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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

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

**Date of Report (Date of earliest event reported): October 2, 2015**

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**Power Solutions International, Inc.**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**001-35944**  
(Commission  
File Number)

**33-0963637**  
(IRS Employer  
Identification No.)

**201 Mittel Drive, Wood Dale, Illinois 60191**  
(Address of principal executive offices and zip code)

**Registrant's telephone number, including area code: (630) 350-9400**

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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))
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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 October 5, 2015, the Company announced the retirement of Daniel P. Gorey as Chief Financial Officer effective October 19, 2015. Mr. Gorey and the Company entered into a Cooperation and Transition Agreement whereby Mr. Gorey will retire on October 19, 2015. The Company will continue to pay Mr. Gorey's standard salary and full benefits, until October 19, 2015. In addition, the Company will pay two (2) months' salary of \$50,000. The unvested portion of Mr. Gorey's restricted stock grant (1,111 shares of Company common stock) shall vest on November 30, 2015. The Company will also continue Mr. Gorey's health benefit coverage for 18 months following the transition period.

A copy of the Cooperation and Transition Agreement is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated into this report by reference. The above summary description of the Cooperation and Transition Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Cooperation and Transition Agreement.

Michael P. Lewis, 53, will join the Company as the new Chief Financial Officer effective October 19, 2015. He most recently served as Vice President, Finance and Chief Financial Officer, North American Operations for Benteler Automotive, beginning in 2013. From 2010 to 2012, Mr. Lewis served as Vice President, Treasurer and Director of Investor Relations from 2010 to 2012 at Visteon Corporation. He began at Visteon in 2000, with increasing financial management responsibility, including Director of Mergers and Acquisitions and Assistant Treasurer.

Mr. Lewis will receive an annual salary of \$325,000 and be eligible for a bonus of up to 50% of his salary at the discretion of and as approved by the Company's Board of Directors. Subject to approval of the Company's Compensation Committee and in accordance with the terms and conditions of the 2012 Incentive Compensation Plan and a Stock Appreciation Rights Agreement, Mr. Lewis will receive a stock appreciation right in the amount of 60,000 shares of common stock.

Other than the compensation arrangements described in his Executive Employment Agreement, there are no arrangements or understandings between Mr. Lewis and any other person pursuant to which he was named as the Chief Financial Officer. There are also no family relationships between Mr. Lewis and any director or executive officer of the Company and he has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

A copy of the Executive Employment Agreement is filed as Exhibit 10.2 to this Current Report on Form 8-K and is incorporated into this report by reference. The above summary description of the Executive Employment Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Executive Employment Agreement.

A copy of the press release announcing the events described in this Item 5.02 is attached as Exhibit 99.1 to this Current Report on Form 8-K.

**Item 9.01      Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	Cooperation and Transition Agreement by and between Power Solutions International, Inc. and Daniel P. Gorey entered into as of October 3, 2015.
10.2	Executive Employment Agreement by and between Power Solutions International, Inc. and Michael P. Lewis entered into as of October 2, 2015.
99.1	Press release issued by Power Solutions International, Inc. on October 5, 2015.

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## 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.

POWER SOLUTIONS INTERNATIONAL, INC.

By: /s/ Catherine V. Andrews  
Catherine V. Andrews  
Secretary and General Counsel

Dated: October 6, 2015

COOPERATION  
AND TRANSITION AGREEMENT

THIS COOPERATION AND TRANSITION AGREEMENT ("Agreement") is between Power Solutions International, Inc. ("Company") and Daniel P. Gorey ("Employee").

RECITALS

A. Employee has been employed by the Company as its Chief Financial Officer ("CFO") since July 18, 2011 and has performed the normal duties of a CFO since that time.

B. Company and Employee have determined that it is in both party's best interests for Employee to retire from active employment with the Company on October 19, 2015 after helping to transition in a new CFO for the Company.

