

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF PENNSYLVANIA**

_____, Individually and on
Behalf of All Others Similarly Situated,

Plaintiff,

v.

HILL INTERNATIONAL, INC., PAUL
EVANS, and MARCO MARTINEZ,

Defendants.

Case No.: DRAFT

**CLASS ACTION COMPLAINT FOR
VIOLATIONS OF THE FEDERAL
SECURITIES LAWS**

JURY TRIAL DEMANDED

Law Offices of Howard G. Smith

Plaintiff _____ (“Plaintiff”), by and through his attorneys, alleges the following upon information and belief, except as to those allegations concerning Plaintiff, which are alleged upon personal knowledge. Plaintiff’s information and belief is based upon, among other things, his counsel’s investigation, which includes without limitation: (a) review and analysis of regulatory filings made by Hill International, Inc. (“Hill International” or the “Company”), with the United States (“U.S.”) Securities and Exchange Commission (“SEC”); (b) review and analysis of press releases and media reports issued by and disseminated by Hill International; and (c) review of other publicly available information concerning Hill International.

NATURE OF THE ACTION AND OVERVIEW

1. This is a class action on behalf of persons and entities that acquired Hill International securities between February 16, 2016, and August 13, 2018, inclusive (the “Class Period”), seeking to pursue remedies under the Securities Exchange Act of 1934 (the “Exchange Act”).

2. Hill International purportedly provides program management, project management, construction management, construction claims and other consulting services primarily to the buildings, transportation, environmental, energy and industrial markets.

3. On August 13, 2018, Hill International issued a press release entitled “Hill International, Inc. Provides Update on NYSE Notice of Delisting.” Therein, the Company announced that it received notification from the New York Stock Exchange (“NYSE”) of the NYSE’s determination to commence proceedings to delist the Company’s common stock. According to Hill International, the determination to commence the delisting proceeding was a result of the Company’s failure to become current in filing its annual and quarterly reports with

the SEC. The Company also revealed that the NYSE announced the suspension of the Company's common stock. Providing additional detail regarding its filings, the Company stated that it "informed the NYSE that it would not become current with its SEC periodic reporting by August 15, 2018" due to "the time and effort necessary to prepare, finalize, and audit the Company's financial statements." Hill International further stated that, as a result of the suspension, its common stock would begin trading on August 14, 2018 under the symbol "HILI" on the OTC Pink, which is operated by OTC Markets Group Inc.

4. On this news, Hill International's stock price fell \$1.80 per share, or 31.9%, to close at \$3.85 per share on August 14, 2018, on unusually heavy trading volume.

5. Throughout the Class Period, Defendants made false and/or misleading statements, as well as failed to disclose material adverse facts about the Company's business, operations, and prospects. Specifically, Defendants failed to disclose: (1) that the Company did not have the resources to timely become current in its annual and quarterly filings; (2) that, as a result, the Company would not be in compliance with NYSE listing requirements; (3) that, as a result, the NYSE would suspend trading in the Company's common stock and commence delisting proceedings against the Company; and (4) that, as a result of the foregoing, Defendants' positive statements about Hill International's business, operations, and prospects, were false and misleading and/or lacked a reasonable basis.

6. As a result of Defendants' wrongful acts and omissions, and the precipitous decline in the market value of the Company's securities, Plaintiff and other Class members have suffered significant losses and damages.

JURISDICTION AND VENUE

7. The claims asserted herein arise under Sections 10(b) and 20(a) of the Exchange

Act (15 U.S.C. §§ 78j(b) and 78t(a)) and Rule 10b-5 promulgated thereunder by the SEC (17 C.F.R. § 240.10b-5).

8. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §1331 and Section 27 of the Exchange Act (15 U.S.C. § 78aa).

