
**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): February 6, 2019

HEIDRICK & STRUGGLES INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

0-25837
(Commission
File Number)

36-2681268
(IRS Employer
Identification No.)

233 South Wacker Drive, Suite 4900, Chicago, IL
(Address of principal executive offices)

60606-6303
(Zip Code)

Registrant's telephone number, including area code: (312) 496-1200

N/A
(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(c) Appointment of Chief Operating Officer.

On February 6, 2019, Heidrick & Struggles International, Inc. (“Heidrick & Struggles” or the “Company”) entered into a final definitive agreement with Michael Cullen relating to his position as the Chief Operating Officer of Heidrick & Struggles.

Mr. Cullen, 53, joined Heidrick in April 2008 and served as the Managing Partner – Americas Technology & Services through April 2014. Mr. Cullen then served as Global Practice Managing Partner - Technology and Services from April 2014 through December 2017. He began his most recent role of Group Chief Operating Officer in January 2018. As Group Chief Operating Officer, he was responsible for all regions, practice management, information technology and marketing. Prior to joining Heidrick, Mr. Cullen served as the Head of the Office of Executive Talent of EMC Corporation (now Dell EMC) from 2000 through 2008.

The Agreement is effective as of January 1, 2019 and provides that Mr. Cullen will be paid (i) an annual base salary of \$650,000; (ii) an annual cash bonus target opportunity equal to 100 percent of his base salary, subject to the attainment of certain performance goals established annually by the Board’s Human Resources and Compensation Committee (“HRCC”); and (iii) an annual long-term incentive equity award target opportunity equal to 100 percent of his base salary, subject to the attainment of certain performance goals established annually by the HRCC. Mr. Cullen will participate in the Company’s (i) Management Incentive Plan (“MIP”) at the Tier I level; (ii) Change in Control Severance Plan (“CIC Plan”); (iii) Management Severance Pay Plan (“Severance Plan”) at the Tier I level; (iv) equity programs; and (v) vacation and benefit plans at the same level as other senior executives. Full descriptions of the Company’s benefit and compensation plans are contained in the Heidrick & Struggles’ Definitive Proxy Statement on Schedule 14A, which was filed with the SEC on April 24, 2018 and is incorporated herein by reference.

Mr. Cullen’s Agreement also provides for severance payable upon termination without cause or resignation for good reason, as well as customary restrictive covenants in favor of Heidrick & Struggles. A copy of Mr. Cullen’s Agreement is attached hereto as Exhibit 10.1 and incorporated herein by reference.

Mr. Cullen has no familial relationship nor related party transaction with Heidrick & Struggles that would require disclosure under Items 401(d) or 404(a) of Regulation S-K in connection with his appointment as Chief Operating Officer.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

The following exhibit is being furnished as part of this Report on Form 8-K:

- 10.1 [Employment Agreement between Heidrick & Struggles International, Inc. and Michael Cullen dated February 6, 2019.](#)

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.

HEIDRICK & STRUGGLES INTERNATIONAL, INC.
(Registrant)

Date: February 8, 2019

By: /s/ Kamau Coar
Name: Kamau Coar
Title: General Counsel

HEIDRICK & STRUGGLES

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Suite 4900
Chicago, Illinois 60610
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facsimile +1(312) 496-1297
www.heidrick.com

February 6, 2019

Michael Cullen
Address on File with the Company

Dear Mike:

On behalf of Heidrick & Struggles, Inc. (“HSII” or the “Company”), I am pleased to confirm the terms of your employment arrangement in this letter agreement (the “Agreement”). All amounts in this Agreement are denominated in U.S. dollars. This offer of employment is subject to the satisfactory completion of references and a background check.

1. **Effective Date**: The new terms of your employment are effective as of January 1, 2019 (the “Effective Date”).
2. **Title**: You will serve as Chief Operating Officer for the enterprise. You agree that you will devote your full time, energy, and skill to the business of the Company and to the promotion of the Company’s best interest, and shall not work or perform services for any other employer as an employee, consultant or otherwise during the term of your employment.
3. **Location**: You will continue to adhere to your current working arrangement.
4. **Base Salary**: You will receive a monthly salary of \$54,166.67 (which is equivalent to \$650,000 annually) payable at the end of each month.
5. **Management Incentive Plan (MIP) Participation**. You will be eligible to participate in the MIP (the Company’s annual bonus program operated pursuant to the Company’s shareholder approved Incentive Plan) at the Tier 1 level. You will be eligible for a target annual incentive award under the MIP equal to 100% of your Base Salary (the “**Target Bonus Amount**”), subject to your continued employment with the Company and pursuant to the terms of the MIP and the Company’s Incentive Plan, as amended from time to time. Performance goals under the MIP will be established annually by the Human Resources and Compensation Committee of the Board (the “**HRCC**”). The bonus is discretionary and is not earned until approved by HRCC. Bonuses are only payable if you are employed by the Company on the date such bonus is paid, except at the sole discretion of management.
6. **Incentive Compensation and Other Plans**: You will be eligible to participate in other management compensation plans, including the Company’s 2012 GlobalShare Program (the “GlobalShare Program”). In addition, you will be eligible to participate in the Change in Control Severance Plan and the Management Severance Pay Plan, as such plans may be amended from time to time (the “CIC Severance Plan” and the “Base Severance Plan”, respectively, and together the “Severance Plans”).

