While his business was losing millions and eliminating New Jersey Jobs, David Richter continued to line his own pockets with millions of dollars in salary and perks, including 30,000 dollars for multiple automobiles and 44,000 thousand dollars for household staff, all paid for by the company. He even handed out company money as bonuses to his own family.

**Richter Moved His Company’s Headquarters From New Jersey To Philadelphia, Which Moved About 120 Professionals From Marlton To Philadelphia.** “Hill International, a global construction management firm based in Marlton, announced last month it will take its headquarters to Philadelphia. The firm started in its founder’s Willingboro home in 1976 and has operated off Route 73 since 2001. Hill employs more than 4,000 workers in 100 offices worldwide. ‘We were attracted to being in an urban location, and Center City Philadelphia was the only real option for us,’ President and COO David Richter said. ‘The ability to consolidate our South Jersey and Philadelphia offices was certainly a motivating factor as well. We will be moving about 120 professionals from Marlton and we already have about 70 employees in our current Philadelphia office.’” [Courier-Post, 11/2/14]

**Richter’s Company Hill International Reported Losses Of Millions In The Fourth Quarter Of 2016 Alone, A Decrease Of 14.2% Revenue From The Fourth Quarter Of 2015.** “Total revenue for the fourth quarter of 2016 was $128.8 million, a decrease of 14.2% from the fourth quarter of 2015. Consulting fee revenue for the fourth quarter was $100.6 million, a decrease of 18.1% from the prior year’s fourth quarter. Lower consulting fee revenue was driven primarily by declines of 34.1% and 47.0% in Hill’s Middle East and Latin America operations, respectively, partially offset by an increase of 16.9% in the U.S. operation. Operating loss for the fourth quarter was ($3.9 million) compared to an operating profit of $2.9 million in the prior year’s fourth quarter. Net loss from continuing operations was ($4.3 million), or ($0.08) per diluted share, compared to net earnings from continuing operations of $2.1 million, or $0.04 per diluted share, during the prior year’s fourth quarter. Net loss from discontinued operations was ($10.5 million), or ($0.20) per diluted share, compared to a net loss from discontinued operations of ($3.1 million), or ($0.06) per diluted share, during the prior year’s fourth quarter. Net loss for the fourth quarter was ($14.9 million), or ($0.28) per diluted share, compared to a net loss of ($1.1 million), or ($0.02) per diluted share, in the fourth quarter of 2015. EBITDA (as defined below) for the fourth quarter was a loss of ($2.3 million) compared to EBITDA of $4.7 million in the fourth quarter of 2015.” [Hill International, Press Release, 3/29/17]

**Richter’s Company Hill International Reported Losses Of $0.9 Millions In Full Year 2016 Financial Results.** “Full Year 2016 Results Operating loss for 2016 was ($0.9 million) compared to an operating profit of $19.1 million in the prior year. Net loss from continuing operations for 2016 was ($7.6 million), or ($0.15) per diluted share, compared to net earnings from continuing operations of $10.6 million, or $0.20 per diluted share, in 2015. Net loss from discontinued operations for 2016 was ($11.1 million), or ($0.21) per diluted share, compared to a net loss from discontinued operations of ($2.9 million), or ($0.06) per diluted share, in the prior year. Net loss for 2016 was ($18.8 million), or ($0.36) per diluted share, compared to net earnings of $6.9 million, or $0.14 per diluted share, for 2015. EBITDA for 2016 was $6.2 million compared to $26.2 million in 2015.” [Hill International, Press Release, 3/29/17]

**Starting In December 2014 For A Five-Year Contracts, Richter’s Base Salary Was At Least $1 Million.** “ On December 31, 2014, David Richter became our CEO and the Company entered into an employment agreement with him at that time. His employment agreement establishes his total direct compensation (“TDC”) opportunity, consisting of base salary and annual and long-term incentive opportunities which, in the aggregate, must be not less than the 75th percentile of CEOs in our Selected Peer Group (as defined
in Part 2 of the Compensation Discussion and Analysis below). Mr. Richter’s 2016 compensation opportunity was set as follows: Annual base salary was set at $1,545,000. [...] Under an agreement effective December 31, 2014 with a five-year term, our CEO, David L. Richter, receives a base salary of no less than $1,000,000, to be adjusted annually, and is eligible to receive an annual bonus based upon the achievement of performance criteria to be established by the Board or its Compensation Committee for the applicable year." [U.S. Securities And Exchange Commission, 12/31/16]