9. Venue is proper in this Judicial District pursuant to 28 U.S.C. § 1391(b) and Section 27 of the Exchange Act (15 U.S.C. § 78aa(c)). Substantial acts in furtherance of the alleged fraud or the effects of the fraud have occurred in this Judicial District. Many of the acts charged herein, including the dissemination of materially false and/or misleading information, occurred in substantial part in this Judicial District. In addition, the Company's headquarters are located in this Judicial District.

10. In connection with the acts, transactions, and conduct alleged herein, Defendants directly and indirectly used the means and instrumentalities of interstate commerce, including the United States mail, interstate telephone communications, and the facilities of a national securities exchange.

PARTIES

11. Plaintiff _____, as set forth in the accompanying certification, incorporated by reference herein, purchased Hill International securities during the Class Period, and suffered damages as a result of the federal securities law violations and false and/or misleading statements and/or material omissions alleged herein.

12. Defendant Hill International, Inc. is a Delaware corporation with its principal executive offices located in Philadelphia, Pennsylvania. During the Class Period, the Company's common stock traded on the NYSE under the symbol "HIL."

13. Defendant Paul Evans ("Evans") was, the Interim Chief Executive Officer

(“CEO”) of Hill International at all relevant times.

14. Defendant Marco Martinez (“Martinez”) was the Interim Chief Financial Officer (“CFO”) of Hill International at all relevant times.

15. Defendants Evans and Martinez are collectively referred to hereinafter as the “Individual Defendants.” The Individual Defendants, because of their positions with the Company, possessed the power and authority to control the contents of Hill International’s reports to the SEC, press releases and presentations to securities analysts, money and portfolio managers and institutional investors, *i.e.*, the market. Each defendant was provided with copies of the Company’s reports and press releases alleged herein to be misleading prior to, or shortly after, their issuance and had the ability and opportunity to prevent their issuance or cause them to be corrected. Because of their positions and access to material non-public information available to them, each of these defendants knew that the adverse facts specified herein had not been disclosed to, and were being concealed from, the public, and that the positive representations which were being made were then materially false and/or misleading. The Individual Defendants are liable for the false statements pleaded herein, as those statements were each “group-published” information, the result of the collective actions of the Individual Defendants.

SUBSTANTIVE ALLEGATIONS

Background

16. Hill International purportedly provides program management, project management, construction management, construction claims and other consulting services primarily to the buildings, transportation, environmental, energy and industrial markets.

Materially False and Misleading Statements Issued During the Class Period

17. The Class Period begins on February 16, 2018. On that day, Hill International

issued a press release entitled “Hill International NYSE Notice Regarding Listing Extension.”

Therein, the Company, in relevant part, stated:

Hill International (NYSE:HIL), the global leader in managing construction risk, today announced that the Company received a letter from the NYSE which granted the Company’s request for a listing extension, which expires on July 16, 2018, in order to file the Form 10-Q as well as all subsequent delinquent filings (collectively, the “Delinquent Filings”) with the SEC. During that period, trading of the Company’s shares on the NYSE will remain unaffected. If the Company does not file the Delinquent Filings by July 16, 2018, the NYSE will initiate suspension and delisting procedures. Should the Company require additional time, the NYSE may grant, at its sole discretion, an additional extension to August 15, 2018. The extension is subject to review by the NYSE on an ongoing basis. The Company continues to work diligently to complete ongoing work on its financial restatement and expects to meet the timing requirements set forth by the NYSE.

18. On March 30, 2018, Hill International issued a press release entitled “Hill International Financial Outlook and Restatement Filing Update.” Therein, the Company, in relevant part, stated:

Hill International (NYSE:HIL), the global leader in managing construction risk, announced today several items related to the Company's financial outlook and restatement filing update.

2017-2018 Guidance Update

The Company reiterates its previously issued 2018 guidance and expects consulting fee revenue between \$400 million and \$415 million for 2018. As of March 23, 2018, the Company had approximately \$15 million in cash and \$37 million in debt or a net debt position of approximately \$22 million.

Our current backlog as of February 28, 2018 is approximately \$862 million. The Company's total estimated backlog at December 31, 2017 was \$845 million compared to \$831 million at December 31, 2016.

