in person or represented by proxy and actually voted on the proposal to approve this Agreement, at a duly called meeting of stockholders of the Company (or any adjournment or postponement thereof) at which a quorum is present.

(oo) “**Subsidiary**”, when used with reference to any Person, means any corporation or other legal entity of which a majority of the voting power of the voting equity securities or equity interests is owned, directly or indirectly, by such Person; provided, however, that for purposes of Section 13(b), “Subsidiary”, when used with reference to any Person, means any corporation or other legal entity of which at least 20% of the voting power of the voting equity securities or equity interests is owned, directly or indirectly, by such Person.

(pp) “**Summary of Rights**” has the meaning set forth in Section 3(a).

(qq) “**Tax Benefits**” means the net operating loss carryovers, capital loss carryovers, general business credit carryovers, alternative minimum tax credit carryovers and foreign tax credit carryovers, as well as any “net unrealized built-in loss” within the meaning of Section 382 of the Code or any successor or replacement provision, of the Company or any direct or indirect subsidiary thereof.

(rr) “**Trading Day**” means any day on which the principal national securities exchange or quotation system on which the Common Shares are listed or admitted to trading is open for the transaction of business or, if the Common Shares are not listed or admitted to trading on any national securities exchange or quotation system, a Business Day.

(ss) “**Treasury Regulations**” means final, temporary and proposed income tax regulations promulgated under the Code, including any amendments thereto.

(tt) “**Triggering Event**” means any Flip-in Event or Flip-over Event.

(uu) “**Trust**” has the meaning set forth in Section 24(a).

(vv) “**Trust Agreement**” has the meaning set forth in Section 24(a).

2. Appointment of Rights Agent. The Company hereby appoints the Rights Agent to act as rights agent for the Company in accordance with the express terms and conditions of this Agreement (and no implied terms and conditions), and the Rights Agent hereby accepts such appointment. The Company may from time to time appoint co-rights agents as it may deem necessary or desirable, upon 10 days’ prior written notice to the Rights Agent, setting forth the respective duties of the Rights Agent and any co-rights agent. In the event that the Company appoints one or

more co-rights agents, the respective duties of the Rights Agent and any co-rights agent(s) shall be as the Company shall determine and the Company shall provide written notice thereof to the Rights Agent. The Rights Agent shall have no duty to supervise, and shall in no event be liable for, the acts or omissions of any such co-rights agent.

3. Issue of Right Certificates. (a) Until the Distribution Date, (i) the Rights will be evidenced by the certificates representing Common Shares registered in the names of the record holders thereof or, in the case of uncertificated Common Shares registered in book entry form, by notation in accounts reflecting the ownership of such Common Shares (which certificates and uncertificated Common Shares, as applicable, will also be deemed to be Right Certificates), (ii) the Rights will be transferable only in connection with the transfer of the underlying Common Shares, and (iii) the transfer of any Common Shares in respect of which Rights have been issued will also constitute the transfer of the Rights associated with such Common Shares. On the Record Date, or as soon as practicable thereafter, the Company will send a copy of the Summary of Rights to Purchase Preferred Stock in substantially the form attached as Exhibit C (the “*Summary of Rights*”), by first-class mail, postage-prepaid, to each record holder of Common Shares as of the Close of Business on the Record Date (other than any Acquiring Person or any Associate or Affiliate of any Acquiring Person), at the address of such holder shown on the records of the Company. With respect to certificates for Common Shares outstanding as of the Record Date, until the Distribution Date, the Rights will be evidenced by such certificates registered in the names of the holders thereof, together with the Summary of Rights.

(b) Rights will be issued by the Company in respect of all Common Shares (other than Common Shares issued upon the exercise or exchange of any Right) issued or delivered by the Company (whether originally issued or delivered from the Company's treasury) after the Record Date but prior to the earlier of the Distribution Date and the Expiration Date. Certificates evidencing such Common Shares will have stamped on, impressed on, printed on, written on, or otherwise affixed to them the following legend, or such similar legend in substantially the form as follows, as the Company may deem appropriate and as is not inconsistent with the provisions of this Agreement, or as may be required to comply with any applicable law or with any rule or regulation made pursuant thereto or with any rule or regulation of any stock exchange or quotation system on which the Common Shares may from time to time be listed or quoted, or to conform to usage:

