

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): **June 17, 2016**

**ModusLink Global Solutions, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction  
of incorporation)

**001-35319**

(Commission  
File Number)

**04-2921333**

(IRS Employer  
Identification No.)

**1601 Trapelo Road, Suite 170  
Waltham, Massachusetts**

(Address of principal executive offices)

**02451**

(Zip Code)

Registrant's telephone number, including area code: **(781) 663-5000**

(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 2.05. Costs Associated with Exit or Disposal Activities.

On June 17, 2016, the Board of Directors (the "Board") of Moduslink Global Solutions, Inc. (the "Company"), approved a comprehensive plan to restore profitability and drive stockholder value (the "Plan"). Under the Plan, the Company intends to invest approximately \$20.0 million over the coming year in specific actions that are expected to improve annualized EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) by approximately \$32.0 million.

The Plan will result in a reduction in workforce, the closure of one facility, and a reduction in facility space based on anticipated client volumes. When substantially completed by the end of the Company's fiscal year ending July 31, 2017, the Company expects a reduction to ModusLink Corporation's (the Company's principal operating subsidiary) workforce and square footage by approximately 17%. These actions are anticipated to result in an annualized cost savings of approximately \$12.0 million, and an improvement in its cost of goods sold of approximately \$20.0 million.

In connection with the Plan, the Company expects to incur total estimated cash restructuring charges of up to \$13.7 million, consisting primarily of \$11.1 million related to severance, \$1.1 million related to facility actions, and \$1.5 million related to professional services fees. In addition, the Company expects there will be non-restructuring costs related to the execution of the overall Plan estimated to be approximately \$6.3 million, consisting of \$3.3 million of professional services fees, \$2.0 million of capital investments, and \$1.0 million related to employee retention. The Company intends to fund the Plan through a combination of cash on hand, anticipated proceeds from the sale of ModusLink Corporation owned real estate, and existing bank facilities.

Certain of the statements made above in this Item 2.05 contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact, including without limitation, those with respect to the Company's goals, plans, expectations and strategies set forth herein and which often contain words such as "expect," "anticipate," "intend," "plan," "believe," "seek," "see," "will," "would," or "target," are forward-looking statements. The following important factors and uncertainties, among others, could cause actual results to differ materially from those described in these forward-looking statements: the Company's ability to execute on its business strategy, including any cost reduction plans and the continued and increased demand for and market acceptance of its services, which could negatively affect the Company's ability to meet its revenue, operating income and cost savings targets, maintain and improve its cash position, expand its operations and revenue, lower its costs, improve its gross margins, reach and sustain profitability, reach its long-term objectives and operate optimally; failure to realize expected benefits of restructuring and cost-cutting actions; the Company's ability to preserve and monetize its net operating losses; difficulties integrating technologies, operations and personnel in accordance with the Company's business strategy; client or program losses; demand variability in supply chain management clients to which the Company sells on a purchase order basis rather than pursuant to contracts with minimum purchase requirements; failure to settle disputes and litigation on terms favorable to the Company; risks inherent with conducting international operations; and increased competition and technological changes in the markets in which the Company competes. For a detailed discussion of cautionary statements that may affect the Company's future results of operations and financial results, please refer to the Company's filings with the Securities and Exchange Commission, including the Company's most recent Annual Report on Form 10-K. Forward-looking statements represent management's current expectations and are inherently uncertain. The Company does not undertake any obligations to update forward-looking statements made by it.

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

On June 17, 2016, the Board appointed Warren G. Lichtenstein, 50, as Executive Chairman, effective immediately. In addition, James R. Henderson, 58, who had been appointed as the Chief Executive Officer of the Company's principal operating subsidiary, ModusLink Corporation ("ModusLink"), in May 2016, was appointed Chief Executive Officer of the Company, effective immediately. The biographical information for Mr. Henderson and the description of the offer letter executed by Mr. Henderson in connection with his appointment as Chief Executive Officer of ModusLink, can be found in the Company's Current Report on Form 8-K filed on March 29, 2016, as amended on April 18, 2016, and is incorporated herein by reference. Mr. Henderson's offer letter has not been amended to date.

Also on June 17, 2016, the Board appointed Louis J. Belardi, 65, as Executive Vice President and Chief Financial Officer of the Company and ModusLink, effective June 27, 2016. Joseph Sherk, who previously served as Principal Financial Officer, Principal Accounting Officer and Corporate Controller of the Company, has been removed from such positions, and Alan Cormier, who previously served as the Company's Senior Vice President and General Counsel, left the Company, effective June 20, 2016.

