

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
Hudson Global, Inc.		59-3547281	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
David Kirby	212-351-7216	David.Kirby@hudson.com	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and Zip code of contact	
1325 Avenue of the Americas, 12th Floor		New York, NY 10019	
<b>8</b> Date of action		<b>9</b> Classification and description	
3/25/2016		Common Stock	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
443787106		HSO	

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On March 25, 2016, Hudson Global, Inc. (Hudson) made cash distributions of \$0.05 per share to its shareholders of record on March 15, 2016.

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ Hudson has determined that 100% of the distributions paid on March 25, 2016 will be treated as a nontaxable return of capital to the extent of the shareholder's tax basis. Any amount in excess of the shareholder's tax basis will be treated as a capital gain for U.S. tax purposes.

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ Hudson completed an earnings and profits (E&P) calculation as of December 31, 2016, with an estimate of the current E&P for the year ending December 31, 2016. According to this calculation, Hudson does not have any current or accumulated E&P. Therefore, 100% of the distributions is a return of capital.

**Part II Organizational Action (continued)**

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶  
Section 301(c) and Section 316

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18 Can any resulting loss be recognized? ▶ N/A


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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶  
Reportable tax year: 2016

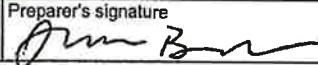
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Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶  Date ▶ 1/9/2017

Print your name ▶ PATRICK LYONS Title ▶ CFO

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	PRICEWATERHOUSECOOPERS, LLP		12/21/16		P01440910
	Firm's name ▶ PRICEWATERHOUSECOOPERS, LLP	Firm's address ▶ 300 MADISON AVENUE NEW YORK, NY 10017		Firm's EIN ▶ 13-4008324	Phone no. 646-471-3000