



July 30, 2020

VIA EMAIL (WARNnotices@deo.myflorida.com)

Attn: Steven Gustafson, State Trade and Rapid Response Coordinator

REACT Program

MSC 229

107 E. Madison Street

Tallahassee, Florida 32399-4137

VIA EMAIL (dtrantalis@fortlauderdale.gov)

Mayor Dean J. Trantalis

Commission Office

City Hall, 8th Floor

100 North Andrews Avenue

Fort Lauderdale, Florida 33301

Dear Gentilepersons:

Airport Management Services and Hudson Group (the “Hudson” or “Company”) is an employer in the retail travel industry. The Company operates primarily in airports and transportation hubs located throughout the country, including at Fort Lauderdale-Hollywood International Airport, 100 Terminal Dr, Ft. Lauderdale, Florida 33315. The Company has seen a sudden, dramatic, and unexpected downturn in sales volume at its Fort Lauderdale-Hollywood International Airport location as a result of the COVID-19 global pandemic which makes continuing operations as is unsustainable, and has caused business needs and circumstances to change in ways that were not reasonably foreseeable as recently as just several days ago.

Initially, the Company believed that the pandemic was going to impact business for a limited period, and employees were temporarily furloughed to adjust to the reduced levels of business in our airport locations due to the decline in air travel. The Company began to recall furloughed employees to work on or about June 4, 2020, as flights and passenger travel began to recover and we expected to continue to recall employees based on data showing that the pandemic had begun to abate. In addition, the progression of phased reopenings throughout the country gave the Company ample reason to expect that the worst of the crisis would soon be over. Unfortunately, in recent weeks the promise of this recovery has hit another unexpected challenge as the spread of the COVID-19 virus around the United States has surged at an increasing and unprecedented rate, resulting in the imposition of new governmental orders and quarantines in many states. Many states have issued restrictions requiring anyone traveling by air from most states in the United States and from many international locations, to quarantine at their destination for at least 14 days. The new spread of the virus and the resulting travel restrictions have led to a severe reduction in air travel and business at airports, and in particular, an increasingly dramatic and sustained reduction in Hudson’s airport business, that could not reasonably have been predicted when this situation began. In short, we have no choice but to confront the new and previously unimaginable reality that the current



situation requires the Company to make fundamental changes by reducing the size of our workforce to adapt to the environment that we could never have foreseen. It is our expectation that this workforce reduction will allow the Company to sustain its operations as we do expect the virus to abate due to the increased restrictions and mitigation measures, which, in turn, will result in the increase of travel and business.

The Company has informed employees and employee representatives that it is undertaking a permanent layoff of employees at the above location as a result of the recently increasingly negative impact of the COVID-19 pandemic on our business. This layoff will take effect at the close of business on Friday, July 31, 2020, and is expected to result in the permanent layoff of approximately 77 employees at Fort Lauderdale-Hollywood International Airport. This letter shall serve as notice under the federal WARN Act to the extent it is required, and voluntary notice with respect to those for whom WARN does not apply.

All affected employees have been provided notice of their individual permanent layoff dates. All required notices under WARN were delivered to employees by mail. Other legally required notices to governmental entities are also being mailed at this time. This action is the result of unforeseeable business circumstances, and we are providing this notice at the earliest possible time in light of the rapidly evolving situation and developments.

Some of the affected employees are represented by a union, UniteHere Local 355, Wendi Walsh, Secretary-Treasurer, 871 NW 167 Street, Miami Gardens, Florida 33169 (the "Union"). The Union was advised of this layoff in accordance with the parties' collective bargaining agreement and provided a seniority list of those employees selected. In addition, the Union and employees were advised of the right to exercise seniority and bumping rights, if any, under the collective bargaining agreement, as well as recall rights, if any.

Attached is a listing of the names, addresses, and job titles of affected employees. Samples of the notices provided to affected employees and their representatives are enclosed with this letter. Other notices required under law (such as to elected officials and the local Workforce Investment Board) have been mailed today.

I will be the Company's liaison to the Department for the provision of rapid response services. For further information, please feel free to contact me at 201-528-2477.

Kind regards,

A handwritten signature in black ink, appearing to read 'Roger Fordyce', written in a cursive style.