This Certificate also evidences and entitles the holder hereof to certain Rights as set forth in a Rights Agreement between Hudson Global, Inc. and Computershare Trust Company, N.A. (or any successor Rights Agent), as Rights Agent, dated as of October 15, 2018 (as it may be amended or supplemented from time to time, the "**Rights Agreement**"), the terms of which are hereby incorporated herein by reference and a copy of which is on file at the principal executive offices of Hudson Global, Inc. The Rights are not exercisable prior to the occurrence of certain events as specified in the Rights Agreement. Under certain circumstances, as set forth in the Rights Agreement, such Rights may be redeemed, may be exchanged, may expire, may be amended, or may be evidenced by separate certificates and no longer be evidenced by this Certificate. Hudson Global, Inc. will mail to the holder of this Certificate a copy of the Rights Agreement, as in effect on the date of mailing, without charge, promptly after its receipt of a written request therefor. Under certain circumstances as set forth in the Rights Agreement, Rights that are or were Beneficially Owned by an Acquiring Person or any Affiliate or Associate of an Acquiring Person (as such terms are defined in the Rights Agreement) may become null and void.

With respect to any uncertificated Common Shares, a legend in substantially similar form will be included in a notice to the record holder of such shares in accordance with applicable law. Notwithstanding the provisions of this Section, neither the omission of a legend nor the failure to deliver the notice of such legend required hereby shall affect the enforceability of any part of this Agreement or the rights of any holder of Rights.

(c) Any Right Certificate issued pursuant to this Section 3 that represents Rights Beneficially Owned by an Acquiring Person or any Associate or Affiliate thereof and any Right Certificate issued at any time upon the transfer of any Rights to an Acquiring Person or any Associate or Affiliate thereof or to any nominee of such Acquiring Person, Associate or Affiliate and any Right Certificate issued pursuant to Section 6 or 11 hereof upon the transfer, exchange, replacement or adjustment of any other Right Certificate referred to in this sentence, shall be subject to and contain the following legend, or such similar legend in substantially the form as follows, as the Company may deem appropriate and as is not inconsistent with the provisions of this Agreement, or as may be required to comply with any applicable law or with any rule or regulation made pursuant thereto or with any rule or regulation of any stock exchange on which the Rights may from time to time be listed, or to conform to usage:

The Rights represented by this Right Certificate are or were Beneficially Owned by a Person who was an Acquiring Person or an Affiliate or an Associate of an Acquiring Person (as such terms are defined in the Rights Agreement). This Right Certificate and the Rights represented hereby may become null and void in the circumstances specified in Section 11(a)(ii) or Section 13 of the Rights Agreement.

(d) As promptly as practicable after the Company has notified the Rights Agent of the occurrence of the Distribution Date as set forth herein, the Company will prepare and execute, the Rights Agent will countersign and the Company will send or cause to be sent (or, the Rights Agent will, if requested in writing to do so by the Company and provided with all necessary and relevant information and documentation, in form and substance reasonably satisfactory to the Rights Agent, send), by first-class, insured, postage prepaid mail, to each record holder of Common Shares as of the Close of Business on the Distribution Date, at the address of such holder shown on the records of the Company or the transfer agent or registrar for such Common Shares, a Right Certificate evidencing one Right for each Common Share so held, subject to adjustment as provided herein. As of, and after, the Distribution Date, the Rights will be evidenced solely by such Right Certificates. The Company shall promptly notify the Rights Agent in writing upon the occurrence of the Distribution Date and, if such notification is given orally, the Company shall confirm the same in writing within two Business Days.

(e) In the event that the Company purchases or otherwise acquires any Common Shares after the Record Date but prior to the Distribution Date, any Rights associated with such Common Shares will be deemed canceled and retired so that the Company will not be entitled to exercise any Rights associated with the Common Shares so purchased or acquired.

4. Form of Right Certificates. The Right Certificates (and the form of election to purchase and the form of assignment to be printed on the reverse thereof) will be substantially in the form attached as Exhibit B with such changes and marks of identification or designation, and such legends, summaries or endorsements printed thereon, as the Company may deem appropriate (but which will not affect the rights, duties, liabilities, protections or responsibilities of the Rights Agent hereunder) and as are not inconsistent with the provisions of this Agreement, or as may be required to comply with any applicable law or with any rule or regulation made pursuant thereto or with any rule or regulation of any stock exchange or quotation system on which the Rights may from time to time be listed or

quoted, or to conform to usage. Subject to the provisions of Section 22, the Right Certificates, whenever issued, on their face will entitle the holders thereof to purchase such number of one one-hundredths of a Preferred Share as is set forth therein at the Purchase Price set forth therein, but the Purchase Price, the number and kind of securities issuable upon the exercise of each Right and the number of Rights outstanding will be subject to adjustment as provided herein.