7. Annual Long-Term Incentive Awards: You will receive consideration for annual long-term incentive grants as part of your performance and compensation review under the Company's long-term incentive plan for senior executives of the Company. Annual long-term incentive awards are subject to the approval of the HRCC. Based on the Company's current program design, your first annual grant for your role will have a grant date target value equal to 100% of your Base Salary and are made up of 50% of restricted stock units (time vesting only) and 50% of performance stock units. Performance conditions for the performance stock units under the annual long-term incentive program will be established annually by the HRCC.
8. Benefits: You will be eligible to participate in the Company's benefits program to the same extent as other executives at your level. Our benefits program includes group health, dental, vision, life/AD&D, long-term disability, short-term disability salary continuation, flexible spending accounts, the Heidrick & Struggles, Inc. 401(k) Profit Sharing and Retirement Plan, and the Deferred Compensation Plan. You will also be eligible to participate in the Company's Physical Examination and Financial Planning Program. Your eligibility for all such programs and plans is determined under the terms of those programs/plans. Any discrepancy between this summary and the company's plan documents will be resolved in favor of the plan documents. Our benefits program, compensation programs and policies are reviewed from time to time by Company management and may be modified, amended, or terminated at any time.
9. Business Expenses: The Company will reimburse you for your business expenses in accordance with its policies.
10. Compliance with Policies: Subject to the terms of this Agreement, you agree that you will comply in all material respects with all policies and procedures applicable to similarly situated employees of the Company, generally and specifically and as modified and amended from time to time following notice to you.
11. Termination of Employment:
 - a. Employment at Will: You will be an "employee at will" of the Company, meaning that either party may terminate the employment relationship at any time for any reason (with or without Cause or reason) upon written notice to the other party. A period of notice shall only be required if it is expressly provided in writing under written Company employment policies in effect at the time of such termination, and the Company reserves the right to pay you severance in the form of salary continuation payments in lieu of any such required notice.
 - b. No Notice Period in Case of Termination for Cause: Notwithstanding any period of notice under written Company employment policies in effect at the time of termination, the Company shall have the right to terminate your employment for Cause immediately upon written notice.
 - c. Compensation Upon Termination: Upon the termination of your employment, you will be paid your Base Salary up through your last day of work (the "Termination Date"), any amounts due under the Company's benefit plans and programs in accordance with their respective terms (including but not limited to the GlobalShare Program, the Change in Control Severance Plan, and the Management Severance Pay

Plan, as applicable), reimbursement of all business expenses in accordance with the Company's policies, and any other amounts required by law.

- d. Definition of Cause: For purposes of this Agreement, "Cause" shall mean any of the following: (i) your engagement, during the performance of your duties hereunder, in acts or omissions constituting dishonesty, gross negligence, fraud, intentional breach of fiduciary obligation or intentional wrongdoing or malfeasance; (ii) your indictment of, or plea of nolo contendere to, a crime constituting a (x) a felony under the laws of the United States or any state thereof or (y) misdemeanor involving moral turpitude; (iii) your material violation or breach of any provision of this Agreement and failure to cure within thirty (30) days of receipt of notice of the violation/breach (where such cure is possible); (iv) your unauthorized use or disclosure of confidential information pertaining to the Company's business in violation of this Agreement or Company policy; (v) any knowing or negligent act or omission by you or at your direction which results in the restatement of the financial statements of HSII or a subsidiary of HSII; (vi) your engagement in conduct causing demonstrable injury to the Company or its reputation; (vii) your unreasonable failure or refusal to perform your duties as the Company reasonably requires, to meet goals reasonably established by the Company or its affiliates, or to abide by the Company's policies for the operation of its business, and the continuation thereof after the receipt by you of written notice from the Company and failure to cure within thirty (30) days of receipt of the notice (where such cure is possible); (viii) your habitual or gross use of alcohol or controlled substances which interferes with the performance of your duties and obligations on behalf of the Company; or (ix) your death or Disability, as hereinafter defined. For purposes of this Agreement, "Disability" shall mean that you have been unable, for six (6) consecutive months, to perform your duties under this Agreement even with accommodation, because of physical or mental illness or injury. The determination of whether you have been terminated for "Cause" will be made at the sole discretion of the HRCC.
- e. Return of Materials: Upon the termination of your employment, you agree to return to the Company, all Company property, including all materials furnished to you during your employment (including but not limited to keys, computers, automobiles, electronic communication devices, files and identification cards) and all materials created by you during your employment. In addition, you agree that upon the termination of your employment you will provide the Company with all passwords and similar information for Company-provided systems and programs that will be necessary for the Company to access materials on which you worked or to continue in its business.