Paul Evans, our Interim CEO, commented: “Now that the organizational changes are behind us and the profit improvement plan is nearing completion, we are focused on profitability and growth for the business. We believe 10 to 12% EBITDA margins are achievable once our profit improvement plan is complete and restatement and restructuring costs are behind us. We are also making substantial progress on the restatement; however, the release schedule has been extended from our original expected dates. We look forward to getting the restatement behind us and sharing our progress with the public and investment

community in the near future.”

Restatement Filing Update

The Company intends to file the restatement of its previously issued financial statements for the years ended December 31, 2016, 2015 and 2014 included in the Company’s Annual Reports on Form 10-K and the Quarterly Report on Form 10-Q for the quarter ended March 31, 2017 in the second quarter of 2018. The Company also plans to file its Quarterly Reports on Form 10-Q for the quarters ended June 30 and September 30, 2017, inclusive of the restatement of prior comparative periods, and its Annual Report on Form 10-K for the year ended December 31, 2017 by the end of second quarter of 2018 and its Quarterly Report on Form 10-Q for the quarter ending March 31, 2018 in the third quarter of 2018, at which point the Company will be current with its regulatory filings. The Company expects to schedule an earnings call for the first quarter 2018 financial results shortly after the Company becomes current in its filings.

The financial statements for the restatement periods (previously announced on December 22, 2017 to be filed during the first quarter of 2018) are substantially complete, but cannot be filed until the Company’s independent public accounting firm has completed its 2017 audit procedures to ensure that no material events or transactions requiring disclosure have subsequently occurred. Given the extensive amount of work already completed by EisnerAmper LLP (“EisnerAmper”), who served as the Company’s independent public accounting firm during the periods being restated, and in order to file as expeditiously as possible, the Audit Committee, as announced by the Company in a Form 8-K filed on March 30, 2018, dismissed KPMG LLP (“KPMG”) as its independent registered public accounting firm, with no disagreements, and appointed EisnerAmper to serve as the Company’s independent registered public accounting firm.

As previously disclosed, and in connection with the accounting for the May 2017 sale of its Construction Claims Group, the Company is reviewing the historical accounting for certain foreign currency adjustments related to intercompany balances, revenue recognition, and other matters (collectively, the "Restatement Adjustments"). The Company, with the assistance of outside financial consultants, is continuing to evaluate its historical and current practices with respect to accounting for the Restatement Adjustments in accordance with generally accepted accounting principles in the United States.

19. On May 8, 2018, Hill International issued a press release entitled “Hill International Announces Restatement Filing.” Therein, the Company, in relevant part, stated:

Hill International (NYSE:HIL), the global leader in managing construction risk, announced today that it filed the restatement of its previously issued financial

statements for the years ended December 31, 2016, 2015 and 2014 included in the Company's Annual Reports on Form 10-K and the Quarterly Report on Form 10-Q for the quarter ended March 31, 2017.

The Company plans to file its Quarterly Reports on Form 10-Q for the quarters ended June 30 and September 30, 2017, inclusive of the restatement of prior comparative periods, and its Annual Report on Form 10-K for the year ended December 31, 2017 by the end of second quarter of 2018 and its Quarterly Report on Form 10-Q for the quarter ending March 31, 2018 in the third quarter of 2018, at which point the Company will be current with its regulatory filings. The Company expects to schedule an earnings call for the first quarter 2018 financial results shortly after the Company becomes current in its filings.

20. On June 22, 2018, Hill International issued a press release entitled "Hill International Announces Filing." Therein, the Company, in relevant part, stated:

Hill International (NYSE:HIL), the global leader in managing construction risk, announced today that it filed its Quarterly Report on Form 10-Q for the quarter ended June 30, 2017.

In the second quarter of 2017, the Company reported Revenue of \$125.4 million with Net Earnings of \$43.9 million and EPS of \$0.84. The second quarter results included the sale of the Construction Claims Group resulting in a gain, net of taxes, of \$52.2 million. In addition, the Company recorded a one-time charge of \$5.6 million in continuing operations in SG&A expenses.