5. Countersignature and Registration. (a) The Right Certificates will be executed on behalf of the Company by its Chief Executive Officer, its President or any Vice President, either manually or by facsimile signature, and will have affixed thereto the Company's seal or a facsimile thereof, which will be attested to by the Secretary or an Assistant Secretary of the Company, either manually or by facsimile signature. The Right Certificates will be countersigned by an authorized signatory of the Rights Agent, either manually or by facsimile signature, and will not be valid for any purpose unless so countersigned. In case any officer of the Company who signed any of the Right Certificates ceases to be such an officer of the Company before countersignature by the Rights Agent and issuance and delivery by the Company, such Right Certificates, nevertheless, may be countersigned by the Rights Agent, and issued and delivered by the Company with the same force and effect as though the person who signed such Right Certificates had not ceased to be such an officer of the Company; and any Right Certificate may be signed on behalf of the Company by any person who, at the actual date of the execution of such Right Certificate, is a proper officer of the Company to sign such Right Certificate, although at the date of the execution of this Agreement any such person was not such an officer. In case any authorized signatory of the Rights Agent who has countersigned any Right Certificate ceases to be an authorized signatory of the Rights Agent before issuance and delivery by the Company, such Right Certificate, nevertheless, may be issued and delivered by the Company with the same force and effect as though the person who countersigned such Right Certificate had not ceased to be an authorized signatory of the Rights Agent; and any Right Certificate may be countersigned on behalf of the Rights Agent by any person who, at the actual date of the countersignature of such Right Certificate, is properly authorized to countersign such Right Certificate, although at the date of the execution of this Rights Agreement any such person was not so authorized.

(b) Following the Distribution Date, upon receipt by the Rights Agent of notice to that effect and all other relevant information and documentation as referred to in Section 3(d), the Rights Agent will keep or cause to be kept, at the office of the Rights Agent designated for such purpose and at such other offices as may be required to comply with any applicable law or with any rule or regulation made pursuant thereto or with any rule or regulation of any stock exchange or any quotation system on which the Rights may from time to time be listed or quoted, books for registration and transfer of the Right Certificates issued hereunder. Such books will show the names and addresses of the respective holders of the Right Certificates, the number of Rights evidenced on its face by each of the Right Certificates and the date of each of the Right Certificates.

6. Transfer, Split Up, Combination and Exchange of Right Certificates; Mutilated, Destroyed, Lost or Stolen Right Certificates. (a) Subject to the provisions of Sections 7(d) and 14, at any time after the Close of Business on the Distribution Date and prior to the Expiration Date, any Right Certificate or Right Certificates representing exercisable Rights may be transferred, split up, combined or exchanged for another Right Certificate or Right Certificates, entitling the registered holder to purchase a like number of one one-hundredths of a Preferred Share (or other securities, as the case may be) as the Right Certificate or Right Certificates surrendered then entitled such holder (or former holder in the case of a transfer) to purchase. Any registered holder desiring to transfer, split up, combine or exchange any such Right Certificate or Right Certificates must make such request in a writing delivered to the Rights Agent and must surrender the Right Certificate or Right Certificates to be transferred, split up, combined or exchanged at the office or offices of the Rights Agent designated for such purpose, along with a signature guarantee (if required) and such other and further documentation as the Company or the Rights Agent may reasonably request. Neither the Rights Agent nor the Company shall be obligated to take any action whatsoever with respect to the transfer of any such surrendered Right Certificate until the registered holder has properly completed and duly signed the certificate contained in the form of assignment on the reverse side of such Right Certificate and has provided such additional

evidence, as the Company or the Rights Agent may reasonably request, of the identity of the Beneficial Owner (or former Beneficial Owner), any Affiliates or Associates of such Beneficial Owner, or of any other Person with which such Beneficial Owner or any of such Beneficial Owner's Affiliates or Associates has any agreement, arrangement or understanding (whether or not in writing) for the purpose of acquiring, holding, voting or disposing of securities of the Company. Thereupon or as promptly as practicable thereafter, subject to the provisions of Sections 7(d) and 14, the Company will prepare, execute and deliver to the Rights Agent, and the Rights Agent will countersign and deliver to the Person entitled thereto, a Right Certificate or Right Certificates, as the case may be, as so requested. Pursuant to this Agreement, the Company or the Rights Agent may require payment of a sum sufficient to cover any tax or governmental charge that may be imposed in connection with any transfer, split up, combination or exchange of Right Certificates. The Rights Agent will not have any duty or obligation to take any action pursuant to any Section of this Agreement that requires the payment of such taxes and/or charges unless and until it is satisfied that all such taxes and/or charges have been paid, and the Rights Agent shall promptly forward any such sum collected by it to the Company or to such Persons as the Company may specify by written notice.