In 2007, Richter Received $30,550 From Hill International For Cars For Himself And Family Members And $44,235 For Household Employees. “David Richter, President and Chief Operating Officer [...] All Other Compensations $88,640. [...] The amount of other compensation indicated consists of the following: (a) $4,400 in matching funds for the Company’s 401(k) plan; (b) $30,550 incurred to provide the executive and members of his family with automobiles (and related maintenance and other costs); (c) $44,235 for household employees; (d) $8,654 under the Company’s program of reimbursement for time-off not taken; and (e) $807 for cell phone and Internet services provided for members of the executive’s family. The expenses described in items (c) and (e) were incurred by our predecessor company prior to June 28, 2006, and upon our merger, the Company ceased providing such benefits to the executive officer. [Hill International, U.S. Securities And Exchange Commission, 4/30/07]

June 2014: David Richter Was Elected As The Director Of Hill International’s Board Of Directors. “Hill International, Inc. (the “Company”) held its annual meeting of stockholders on June 12, 2014. At the meeting, the stockholders elected for a term of three years the two directors nominated by the Company’s Board of Directors. In addition, the stockholders approved an increase of 2,000,000 shares in the number of shares issuable under the Hill International, Inc. 2006 Employee Stock Option Plan to 10,000,000 shares and approved, on an advisory basis, the compensation of the Company’s named executive officers, as follows.” [Form 8-K, SEC Filings, 6/12/14]

David Richter Had Been A Member Of The Board Of Directors Since 1998. “DAVID L. RICHTER has been our President and Chief Executive Officer since December 2014 and he has been a member of our Board of Directors since 1998.” [Schedule 14A, SEC Filings, 4/30/15]

In 2016, Petrus Securities Outlined Serious Concerns Regarding The Compensation The Richters Received—Including An $8 Million Five Year Contract And $1.2 Million In “Vacation Days” That Was Given To David Richter’s Father, Irvin Richter, By The Board Of Directors. “It has been difficult to detect any culture of pay-for-performance at Hill. During Hill’s ten years reported as a public company (2006-2015), while shareholders endured losses, Hill paid the current CEO and his father, the current Chairman Irvin Richter, $40 million. Strike one. When Irvin Richter stepped down as CEO at the end of 2014, the Board awarded him a five-year contract that requires no specified amount of work and no actual services. (In fact, fewer than three months after signing the lucrative new contract, Irvin Richter became the CEO of another public company, apparently without perceiving any need to even inform the Hill board!) This contract for nothing will cost Hill more than $8 million over its five-year term. Strike two. Then the Board also decided to pay Irvin Richter an additional $1,175,512 because he claimed that he hadn’t used his allotted vacation time. This despite the fact that Mr. Richter had a second home in Florida, far from Hill’s less sunny headquarters in New Jersey. Strike three.” [Petrus Securities Proxy Statement, SEC Filings, 7/19/16]

At The End Of 2014, Irvin Richter Was Awarded $1.2 Million By The Board Of Directors For Unused Vacation Days When He Retired As CEO. “What sort of directors would approve such a contract?
Apparently, the same ones that agreed to pay Irvin Richter $1.2 million for his unused vacation when he retired as CEO at the end of 2014. Have you ever heard of anyone that received such a staggering amount of money for unused vacation? What were the directors thinking?” [Bulldog Investors Proxy Statement, SEC Filings, 7/11/16]

Furthermore, Irvin Richter Received $1.4 Million Salary, Two Cars, Company Paid Life Insurance, And Six Weeks’ Vacation In A Contract Where He Was Not Obligated To Do Any Work. “Not to be outdone by his son, Irvin Richter, the chairman of the board, collects an annual base salary of $1.4 million pursuant to a so-called ‘employment agreement’ to serve as chairman ‘with such duties as may be assigned to him from time to time by the Board’ - whatever that means. On top of that, he also gets two vehicles ‘for his use,’ company paid life insurance, and six weeks of vacation (from what?) even though his contract states that he ‘shall not be required to devote any specific or minimum hours to the fulfillment of his duties.’ With all that, Irvin Richter apparently needs to regularly sell his own shares of Hill to make ends meet.” [Bulldog Investor Proxy Statement, SEC Filings, 7/11/16]