Simultaneously with the closing of the sale of the Construction Claims Group, the proceeds from the sale, the amended credit facilities and cash on hand were used to reduce debt from \$150.8 million to \$25.9 million.

The Company plans to file its Quarterly Report on Form 10-Q for the quarter ended September 30, 2017, inclusive of the restatement of prior comparative periods, its Annual Report on Form 10-K for the year ended December 31, 2017, and its Quarterly Reports on Form 10-Q for the quarters ended March 31 and June 30, 2018 in the third quarter of 2018. Once complete, the Company will be current with its regulatory filings. The Company expects to schedule an earnings call for the second quarter 2018 financial results shortly after the Company becomes current in its filings.

"With the second quarter gain on sale behind us, the company looks to accelerate remaining SEC filings to bring the company current," said Paul Evans, Hill's Interim CEO.

21. On July 12, 2018, Hill International issued a press release entitled "Hill

International Announces Filing.” Therein, the Company, in relevant part, stated:

Hill International (NYSE:HIL), the global leader in managing construction risk, announced today that it filed its Quarterly Report on Form 10-Q for the quarter ended September 30, 2017.

In the third quarter of 2017, the Company reported Revenue of \$123.2 million with a Net Loss of \$4.3 million and EPS of (\$0.08) including one-time charges of \$4.5 million in continuing operations in SG&A expenses.

As of July 6, 2018, the company maintains a strong cash position of approximately \$26 million and debt of approximately \$46 million or a net debt position of approximately \$20 million.

The Company plans to file its Annual Report on Form 10-K for the year ended December 31, 2017, and its Quarterly Reports on Form 10-Q for the quarters ended March 31 and June 30, 2018 in the third quarter of 2018. Once complete, the Company will be current with its regulatory filings. The Company expects to schedule an earnings call for the second quarter 2018 financial results shortly after the Company becomes current in its filings.

“We are making substantial progress in bringing the company current and we are working expeditiously to accelerate our remaining outstanding SEC filings. The company is looking forward to being current and excited about the opportunities ahead of us,” said Paul Evans, Hill’s Interim CEO.

22. The above statements contained in ¶¶17-21 were materially false and/or misleading, as well as failed to disclose material adverse facts about the Company’s business, operations, and prospects. Specifically, the Company failed to disclose: (1) that the Company did not have the resources to timely become current in its annual and quarterly filings; (2) that, as a result, the Company would not be in compliance with NYSE listing requirements; (3) that, as a result, the NYSE would suspend trading in the Company’s common stock and commence delisting proceedings against the Company; and (4) that, as a result of the foregoing, Defendants’ positive statements about Hill International’s business, operations, and prospects, were false and misleading and/or lacked a reasonable basis.

Disclosures at the End of the Class Period

23. On August 13, 2018, Hill International issued a press release entitled “Hill International, Inc. Provides Update on NYSE Notice of Delisting.” Therein, the Company announced that it received notification from the New York Stock Exchange (“NYSE”) of the NYSE’s determination to commence proceedings to delist the Company’s common stock. According to Hill International, the determination to commence the delisting proceeding was a result of the Company’s failure to become current in filing its annual and quarterly reports with the SEC. The Company also revealed that the NYSE announced the suspension of the Company’s common stock. Providing additional detail regarding its filings, the Company stated that it “informed the NYSE that it would not become current with its SEC periodic reporting by August 15, 2018” due to “the time and effort necessary to prepare, finalize, and audit the Company’s financial statements.” Hill International further stated that, as a result of the suspension, its common stock would begin trading on August 14, 2018 under the symbol “HILI” on the OTC Pink, which is operated by OTC Markets Group Inc. In greater part, the Company stated:

Hill International, Inc. (HIL), the global leader in managing construction risk, announced today that the Company received notification from the New York Stock Exchange (NYSE) of its determination to commence proceedings to delist the Company’s common stock. Furthermore, the NYSE announced the suspension of the Company’s common stock. The determination to commence the delisting proceeding is a result of the Company requiring more time to become current in filing its late annual and quarterly reports, including its financial statements, with the Securities and Exchange Commission (SEC).