**Louis J. Belardi** served as Chief Financial Officer of SL Industries, Inc. ("SL Industries") from August 2010 through May 2016, and as SL Industries' Secretary and Treasurer from July 2010 through May 2016. Mr. Belardi previously served as the Corporate Controller of SL Industries from 2004 until August 2010, during which time he was responsible for management of the company's corporate accounting, SEC reporting functions and Sarbanes Oxley compliance. Prior to joining SL Industries, Mr. Belardi was a partner in his own management consulting firm that specialized in providing financial consulting to public corporations. Before entering consulting, he was promoted through several financial roles to the position of Vice President Finance and Administration at Aydin Corporation, now part of L-3 Communications. Mr. Belardi started his career as a CPA at Price Waterhouse and has an MBA in finance.

In connection with Mr. Belardi's appointment as Executive Vice President and Chief Financial Officer of the Company, on June 17, 2016, the Board approved an offer letter to Mr. Belardi, which was executed on the same date, pursuant to which Mr. Belardi is entitled to receive an annualized base salary of \$325,000, paid biweekly and will receive a sign on bonus of \$50,000. Mr. Belardi will also be eligible for an annual cash bonus of up to 60% of his base salary, subject to attainment of short-term performance objectives to be mutually agreed upon and established. Pursuant to the offer letter Mr. Belardi is also entitled to vacation and other employee benefits in accordance with the Company's policies. Mr. Belardi is an employee at will. The foregoing description is subject to, and qualified in its entirety by, the offer letter, which is filed as Exhibit 10.1 hereto and incorporated herein by reference.

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**Item 7.01 Regulation FD Disclosure.**

On June 20, 2016, the Company announced the adoption of the Plan and the changes to its executive management structure in a press release. A copy of the press release is attached to this report as Exhibit 99.01.

The information contained in this Item 7.01 to this Current Report on Form 8-K and the exhibit attached hereto pertaining to this item shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall such information or such exhibits be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing. The information set forth in the exhibits to this Form 8-K relating to this item 7.01 shall not be deemed an admission as to the materiality of any information in this report that is required to be disclosed solely to satisfy the requirements of Regulation FD.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

Exhibit No.	Description
10.1	Offer Letter, dated June 17, 2016, by and among the Company and Louis J. Belardi.
99.1	Press Release, dated June 20, 2016.

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Current Report on Form 8-K to be signed on its behalf by the undersigned hereunto duly authorized.

June 20, 2016

ModusLink Global Solutions, Inc.

By: /s/ James R. Henderson

Name: James R. Henderson

Title: Chief Executive Officer

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## Exhibit Index

Exhibit No.	Description
10.1	Offer Letter, dated June 17, 2016, by and among the Company and Louis J. Belardi.
99.1	Press Release, dated June 20, 2016.

June 17, 2016

Mr. Louis Belardi  
2347 Schlosser Road  
Harleysville, PA 19438

Dear Lou:

On behalf of the Board of Directors of ModusLink Global Solutions, Inc. (“ModusLink Global” and the “Company”), this will confirm our recent offer to you to become Executive Vice President and Chief Financial Officer of ModusLink Global, effective June 27, 2016. You shall also serve as the Chief Financial Officer of ModusLink Corporation. In these capacities, you will report directly to Jim Henderson, Chief Executive Officer.

Your annualized base salary will be \$325,000, less applicable withholdings and deductions, paid biweekly in accordance with the Company’s payroll practice. For fiscal year 2017, which commences on August 1, 2016, you will be eligible for a cash bonus of up to 60% of your base salary, subject to your attainment of short-term performance objectives to be mutually agreed upon and established. The cash bonus will be paid no later than 75 days after the end of the fiscal year.

Additionally, the Company will provide you with a sign on bonus of \$50,000, payable in the first paycheck following 30 days of employment and subject to applicable withholdings and deductions.

You will be entitled to accrue vacation in accordance with the Company’s vacation policies and will participate in any and all benefit programs, other than any severance arrangement, that the Company establishes and makes generally available to its employees from time to time provided you are eligible under (and subject to all provisions of) any plan documents governing any such programs. A summary of your benefits is enclosed and the details of the plans and coverages offered will be reviewed with you when you join the Company.