Roger Fordyce
Chief Executive Officer



LIST OF JOB TITLES OF THE POSITIONS AFFECTED, AND THE NUMBER OF AFFECTED
EMPLOYEES IN EACH JOB CLASSIFICATION
July 31, 2020

<u>Affected Titles</u>	<u># of Employees</u>
Manager HR	1
Office Administration	1
Operations - Manager	2
Service Associate	36
Stock Associate	22
Supervisor - Hourly	15



July 19, 2020

Via E-Mail Only (wwalsh@unitehere.org)

UniteHere Local 355

Wendi Walsh, Secretary-Treasurer

871 NW 167 Street, Miami Gardens, FL 33169

Dear Ms. Walsh:

When the COVID-19 pandemic first began, we could have never imagined the long-lasting and devastating impact that it would have on the global economy, world travel, and of course, our business. Our industry will be vastly different from anything we have seen before. For a company like ours whose mission is centered on transforming the travel experience, this is an incredibly difficult reality to confront. As a result of the national emergency and its continuing impact, we need to make fundamental changes to Hudson by reducing the size of our workforce to adapt to the environment that we could have never foreseen.

As discussed with Robert Divivo, based on this truly unprecedented situation, we have decided to convert a number of employees from furlough to layoff at Fort Lauderdale-Hollywood International Airport, 100 Terminal Dr, Ft. Lauderdale, Florida 33315, effective 11:59 p.m. on Friday July 31, 2020, in accordance with the terms of our collective bargaining agreement. I am attaching a seniority list by job classification highlighted for layoff selection. If there are any employees who exercise bumping rights, this list will be amended and those newly selected employees will receive notice. In accord with our collective bargaining agreement, the selected employees will be paid all accrued and unused vacation time, if any. Additionally, since these employees have been laid off, they may be entitled to continue receiving unemployment insurance and have been so informed. I am attaching a copy of the employee notice sent to the highlighted employees selected for layoff.

This layoff is considered permanent. Therefore, pursuant to the terms of our collective bargaining agreement, we will advise you of any recall when we are able to ramp back up.

Should you have any questions, please do not hesitate to contact me.

Kind regards,

Rick Yockelson

Richard Yockelson

Enclosures



July 14, 2020

Dear

When the COVID-19 pandemic first began, we could have never imagined the long-lasting impact that it would have on the global economy, world travel, and of course, our business. As I've shared with you in my previous letters, I've struggled over the past few months to find the right words to convey what a devastating impact this is having on all of us.

Our industry will be vastly different from anything we've ever seen before. For a company like ours whose mission is centered on transforming the travel experience, this is an incredibly difficult reality to confront. We've worked proactively over the past few months to prepare our business for this new reality, but sometimes our efforts to counter outside circumstances are not enough, due to no fault of our own.

As a result of the national emergency and its continuing social and economic impact, we need to make fundamental changes to Hudson by reducing the size of our workforce to adapt to the environment that we could have never foreseen. Unfortunately, effective 11:59 p.m. on July 31, 2020, your furlough status will be converted to lay off from your position at Fort Lauderdale-Hollywood International Airport, 100 Terminal Dr, Ft. Lauderdale, Florida 33315 in accordance with the terms of our collective bargaining agreement. At this time, you should consider your lay off to be permanent, but you may have recall rights, as well as "bumping" rights (that is, the ability to use your seniority or length of service to remain employed by displacing another employee from their job), in accordance with the terms of our collective bargaining agreement.

You may continue to be eligible to receive unemployment insurance benefits, and we encourage you to file for these benefits as soon as possible. Please see: <https://www.benefits.gov/benefit/1695>. Any decision regarding your eligibility for, or the amount of, unemployment insurance benefits that you might be entitled to receive is solely up to the State Department of Labor. In accordance with our collective bargaining agreement, you will receive a payroll check either by a separate mailing or direct deposit for your accrued, unused paid time off through your termination date, if any.

If you are currently enrolled in health benefits, your benefits will continue through July 31, 2020. You will receive a separate notice about continuing your health benefits under the Consolidated Omnibus Budget Reconciliation Act (COBRA).

This was an extremely difficult decision, and one that we wish was avoidable. We also want you to know how much we appreciate your dedication to Hudson Group and the work you have done on behalf of the company. Should you have any questions, please do not hesitate to speak with your manager or contact Human Resources at 1.866.417.3985.

Kind regards,

A handwritten signature in black ink, appearing to read 'Roger Fordyce', written in a cursive style.

Roger Fordyce
Chief Executive Officer

cc: UniteHere Local 355, Wendi Walsh, Secretary-Treasurer, 871 NW 167 Street, Miami Gardens, FL 33169