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Sent: Monday, July 20, 2020 8:13 AM

To: DWD, ETT <ETT.DWD@dhewd.mo.gov>; Weir, Eileen <eweir@indepmo.org>

Cc: Iwan, Mike [US] (CO) <mike.iwan@ngc.com>; Griffith, Laura L [US] (IS) <laura.griffith@ngc.com>; Wilson, Heather [US] (CO) <Heather.Wilson@ngc.com>

Subject: WARN Notice

Dear Mayor Weir and WARN Coordinator:

As widely known, Northrop Grumman's contract to operate the Lake City Army Ammunition Plant ("LCAAP" or "Lake City") will end on September 30, 2020, and Olin Winchester LLC ("Winchester") will begin operating LCAAP under a new contract with the U.S. Army as of October 1. In light of this development, Northrop Grumman will no longer have sufficient work available after September 30 to support its current workforce at LCAAP, 25201 MO-78, Independence, MO 64056.

Although we anticipate that most Lake City employees have received or will receive offers to continue employment in a similar role with Winchester, employees will nonetheless experience a separation of employment from Northrop Grumman. We are therefore providing this notice, pursuant to the federal and state Worker Adjustment and Retraining Notification ("WARN") Acts, of a reduction in force within the Northrop Grumman Defense Systems Sector, Advanced Weapons Division, Small Caliber Systems workforce in Independence, MO, commencing September 30, 2020.

Although employees have been aware of this contract transition for some time, formal WARN notices are also being provided to affected employees coincidentally with this correspondence. We anticipate the layoff on September 30 will include approximately 1,700 employees in the Independence, MO, area. Employees will continue to work and receive their wages and benefits for hours worked through September 30, at which point they will be laid off. We have maintained a list of affected job titles and the number of employees in each job classification who will be laid off, which is available upon request. Because of the nature of this action, we anticipate that these layoffs will be permanent.

Those employees not represented by a union have been advised that they do not have "bumping" (displacement) rights over other employees. Union-represented employees have been advised of the extent of their seniority rights under the collective bargaining agreement between the company and the union, and similar notice has been provided to IAMAW Local Lodge 778, c/o Kevin Kellogg, President, 9404 Grandview Road Kansas City, Missouri 64132.

Again, we anticipate that most of the affected employees have received or will receive offers to continue employment in a similar role with Winchester after September 30 and, therefore, the actual economic impact of this action is likely to be negligible.