12. Confidentiality: In the course of your employment with the Company, you will be given access to and otherwise obtain knowledge of certain trade secrets and confidential and proprietary information pertaining to the business of the Company and its affiliates. During the term of your employment with the Company and thereafter, you will not, directly or indirectly, without the prior written consent of the Company, disclose or use for the benefit of any person, corporation or other entity, or for yourself, any trade secrets or other confidential or proprietary information concerning the Company or its affiliates, including, but not limited to, information pertaining to their clients, services, products, earnings, finances, operations, marketing, methods or other activities; provided, however, that the foregoing shall not apply to information which is of public record or is generally known, disclosed or available to the

general public or the industry generally (other than as a result of your breach of this covenant or the breach by another employee of his or her confidentiality obligations). Notwithstanding the foregoing, you may disclose such information as is required by law during any legal proceeding or to your personal representatives and professional advisers as is required for purposes of rendering tax or legal advice, and, with respect to such personal representatives and professional advisers, you shall inform them of your obligations hereunder and take all reasonable steps to ensure that such professional advisers do not disclose the existence or substance thereof. Further, you shall not, directly or indirectly, remove or retain, and upon termination of employment for any reason you shall return to the Company, any records, computer disks or files, computer printouts, business plans or any copies or reproductions thereof, or any information or instruments derived therefrom, arising out of or relating to the business of the Company and its affiliates or obtained as a result of your employment by the Company.

13. Non-Solicitation/Non-Competition.

- a. Without the prior written consent of the Company, during the term of your employment with the Company and for a period of twelve (12) months after the termination of your employment with the Company for any reason, you shall not:
 - i. become engaged in or otherwise become financially interested in, directly or indirectly (whether as an owner, officer, employee, consultant, director, stockholder, or otherwise), any company, enterprise or entity that, in any market served by the Company, provides, or has made substantial preparation to provide, services or products that compete with any portion of the "Business" (as defined below in Section 13(c)); provided, that it shall not be a violation of this restriction to engage in the passive investment in securities of publicly traded companies that are not in excess of two percent (2%) of any such company's outstanding securities.
 - ii. directly or indirectly solicit, or assist any other person in soliciting for a competitive Business, or to otherwise interfere with the Company's relationship with, any client of the Company with whom you had direct professional contact during the twelve (12) months immediately prior to the termination of your employment with the Company and during which you learned confidential information or whose account you oversaw during your employment with the Company;
 - iii. directly or indirectly solicit, or assist any other person in soliciting, any employee of the Company or its affiliates as of your termination of employment with the Company, or any person who, as of such date, was in the process of being recruited by the Company or its affiliates, or induce any such employee to terminate his or her employment with the Company or its affiliates; or
 - iv. hire or assist another person in hiring any employee of the Company or its affiliates who potentially possesses the Company's or its affiliate's confidential information for a position where the employee's knowledge of such information might be relevant.

- b. You acknowledge that the protections of the Company set forth in this Section 13 are fair and reasonable. You agree that remedies at law for a breach or threatened breach of the provisions of this Section 13 would be inadequate and, therefore, the Company shall be entitled, in addition to any other available remedies, without posting a bond, to equitable relief in the form of specific performance, temporary restraining order, temporary or permanent injunction, or any other equitable remedy that may be then available.
- c. As used in this Section 13:
 - i. the term “Business” shall mean the business of the Company and its direct and indirect parents and subsidiaries and shall include (I) executive search, which includes facilitating the recruitment, management and deployment of senior executives for executive management and board director positions; (II) consulting services, which includes succession planning, culture assessment and leadership assessment and development; and (III) during the term of this Agreement and as of the date of your termination of employment, any other service or product provided by the Company or for which the Company had made substantial preparation to enter into or offer that is a Material Business or is reasonably expected by the Board to constitute a Material Business within 2 years following your termination of employment; and
 - ii. the term “Material Business” shall mean a service or product or other line of business which generates 10% or more of the Company’s gross annual revenues