While Hill has made significant progress and has worked diligently with its independent accounting firm to complete its late reports, the Company informed the NYSE that it would not become current with its SEC periodic reporting by August 15, 2018. The delay is due to the time and effort necessary to prepare, finalize, and audit the Company’s financial statements. The Company plans to become current with its SEC periodic reports in the third quarter of 2018.

As a result of the suspension, Hill expects its shares of common stock will begin trading on August 14, 2018 under the symbol “HILI” on the OTC Pink, which is operated by OTC Markets Group Inc.

Hill intends to file a Request for Review with the NYSE regarding the commencement of the delisting proceedings. The Company expects that the NYSE will hold a hearing on the Review Request on or after 25 business days from the date of filing the Review Request, and the Company expects to be current with its filings on or before the NYSE’s hearing date.

24. On this news, Hill International’s stock price fell \$1.80 per share, or 31.9%, to close at \$3.85 per share on August 14, 2018, on unusually heavy trading volume.

CLASS ACTION ALLEGATIONS

25. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a class, consisting of all persons and entities that acquired Hill International securities between February 16, 2016, and August 13, 2018, inclusive (the “Class Period”) and who were damaged thereby (the “Class”). Excluded from the Class are Defendants, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which Defendants have or had a controlling interest.

26. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, Hill International’s securities were actively traded on the NYSE. While the exact number of Class members is unknown to Plaintiff at this time and can only be ascertained through appropriate discovery, Plaintiff believes that there are hundreds or thousands of members in the proposed Class. Millions of Hill International shares were traded publicly during the Class Period on the NYSE. As of July 6, 2018, Hill International had 55,135,158 shares of common stock outstanding. Record owners and other members of the Class may be identified from records maintained by Hill International or its transfer agent and

may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions.

27. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by Defendants' wrongful conduct in violation of federal law that is complained of herein.

28. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation.

29. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

(a) whether the federal securities laws were violated by Defendants' acts as alleged herein;

(b) whether statements made by Defendants to the investing public during the Class Period omitted and/or misrepresented material facts about the business, operations, and prospects of Hill International; and

(c) to what extent the members of the Class have sustained damages and the proper measure of damages.

30. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation makes it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

UNDISCLOSED ADVERSE FACTS

31. The market for Hill International's securities was open, well-developed and efficient at all relevant times. As a result of these materially false and/or misleading statements, and/or failures to disclose, Hill International's securities traded at artificially inflated prices during the Class Period. Plaintiff and other members of the Class purchased or otherwise acquired Hill International's securities relying upon the integrity of the market price of the Company's securities and market information relating to Hill International, and have been damaged thereby.

32. During the Class Period, Defendants materially misled the investing public, thereby inflating the price of Hill International's securities, by publicly issuing false and/or misleading statements and/or omitting to disclose material facts necessary to make Defendants' statements, as set forth herein, not false and/or misleading. Said statements and omissions were materially false and/or misleading in that they failed to disclose material adverse information and/or misrepresented the truth about Hill International's business, operations, and prospects as alleged herein.

33. At all relevant times, the material misrepresentations and omissions particularized in this Complaint directly or proximately caused or were a substantial contributing cause of the damages sustained by Plaintiff and other members of the Class. As described herein, during the Class Period, Defendants made or caused to be made a series of materially false and/or misleading statements about Hill International's financial well-being and prospects. These material misstatements and/or omissions had the cause and effect of creating in the market an unrealistically positive assessment of the Company and its financial well-being and prospects, thus causing the Company's securities to be overvalued and artificially inflated at all relevant

times. Defendants' materially false and/or misleading statements during the Class Period resulted in Plaintiff and other members of the Class purchasing the Company's securities at artificially inflated prices, thus causing the damages complained of herein.