(b) Upon receipt by the Company and the Rights Agent of evidence reasonably satisfactory to them of the loss, theft, destruction or mutilation of a Right Certificate and, in case of loss, theft or destruction, of indemnity or security satisfactory to them, along with such other and further documentation as the Company or the Rights Agent may reasonably request, and, if requested by the Company, reimbursement to the Company and the Rights Agent of all reasonable expenses incidental thereto, and upon surrender to the Rights Agent and cancellation of the Right Certificate if mutilated, the Company will prepare, execute and deliver a new Right Certificate of like tenor to the Rights Agent and the Rights Agent will countersign and deliver such new Right Certificate to the registered holder in lieu of the Right Certificate so lost, stolen, destroyed or mutilated.

7. Exercise of Rights; Purchase Price; Expiration Date of Rights. (a) The registered holder of any Right Certificate may exercise the Rights evidenced thereby (except as otherwise provided herein), in whole or in part, at any time after the Distribution Date and prior to the Expiration Date, upon the surrender of the Right Certificate, with the form of election to purchase and the certificate on the reverse side thereof properly completed and duly executed (with such signature duly guaranteed, if required), to the Rights Agent at the office or offices of the Rights Agent designated for such purpose, together with payment in cash, in lawful money of the United States of America, by certified check or bank draft payable to the order of the Company, equal to the sum of (i) the exercise price for the total number of securities as to which such surrendered Rights are exercised and (ii) an amount equal to any applicable tax and/or charge required to be paid by the holder of such Right Certificate in accordance with the provisions of Section 9(d). Except for those provisions herein that expressly survive the termination of this Agreement, this Agreement shall terminate upon the earlier to occur of (x) the Expiration Date and (y) such time as all outstanding Rights have been exercised, redeemed or exchanged pursuant to the terms of this Agreement.

(b) Except as otherwise provided herein, upon receipt of a Right Certificate representing exercisable Rights, with the form of election to purchase properly completed and duly executed, accompanied by payment as described above, the Rights Agent will promptly (i) requisition from any transfer agent of the Preferred Shares (or make available, if the Rights Agent is the transfer agent) certificates representing the number of one one-hundredths of a Preferred Share to be purchased or, in the case of uncertificated shares or other securities, requisition from any transfer agent therefor a notice setting forth such number of shares or other securities to be purchased for which registration will be made on the stock transfer books of the Company (and the Company hereby irrevocably authorizes and directs its transfer agent to comply with all such requests), or, if the Company elects to deposit Preferred Shares issuable upon the exercise of the Rights hereunder with a depository agent, requisition from the depository agent depository receipts representing such number of one one-hundredths of a Preferred Share as are to be purchased (and the Company hereby irrevocably authorizes and directs such depository agent to comply with all such requests), (ii) after receipt of such certificates (or notices or depository receipts, as the case may be), cause the same to be delivered to or upon the order of the registered holder of such Right Certificate, registered in such name or names as may be designated by such holder, (iii) when necessary to comply with this Agreement, requisition from the Company or any transfer agent therefor (or make available, if the Rights Agent is the transfer agent) certificates representing the number of equivalent common shares (or, in the case of uncertificated shares, a notice of the number of equivalent common shares for which registration will be made on the stock transfer books of the Company) to be issued in lieu of the issuance of Common Shares in accordance with the provisions of Section 11(a)(iii), (iv) when necessary to comply with this Agreement, after receipt of such certificates or notices, cause the same to be delivered to or upon the order of the registered holder of such Right Certificate, registered in such name or names as may be designated by such holder, (v) when necessary to comply with this Agreement, requisition from the Company the amount of cash to be paid in lieu of the issuance of fractional shares in accordance with the provisions of Section 14 or in lieu of the issuance of Common Shares in accordance with the provisions of Section 11(a)(iii), (vi) when necessary to comply with this Agreement, after receipt, deliver such cash to or upon the order of the registered holder of such Right Certificate, and (vii) when necessary to comply with this Agreement, deliver any due bill or other instrument provided to the Rights Agent by the Company for delivery to the registered holder of such Right Certificate as provided in Section 11(l).

