

Hill International, Inc.
Form 8-K
December 22, 2006

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): December 18, 2006

HILL INTERNATIONAL, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

000-50781
(Commission
File Number)

20-0953973
(IRS Employer
Identification No.)

303 Lippincott Centre, Marlton, NJ
(Address of Principal Executive Offices)

08053
(Zip Code)

Registrant's telephone number, including area code: (856) 810-6200

Arpeggio Acquisition Corporation

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry Into a Material Definitive Agreement.

On December 18, 2006, Hill International, Inc. (the “Company”) and LaSalle Bank National Association (“LaSalle”) entered into a loan and security agreement, which provides for up to \$25 million to be made available to the Company on a revolving basis (the “Credit Facility”). The Credit Facility provides for a letter of credit sub-facility of \$10 million. The Credit Facility is secured by all of the assets of the Company, including, without limitation, its accounts receivable, equipment, securities, financial assets and the proceeds of the foregoing, as well as by a pledge of 66.67% of the outstanding capital stock of the following subsidiaries of the Company: Hill International S.A., Hill International (UK) Ltd., Hill International (Middle East) Ltd. and James R. Knowles (Holdings) Ltd.

The Credit Facility is for a term extending until January 1, 2010. The Credit Facility provides for LIBOR loans and prime rate loans, payable at such interest rates and at such times as are provided for in the Credit Facility. The Credit Facility contains covenants with respect to the Company’s minimum net worth, total debt to EBITDA ratios, fixed charge coverage ratios and billed accounts receivable to total debt ratios, as well as other financial covenants and certain restrictions on the incurrence of debt, on the making of investments, on the payment of dividends, on transactions with affiliates and other affirmative and negative covenants and events of default customary for facilities of its type. The Company is paying a fee to LaSalle that is customary for facilities of this type.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

(a) The contents of Item 1.01 of this Current Report on Form 8-K are hereby incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

- (a) Financial statements of business acquired. None.
- (b) Pro forma financial information. None.
- (c) Shell Company Transactions. None.
- (d) Exhibits.

| <u>Exhibit Number</u> | <u>Description</u> |
|-----------------------|--|
| 10.1 | Loan and Security Agreement dated as of December 18, 2006 by and between Hill International, Inc. and LaSalle Bank National Association. |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

HILL INTERNATIONAL, INC.

By: /s/ Irvin E. Richter

Name: Irvin E. Richter

Title: Chairman and Chief Executive Officer

Dated: December 22, 2006