LOSS CAUSATION

34. Defendants' wrongful conduct, as alleged herein, directly and proximately caused the economic loss suffered by Plaintiff and the Class.

35. During the Class Period, Plaintiff and the Class purchased Hill International's securities at artificially inflated prices and were damaged thereby. The price of the Company's securities significantly declined when the misrepresentations made to the market, and/or the information alleged herein to have been concealed from the market, and/or the effects thereof, were revealed, causing investors' losses.

SCIENTER ALLEGATIONS

36. As alleged herein, Defendants acted with scienter in that Defendants knew that the public documents and statements issued or disseminated in the name of the Company were materially false and/or misleading; knew that such statements or documents would be issued or disseminated to the investing public; and knowingly and substantially participated or acquiesced in the issuance or dissemination of such statements or documents as primary violations of the federal securities laws. As set forth elsewhere herein in detail, Defendants, by virtue of their receipt of information reflecting the true facts regarding Hill International, his/her control over, and/or receipt and/or modification of Hill International's allegedly materially misleading misstatements and/or their associations with the Company which made them privy to confidential proprietary information concerning Hill International, participated in the fraudulent scheme alleged herein.

**APPLICABILITY OF PRESUMPTION OF RELIANCE
(FRAUD-ON-THE-MARKET DOCTRINE)**

37. The market for Hill International's securities was open, well-developed and efficient at all relevant times. As a result of the materially false and/or misleading statements and/or failures to disclose, Hill International's securities traded at artificially inflated prices during the Class Period. On June 26, 2018, July 9, 2018, and July 12, 2018, the Company's stock price closed at a Class Period high of \$6.05 per share. Plaintiff and other members of the Class purchased or otherwise acquired the Company's securities relying upon the integrity of the market price of Hill International's securities and market information relating to Hill International, and have been damaged thereby.

38. During the Class Period, the artificial inflation of Hill International's stock was caused by the material misrepresentations and/or omissions particularized in this Complaint causing the damages sustained by Plaintiff and other members of the Class. As described herein, during the Class Period, Defendants made or caused to be made a series of materially false and/or misleading statements about Hill International's business, prospects, and operations. These material misstatements and/or omissions created an unrealistically positive assessment of Hill International and its business, operations, and prospects, thus causing the price of the Company's securities to be artificially inflated at all relevant times, and when disclosed, negatively affected the value of the Company stock. Defendants' materially false and/or misleading statements during the Class Period resulted in Plaintiff and other members of the Class purchasing the Company's securities at such artificially inflated prices, and each of them has been damaged as a result.

39. At all relevant times, the market for Hill International's securities was an efficient market for the following reasons, among others:

(a) Hill International stock met the requirements for listing, and was listed and actively traded on the NYSE, a highly efficient and automated market;

(b) As a regulated issuer, Hill International filed periodic public reports with the SEC and/or the NYSE;

(c) Hill International regularly communicated with public investors *via* established market communication mechanisms, including through regular dissemination of press releases on the national circuits of major newswire services and through other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services; and/or

(d) Hill International was followed by securities analysts employed by brokerage firms who wrote reports about the Company, and these reports were distributed to the sales force and certain customers of their respective brokerage firms. Each of these reports was publicly available and entered the public marketplace.

40. As a result of the foregoing, the market for Hill International's securities promptly digested current information regarding Hill International from all publicly available sources and reflected such information in Hill International's stock price. Under these circumstances, all purchasers of Hill International's securities during the Class Period suffered similar injury through their purchase of Hill International's securities at artificially inflated prices and a presumption of reliance applies.