C. The Company and Employee therefore desire to set forth the terms of Employee's transition from the Company and of all matters and issues relating directly or indirectly to Employee's employment with the Company and Employee's retirement, and have arrived at a compromise of all such matters in this Agreement.

AGREEMENTS

1. Acknowledgment of Full Compensation. Employee acknowledges and agrees that Employee has received from the Company and its related entities all salary, fringe benefits (including without limitation by enumeration vacation pay, expense reimbursement, and retirement plan contributions) and all other compensation and benefits owed by the Company to Employee through and including September 30, 2015.

2. Transition Payments. Conditioned upon (a) Employee's execution of this Agreement and provided that Employee complies with his transition and post-employment obligations under this Agreement, the Company shall pay Employee the following: 1. Employee shall stay employed until October 19, 2015 and have full benefits and salary until such time. Following Employee's retirement on October 19, 2015, Company shall pay Employee an additional two months of salary (\$50,000) paid through normal Company payroll on a bi-weekly basis with normal deductions withheld; 2. Vesting of any Restricted Shares, as set forth in paragraph 3 below, that have not become Vested Shares prior to November 30, 2015 (hereinafter, the "Transition period"); 3. Company health benefit continued coverage for 18 months after the end of the Transition period at current employee contribution rates (with COBRA coverage to commence thereafter); 4. Reimbursement of reasonable attorney's fees, not to exceed \$2,000.00, for your lawyer to review this Agreement; and 5. In the sole discretion of Company, Employee may be eligible for an additional month of salary and potential bonus consideration for 2015. Such determination will be made at the time all bonus consideration is made for Company employees at year end.

3. Vesting of Restricted Shares. Pursuant to the Power Solutions International, Inc. Restricted Stock Agreement (attached hereto as exhibit A), effective June 13, 2013, the Company granted to Employee three thousand three hundred thirty three (3,333) shares of

Restricted Stock with 1,111 Restricted Shares vesting or to vest on June 17, 2014, June 17, 2015 and June 17, 2016 respectively. As of the date of this Agreement, Employee has 1,111 Restricted Shares which have not vested and pursuant to Section 4.b. of the Restricted Stock Agreement would be forfeited to the Company upon his retirement prior to June 17, 2016.

The Parties hereto have agreed to amend the Restricted Stock Agreement to vest on November 30, 2015 the 1,111 Restricted Shares that were to vest on June 17, 2016 to avoid a forfeiture of Employee's remaining Restricted Shares. As such, Paragraph 3 of the Restricted Stock Agreement is hereby amended to change the vesting schedule for the remaining 1,111 Restricted Shares for the June 17, 2016 vest to November 30, 2015 subject to the terms and conditions of this Agreement. All other terms and conditions of the Restricted Stock Agreement not changed, amended or modified through this Agreement shall remain unchanged and in full force and effect (other than those relating to any continued employment requirement to vest in the remaining 1,111 shares).

4. Confidentiality and Non-Disclosure. Employee agrees that this Agreement, and its terms and provisions, are strictly confidential and shall not be divulged or disclosed in any way to any person other than Employee's spouse, legal counsel, or tax advisor for a period of one year after Employee's retirement. Should Employee choose to divulge the terms and conditions of this Agreement to Employee's spouse, legal counsel, or tax advisor, Employee shall ensure that they will be similarly bound to keep the same confidential. A breach of this paragraph by Employee's spouse, legal counsel, or tax advisor shall be considered a breach of this paragraph by Employee.

5. Release. For valuable consideration from the Company as stated above, Employee, for Employee and Employee's heirs, personal representatives, successors and assigns, hereby releases all claims of whatever nature that Employee may have against the Company, its Company Affiliates and each of their respective officers, directors, members, managers, partners and shareholders (collectively "Releasees"), which arise out of or are in any manner based upon or related to the employment relationship between Employee and the Company, and the end of that relationship; provided, however, that this Agreement will not prevent any party from asserting a claim against the other party for breach of this Agreement.

