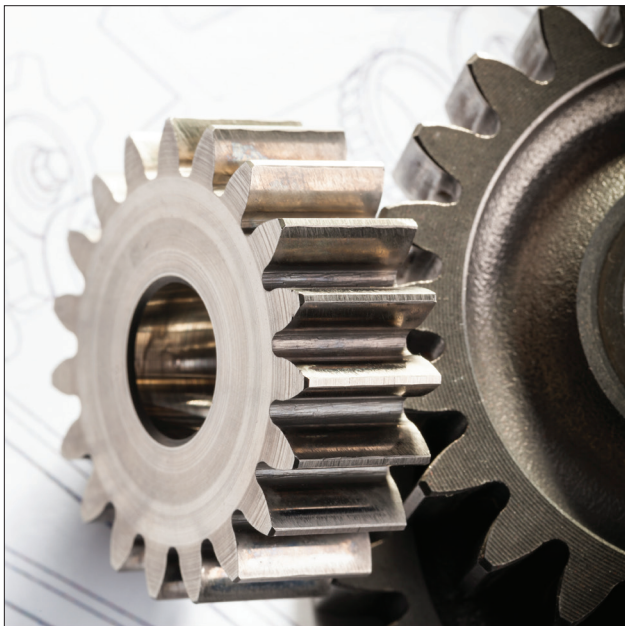


Engineering a Renewal to Unlock a Company's Potential

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| Client: | Berger Group Holdings Inc. |
| Industry: | Engineering services |
| Areas of Law: | Corporate Investigations, Insolvency & Restructuring, Corporate & Securities, Finance, Tax, and Executive Compensation & Benefits |
| Result: | First-of-its-kind recapitalization solution enabled company's full recovery, positioning it for growth for generations to come. |



“We are one step closer to finally closing the chapter on the pre-2010 era of the company’s history.” —Nicholas J. Masucci, Chairman, Berger Group Holdings Inc.

Berger Group Holdings, one of the largest engineering services firms in the world, with annual revenues of approximately \$1 billion, turned to Pillsbury to create a multi-faceted strategy for recovery and recapitalization at a crucial time in the company’s nearly 60-year history.

In 2010, the company self-reported improper business activities that former managers had engaged in outside the U.S. for more than a decade. All of those executives were separated from the company following the early findings of internal investigations. Given the exposure and gravity of the situation, Berger engaged a team led by Pillsbury’s Insolvency & Restructuring practice to help navigate the legal and regulatory hurdles it faced at the U.S. Department of Justice and World Bank, while also developing a comprehensive restructuring of its global operations.

The team created a highly technical, exceedingly complex and truly innovative solution for restructuring and recapitalizing the privately held company while preserving senior managers’ ownership and control. The solution took 27 months to develop, and it resulted in a first-of-its-kind reciprocal investment structure between outside investor Abrams Capital and the senior managers of Berger. The combined equity and debt components of the investment brought in \$465 million in new capital for the company, which formalized the relationship with Abrams in an agreement signed in July 2015.

The outcome for the client is significant. Three years earlier, Berger had faced the prospect of being forced to sell itself at a deep discount, cede control to an outside investor or declare bankruptcy. Today Berger’s legal woes are behind it, and it has transitioned from a traditional partnership to a broad-based employee corporate ownership model. With its credit facility increased, Berger is in a position to move quickly on its domestic and international acquisition strategies. Most importantly, the new investment structure ensures that no shareholder can take a controlling interest; Berger can continue to function as a partnership.

Pillsbury delivered these services and solutions through collaborative efforts of its restructuring, FCPA, financing, M&A, tax, and benefits practice groups from its worldwide offices.