You represent and warrant (i) you have advised the Company in writing of any agreement relating to noncompetition, non-solicitation or confidentiality between you and any previous employer, (ii) you are not a party to or bound by any other employment agreement, non-compete agreement or confidentiality agreement with any other person or entity which will be violated by your acceptance of this position, or which would interfere in any marital respect with performance of your duties with the Company and (iii) you will not use any confidential information or trade secrets of any person or party other than the Company in connection with the performance of the duties with the Company.

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Finally please sign and return the following documents at your earliest convenience: (i) the Company's Code of Conduct, (ii) the Company's standard form Non-Disclosure and Developments Agreement; and (iii) the Company's Policy on Trading of Securities. Within the first three days of employment, please provide the Company with documents supporting your eligibility to work in the United States, so that we can complete an Employment Eligibility Verification Form (Form I-9) for you.

This correspondence the entire agreement between you and the Company and supersedes all prior offers, both verbal and written. This correspondence does not constitute a guarantee of employment or impose on the Company any obligation to retain you as an employee for any set amount of time. Your employment is at will and may be terminated by you or the Company at any time for any or no reason.

Lou, we are very pleased that you have chosen to join the ModusLink team, and we are confident that you will make a significant contribution to our business!

Sincerely,

/s/ Kathleen V. Betts

Kathleen V. Betts  
Chief Human Resources Officer

Agreed to, acknowledged and accepted,

/s/ Louis Belardi  
Louis Belardi

June 17, 2016  
Date





## MODUSLINK UNVEILS COMPREHENSIVE PLAN TO RESTORE PROFITABILITY AND DRIVE SHAREHOLDER VALUE

*Process-driven, corporate realignment and other strategic initiatives expected to result in \$32 million annualized EBITDA improvement; new organizational model structured around exceeding global client needs; changes in executive management announced*

**WALTHAM, Mass.— June 20, 2016**—ModusLink Global Solutions™, Inc. (NASDAQ: MLNK) (“the Company” or “ModusLink”), today unveiled a series of corporate realignment and process-driven initiatives aimed at returning the Company to profitability, while improving overall client satisfaction. The Company also announced today changes to its executive management structure.

Over the past few years, ModusLink has significantly expanded its global service capabilities and market reach. As the global markets have continued to come under pressure and some of the Company’s clients have experienced downturns in their respective businesses, ModusLink revenues and margins have declined, resulting in operating and net losses. ModusLink today disclosed its plans to re-invest in its business, with lean principles serving as the foundation of change, in a concerted effort to restore profitability and enhance its global offerings and services capabilities.

As part of the plan, the Board of Directors has appointed Warren Lichtenstein, Executive Chairman of the Company. Jim Henderson, who was appointed in May as Chief Executive Officer of ModusLink Corporation, will now also serve as CEO of the Company. The Company also announced that Louis J. Belardi, previously Chief Financial Officer of SL Industries Inc. and a 40-year accounting and financial veteran, has been appointed CFO of the Company and ModusLink Corporation. Additionally, Joseph Sherk, who previously served as Principal Financial Officer, Principal Accounting Officer and Corporate Controller of the Company, has stepped down from those positions, and Alan Cormier, the Company’s Senior Vice President and General Counsel, will be leaving the organization.

Jim Henderson, ModusLink’s newly appointed CEO commented, “It is with great excitement that I take on this role and look forward to working with our team to drive meaningful enhancements on behalf of our global clients and partners. The value we provide and our ability to become extensions of our client’s supply chain, logistics and e-commerce platforms has never been in question, and today we represent industry Fortune 500 leaders and emerging growth companies in their respective fields. At issue have been our cost structure and the manner in which we have aligned internally. After a thorough analysis of our geographic footprint, service capabilities and client requirements, we are ready to spring into action and implement a plan to bring ModusLink back to profitability.”

The Company intends to invest approximately \$20.0 million over the coming year in specific actions that are expected to improve annualized EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) by approximately \$32.0 million. Many of the investments the Company will be making are process, people and systems oriented, and are part of an organizational redesign that aligns resources behind client needs, rather than by department and geography.