41. A Class-wide presumption of reliance is also appropriate in this action under the Supreme Court's holding in *Affiliated Ute Citizens of Utah v. United States*, 406 U.S. 128 (1972), because the Class's claims are, in large part, grounded on Defendants' material misstatements and/or omissions. Because this action involves Defendants' failure to disclose

material adverse information regarding the Company's business operations and financial prospects—information that Defendants were obligated to disclose—positive proof of reliance is not a prerequisite to recovery. All that is necessary is that the facts withheld be material in the sense that a reasonable investor might have considered them important in making investment decisions. Given the importance of the Class Period material misstatements and omissions set forth above, that requirement is satisfied here.

NO SAFE HARBOR

42. The statutory safe harbor provided for forward-looking statements under certain circumstances does not apply to any of the allegedly false statements pleaded in this Complaint. The statements alleged to be false and misleading herein all relate to then-existing facts and conditions. In addition, to the extent certain of the statements alleged to be false may be characterized as forward looking, they were not identified as “forward-looking statements” when made and there were no meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those in the purportedly forward-looking statements. In the alternative, to the extent that the statutory safe harbor is determined to apply to any forward-looking statements pleaded herein, Defendants are liable for those false forward-looking statements because at the time each of those forward-looking statements was made, the speaker had actual knowledge that the forward-looking statement was materially false or misleading, and/or the forward-looking statement was authorized or approved by an executive officer of Hill International who knew that the statement was false when made.

FIRST CLAIM **Violation of Section 10(b) of The Exchange Act and** **Rule 10b-5 Promulgated Thereunder** **Against All Defendants**

43. Plaintiff repeats and realleges each and every allegation contained above as if

fully set forth herein.

44. During the Class Period, Defendants carried out a plan, scheme and course of conduct which was intended to and, throughout the Class Period, did: (i) deceive the investing public, including Plaintiff and other Class members, as alleged herein; and (ii) cause Plaintiff and other members of the Class to purchase Hill International's securities at artificially inflated prices. In furtherance of this unlawful scheme, plan and course of conduct, defendants, and each of them, took the actions set forth herein.

45. Defendants (i) employed devices, schemes, and artifices to defraud; (ii) made untrue statements of material fact and/or omitted to state material facts necessary to make the statements not misleading; and (iii) engaged in acts, practices, and a course of business which operated as a fraud and deceit upon the purchasers of the Company's securities in an effort to maintain artificially high market prices for Hill International's securities in violation of Section 10(b) of the Exchange Act and Rule 10b-5. All Defendants are sued either as primary participants in the wrongful and illegal conduct charged herein or as controlling persons as alleged below.

46. Defendants, individually and in concert, directly and indirectly, by the use, means or instrumentalities of interstate commerce and/or of the mails, engaged and participated in a continuous course of conduct to conceal adverse material information about Hill International's financial well-being and prospects, as specified herein.

47. These defendants employed devices, schemes and artifices to defraud, while in possession of material adverse non-public information and engaged in acts, practices, and a course of conduct as alleged herein in an effort to assure investors of Hill International's value and performance and continued substantial growth, which included the making of, or the

participation in the making of, untrue statements of material facts and/or omitting to state material facts necessary in order to make the statements made about Hill International and its business operations and future prospects in light of the circumstances under which they were made, not misleading, as set forth more particularly herein, and engaged in transactions, practices and a course of business which operated as a fraud and deceit upon the purchasers of the Company's securities during the Class Period.

48. Each of the Individual Defendants' primary liability, and controlling person liability, arises from the following facts: (i) the Individual Defendants were high-level executives and/or directors at the Company during the Class Period and members of the Company's management team or had control thereof; (ii) each of these defendants, by virtue of their responsibilities and activities as a senior officer and/or director of the Company, was privy to and participated in the creation, development and reporting of the Company's internal budgets, plans, projections and/or reports; (iii) each of these defendants enjoyed significant personal contact and familiarity with the other defendants and was advised of, and had access to, other members of the Company's management team, internal reports and other data and information about the Company's finances, operations, and sales at all relevant times; and (iv) each of these defendants was aware of the Company's dissemination of information to the investing public which they knew and/or recklessly disregarded was materially false and misleading.