Nothing in this Section 13 shall prohibit you from providing services or products (other than services or products similar to those provided by the Company in the conduct of the Business) to an entity that is not engaged in a business, or providing products or services, which compete with a Business (a “Competitive Activity”) but which has one or more affiliates, divisions or business units that is engaged in a Competitive Activity; provided that (i) the entity does not derive more than 10% of its gross annual revenues from such Competitive Activity and (ii) (x) your duties, responsibilities and authority with respect to such entity do not result in your being directly involved in the conduct or facilitation of such Competitive Activity and (y) if your duties, responsibilities and authority with respect to such entity would otherwise result in your being indirectly (through supervision or otherwise) involved in the conduct or facilitation of such Competitive Activity (“Indirect Activity”), appropriate safeguards, reasonably acceptable to the Company, are implemented in order to prevent your engagement in such Indirect Activity.

Each of the foregoing restrictions contained in Section 13 constitutes an entirely separate and independent restriction on you and shall be read and construed independently of the other undertakings and agreements herein contained. You and the Company agree that the restrictions contained in Section 13 are reasonable in scope and duration and are necessary to protect the Company’s confidential information and other business interests. If any provision of Section 13 as applied to any party or to any circumstance is adjudged by an arbitrator or court of competent jurisdiction to be invalid or unenforceable, the same will in no way affect any other circumstance or the validity or enforceability of this Agreement. If any such provision, or any part thereof, is held to be unenforceable because of the scope, duration or geographic area covered thereby, the parties agree that the court or arbitrator making such

determination will have the power to reduce the scope and/or duration and/or geographic area of such provision, and/or to delete or revise specific words or phrases, and in its modified form, such provision will then be enforceable and will be enforced.

14. The parties agree and acknowledge that the breach of Section 13 will cause irreparable damage to the Company, and upon actual or threatened breach of any provision of either Section the Company will be entitled to seek from a court of competent jurisdiction immediate injunctive relief, specific performance or other equitable relief without the necessity of posting a bond or other security and that this will in no way limit any other remedies which the Company may have (including, without limitation, the right to seek monetary damages).
15. Other Legal Matters:
 - a. No Other Agreements/Obligations: You have advised the Company that your execution and performance of the terms of this Agreement do not and will not violate any other agreement binding on you or the rights of any third parties and you understand that in the event this advice is not accurate the Company will not have any obligation to you under this Agreement.
 - b. Negotiation of Agreement: You acknowledge that you negotiated the terms of this Agreement with the Company and that you enter into this Agreement voluntarily.
 - c. Applicable Legal Standards: You will be an employee of the Company's United States operations and agree that the laws of the United States of America and the State of New York shall govern your employment with the Company.
 - d. Notice: All notices and other communications under this Agreement shall be in writing to you at the above-referenced address or to the Company at its Chicago Headquarters, directed to the attention of the General Counsel.
 - e. Agreement Amendments: This letter Agreement can be amended only in writing and signed by the Chief Executive Officer or General Counsel. You and the Company specifically acknowledge that no promises or commitments have been made that are not set forth in this letter.
 - f. Severability: If any provision of this Agreement or the application thereof is held invalid, such invalidity shall not affect other provisions or applications of this Agreement that can be given effect without the invalid provision or application and, to such end, the provisions of this Agreement are declared to be severable.
 - g. Survival of Provisions: The provisions of Sections 11 (b) and (c) and 12 through 15 of this Agreement shall survive the termination of your employment with the Company and the expiration or termination of this Agreement.
 - h. Protected Rights. Notwithstanding any other provision of this Agreement, nothing contained in this Agreement prohibits you from reporting possible violations of federal law or regulation to any governmental agency or entity, including but not limited to the Department of Justice, the Securities and Exchange Commission, the Congress, and any agency Inspector General, or making other disclosures that are protected under the whistleblower provisions of federal law or regulation, or providing truthful

testimony in response to a lawfully-issued subpoena or court order. Further, this Agreement does not limit your ability to communicate with any governmental agency or entity or otherwise participate in any investigation or proceeding that may be conducted by any governmental agency or entity, including providing non-privileged documents or other information, without notice to the Company.

Mike, thank you for the many contributions you have already made to Heidrick & Struggles. I look forward to your continued success and to working with you.

Sincerely,

/s/ Krishnan Rajagopalan

Krishnan Rajagopalan
President and Chief Executive Officer

I hereby accept the terms and conditions of employment outlined in this Agreement.

/s/ Michael Cullen

Michael Cullen

February 6, 2019

Date

Copy:

Sarah Payne, Chief Human Resources Officer
Kamau Coar, General Counsel