The programs unveiled will be funded through cash on hand, anticipated proceeds from the sale of ModusLink Corporation owned real estate, and existing bank facilities. Cost savings and gross margin enhancements are expected to be realized by realigning site management to client requirements, improving operational efficiencies, the closure of the Company’s Taiwan facility, and by downsizing the square footage used in three locations based on under-utilization. Additionally, through investments in automation, by eliminating geographic management oversight, and moving SG&A (Selling, General & Administrative) requirements to lower cost hubs, the Company believes it will generate annualized cost savings of approximately \$12.0 million and an improvement in its cost of goods sold of approximately \$20.0 million. As the new structure is implemented and process efficiencies are realized, the Company expects it will be in position to reduce its employee count by 17% over the coming year.

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As many of the Company's clients are global and programs are split between geographic sites, this shift in structure will enable the Company to remove redundancies in its cost to serve, while freeing up resources to invest in automation, new service offerings and more effective client management tools. Between actions in Fiscal 2016 and Fiscal 2017, the Company expects it will reduce its square footage by approximately 17%, without impacting client programs, while maintaining a global footprint of over two million square feet and 24 geographic facilities. The Company anticipates that as a result of these cumulative actions, ModusLink Corporation, which comprises its supply chain business, will be generating positive EBITDA in the fourth quarter of Fiscal 2017.

The Company anticipates it will incur restructuring charges of approximately \$12.0 million in its fourth quarter of Fiscal 2016. Additional details will be provided in the Company's year-end results announcement and corresponding Form 10-K filing for the period ended July 31, 2016.

Mr. Henderson continued, "Among facility optimization, network and system enhancements and a new organizational structure with clients at the forefront, we see significant opportunities to streamline costs, enhance gross margins and foster a culture of global collaboration. The foundation we have built and the value-added services we provide to our clients have us excited about our future. We're equally focused on stabilizing and growing our top-line, both with existing and new customers, and marketing the vast global capabilities we possess. We have all of the tools to be successful and I'm confident in our ability to execute and deliver value for all stakeholders."

#### **About ModusLink Global Solutions, Inc.**

ModusLink Global Solutions, Inc. (NASDAQ: MLNK), through its wholly-owned subsidiaries, ModusLink Corporation and ModusLink PTS, Inc. (together "ModusLink"), executes comprehensive supply chain and logistics services that are designed to improve clients' revenue, cost, sustainability and customer experience objectives. ModusLink is a trusted and integrated provider to the world's leading companies in consumer electronics, communications, computing, medical devices, software and retail. ModusLink's operations are supported by 24 sites across North America, Europe, and the Asia/Pacific region. For details on ModusLink's flexible and scalable solutions visit [www.moduslink.com](http://www.moduslink.com) and [www.valueunchained.com](http://www.valueunchained.com), the blog for supply chain professionals.

ModusLink Global Solutions is a registered trademark of ModusLink Global Solutions, Inc. All other company names and products are trademarks or registered trademarks of their respective companies.

*This release contains forward-looking statements, which address a variety of subjects. All statements other than statements of historical fact, including without limitation, those with respect to the Company's goals, plans, expectations and strategies set forth herein and which often contain words such as "expect," "anticipate," "intend," "plan," "believe," "seek," "see," "will," "would," or "target," are forward-looking statements. The following important factors and uncertainties, among others, could cause actual results to differ materially from those described in these forward-looking statements: the Company's ability to execute on its business strategy, including any cost reduction plans and the continued and increased demand for and market acceptance of its services, which could negatively affect the Company's ability to meet its revenue, operating income and cost savings targets, maintain and improve its cash position, expand its operations and revenue, lower its costs, improve its gross margins, reach and sustain profitability, reach its long-term objectives and operate optimally; failure to realize expected benefits of restructuring and cost-cutting actions; the Company's ability to preserve and monetize its net operating losses; difficulties integrating technologies, operations and personnel in accordance with the Company's business strategy; client or program losses; demand variability in supply chain management clients to which the Company sells on a purchase order basis rather than pursuant to contracts with minimum purchase requirements; failure to settle disputes and litigation on terms favorable to the Company; risks inherent with conducting international operations; and increased competition and technological changes in the markets in which the Company competes. For a detailed discussion of cautionary statements that may affect the Company's future results of operations and financial results, please refer to the Company's filings with the Securities and Exchange Commission, including the Company's most recent Annual Report on Form 10-K. Forward-looking statements represent management's current expectations and are inherently uncertain. The Company does not undertake any obligations to update forward-looking statements made by it.*

#### Company Contact:

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