(c) Except as otherwise provided herein, in case the registered holder of any Right Certificate properly exercises less than all of the Rights evidenced thereby, the Company will prepare, execute and deliver a new Right Certificate evidencing the Rights remaining unexercised and the Rights Agent will countersign and deliver such new Right Certificate to the registered holder of such Right Certificate or to his, hers or its duly authorized assigns, subject to the provisions of Section 14.

(d) Notwithstanding anything in this Agreement to the contrary, neither the Rights Agent nor the Company will be obligated to undertake any action with respect to any purported transfer, split up, combination or exchange of any Right Certificate pursuant to Section 6 or exercise of a Right Certificate as set forth in this Section 7 unless the registered holder of such Right Certificate has (i) properly completed and duly executed the certificate following the form of assignment or the form of election to purchase, as applicable, set forth on the reverse side of the Right Certificate surrendered for such transfer, split up, combination, exchange or exercise and (ii) provided such additional evidence of the identity of the Beneficial Owner (or former Beneficial Owner) or Affiliates or Associates thereof as the Company or the Rights Agent may reasonably request.

8. Cancellation and Destruction of Right Certificates. All Right Certificates surrendered for the purpose of exercise, transfer, split up, combination or exchange will, if surrendered to the Company or to any of its stock transfer agents, be delivered to the Rights Agent for cancellation or in canceled form, or, if surrendered to the Rights Agent, will be canceled by it, and no Right Certificates will be issued in lieu thereof except as expressly permitted by the provisions of this Agreement. The Company will deliver to the Rights Agent for cancellation and retirement, and the Rights Agent will so cancel and retire, any other Right Certificate purchased or acquired by the Company otherwise than upon the exercise thereof. The Rights Agent will deliver all canceled Right Certificates to the Company, or will, at the written request of the Company, destroy such canceled Right Certificates, and in such case will deliver a certificate of destruction thereof to the Company.

9. Company Covenants Concerning Securities and Rights. The Company covenants and agrees that:

(a) It will cause to be reserved and kept available out of its authorized and unissued Preferred Shares or any Preferred Shares held in its treasury, a number of Preferred Shares that will be sufficient to permit the exercise pursuant to Section 7 of all outstanding Rights.

(b) So long as the Preferred Shares (and, following the occurrence of a Triggering Event, Common Shares and/or other securities) issuable upon the exercise of the Rights may be listed on a national securities exchange or quoted on a quotation system, it will endeavor to cause, from and after such time as the Rights become exercisable, all securities reserved for issuance upon the exercise of Rights to be listed on such exchange or quoted on such system, upon official notice of issuance upon such exercise.

(c) It will take all such action as may be necessary to ensure that all Preferred Shares (and, following the occurrence of a Triggering Event, Common Shares and/or other securities) delivered (or evidenced by registration on the stock transfer books of the Company) upon the exercise of Rights, at the time of delivery of the certificates for (or registration of) such securities, will be (subject to payment of the Purchase Price) duly authorized, validly issued, fully paid and non-assessable securities.

(d) It will pay when due and payable any and all transfer taxes and/or charges that may be payable in respect of the issuance or delivery of the Right Certificates and of any certificates representing securities issued upon the exercise of Rights (or, if such securities are uncertificated, the registration of such securities on the stock transfer books of the Company); provided, however, that the Company will not be required to pay any transfer tax or charge which may be payable in respect of any transfer or delivery of Right Certificates to a person other than, or the issuance or delivery of certificates or depositary receipts representing (or the registration of) securities issued upon the exercise of Rights in a name other than that of, the registered holder of the Right Certificate evidencing Rights surrendered for exercise, or to issue or deliver any certificates, depositary receipts or notices representing securities issued upon the exercise of any Rights until any such tax or charge has been paid (any such tax or charge being payable by the holder of such Right Certificate at the time of surrender) or until it has been established to the Company's and the Rights Agent's reasonable satisfaction that no such tax or charge is due.

(e) It will use its best efforts (i) to file on an appropriate form, as soon as practicable following the later of the Share Acquisition Date and the Distribution Date, a registration statement under the Securities Act with respect to the securities issuable upon exercise of the Rights, (ii) to cause such registration statement to become effective as soon as practicable after such filing, and (iii) to cause such registration statement to remain effective (with a prospectus at all times meeting the requirements of the Securities Act) until the earlier of (