49. The defendants had actual knowledge of the misrepresentations and/or omissions of material facts set forth herein, or acted with reckless disregard for the truth in that they failed to ascertain and to disclose such facts, even though such facts were available to them. Such defendants' material misrepresentations and/or omissions were done knowingly or recklessly and for the purpose and effect of concealing Hill International's financial well-being and prospects

from the investing public and supporting the artificially inflated price of its securities. As demonstrated by Defendants' overstatements and/or misstatements of the Company's business, operations, financial well-being, and prospects throughout the Class Period, Defendants, if they did not have actual knowledge of the misrepresentations and/or omissions alleged, were reckless in failing to obtain such knowledge by deliberately refraining from taking those steps necessary to discover whether those statements were false or misleading.

50. As a result of the dissemination of the materially false and/or misleading information and/or failure to disclose material facts, as set forth above, the market price of Hill International's securities was artificially inflated during the Class Period. In ignorance of the fact that market prices of the Company's securities were artificially inflated, and relying directly or indirectly on the false and misleading statements made by Defendants, or upon the integrity of the market in which the securities trades, and/or in the absence of material adverse information that was known to or recklessly disregarded by Defendants, but not disclosed in public statements by Defendants during the Class Period, Plaintiff and the other members of the Class acquired Hill International's securities during the Class Period at artificially high prices and were damaged thereby.

51. At the time of said misrepresentations and/or omissions, Plaintiff and other members of the Class were ignorant of their falsity, and believed them to be true. Had Plaintiff and the other members of the Class and the marketplace known the truth regarding the problems that Hill International was experiencing, which were not disclosed by Defendants, Plaintiff and other members of the Class would not have purchased or otherwise acquired their Hill International securities, or, if they had acquired such securities during the Class Period, they would not have done so at the artificially inflated prices which they paid.

52. By virtue of the foregoing, Defendants have violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

53. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and the other members of the Class suffered damages in connection with their respective purchases and sales of the Company's securities during the Class Period.

SECOND CLAIM
Violation of Section 20(a) of The Exchange Act
Against the Individual Defendants

54. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

55. The Individual Defendants acted as controlling persons of Hill International within the meaning of Section 20(a) of the Exchange Act as alleged herein. By virtue of their high-level positions, and their ownership and contractual rights, participation in and/or awareness of the Company's operations and/or intimate knowledge of the false financial statements filed by the Company with the SEC and disseminated to the investing public, the Individual Defendants had the power to influence and control and did influence and control, directly or indirectly, the decision-making of the Company, including the content and dissemination of the various statements which Plaintiff contends are false and misleading. The Individual Defendants were provided with or had unlimited access to copies of the Company's reports, press releases, public filings and other statements alleged by Plaintiff to be misleading prior to and/or shortly after these statements were issued and had the ability to prevent the issuance of the statements or cause the statements to be corrected.

56. In particular, each of these Defendants had direct and supervisory involvement in the day-to-day operations of the Company and, therefore, is presumed to have had the power to

control or influence the particular transactions giving rise to the securities violations as alleged herein, and exercised the same.

57. As set forth above, Hill International and the Individual Defendants each violated Section 10(b) and Rule 10b-5 by their acts and/or omissions as alleged in this Complaint. By virtue of their positions as controlling persons, the Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and other members of the Class suffered damages in connection with their purchases of the Company's securities during the Class Period.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for relief and judgment, as follows:

- (a) Determining that this action is a proper class action under Rule 23 of the Federal Rules of Civil Procedure;
- (b) Awarding compensatory damages in favor of Plaintiff and the other Class members against all defendants, jointly and severally, for all damages sustained as a result of Defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;
- (c) Awarding Plaintiff and the Class their reasonable costs and expenses incurred in this action, including counsel fees and expert fees; and
- (d) Such other and further relief as the Court may deem just and proper.

JURY TRIAL DEMANDED

Plaintiff hereby demands a trial by jury.

Dated: _____, 2018

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By: Draft

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