Without limitation to the foregoing, Employee specifically releases, waives and forever discharges the Releasees from and against all liabilities, claims, actions, demands, damages and costs of every nature, whether known or unknown, asserted or unasserted, which arise under the Illinois Fair Employment Act, Title VII of the Civil Rights Act of 1964, as amended; the Age Discrimination in Employment Act (29 U.S.C. § 621 et seq.); the Americans With Disabilities Act, as amended; Section 1981 of U.S.C. Title 42; National Labor Relations Act, Employee Retirement Income Security Act of 1974; the Equal Pay Act; state or federal parental, family and medical leave acts; or arising under any other local, state or federal statute, ordinance, regulation or order, or which involve a claim or action for wrongful discharge, breach of contract (express or implied) and/or any other tort or common law cause of action.

6. No Limitation of Rights. The waiver and release in paragraph 5 does not affect those rights or claims that arise after the execution of this Agreement. Nor does the waiver and release affect those rights or claims that cannot be waived by law. While nothing contained in

this Agreement shall be interpreted to prevent the United States Equal Employment Opportunity Commission ("EEOC") from investigating and pursuing any matter which it deems appropriate, Employee understands and agrees that, by signing this Agreement, Employee is waiving any and all rights Employee may have to reinstatement, damages, remedies, costs, attorney's fees or other relief as to any claims Employee has released and any rights Employee has waived as a result of Employee's execution of this Agreement. The Company's directors and officers agree to maintain a positive and constructive attitude and demeanor towards Employee and agree to refrain and admonish Company's employees and agents to refrain from making derogatory comments or statements of a negative nature about Employee to anyone, including, but not limited to, prospective employers.

7. Non-Disparagement/Transition Protocol. Employee agrees to maintain a positive and constructive attitude and demeanor towards the Company, its directors, officers, shareholders, employees and agents, and agrees to refrain from making derogatory comments or statements of a negative nature about the Company, its directors, officers, shareholders, employees and agents, to anyone, including, but not limited to, prospective, current and former Company investors, stockholders, analysts, banking relationships, customers, employees, suppliers, vendors, accounting and legal firms and referral sources. Nothing contained in this paragraph shall be construed to prohibit Employee from providing truthful testimony in any administrative, state or federal proceeding or cooperating in an investigation conducted by the EEOC. The Company's directors and officers agree to maintain a positive and constructive attitude and demeanor towards Employee and agree to refrain and to admonish Company's employees and agents to refrain from making derogatory comments or statements of a negative nature about Employee to anyone, including but not limited to, prospective employers.

Employee understands and affirms that the Transition payments and consideration stated in Section 3 of this Agreement are predicated on Employee strictly complying with the obligations contained herein. To help clarify the expectations of both parties as to Employees role and responsibilities under this Section 7 the following conduct protocol shall be followed:

1. Employee agrees that he will cooperate in announcing his retirement from the Company and that the decision to retire was a mutual one.
2. Between the Effective Date and the press release announcing Employee's retirement currently targeted for October 5, 2015, Employee shall answer all inquiries with an announcement that he is on vacation until October 10th and that all inquiries will be handled by Eric Cohen in his absence. Employee shall put the fact that he is on vacation on both his Cell phone and email with appropriate forwarding information. Should Employee be asked any other questions he will respond that he is on vacation and that the Company is in a blackout period and that he is not at liberty to discuss non-public information, including but not limited to his continued relationship or employment with the Company. All other comments or statements made by Employee, orally or in writing will be in compliance with this this Section 7.
3. On the day of the press release announcing Employee's retirement, Employee will make himself available at the Company to work with Eric Cohen to reach out to key investors and answer calls concerning investor inquiries. Employee's main role in these calls will be to affirm his retirement and the transition to a new CFO.

4. On the day that Employee comes in to handle press release, Employee will also work with the finance team to close up any loose ends for his retirement.
5. After his Retirement, Employee shall not answer any questions on behalf of the Company, but instead reiterate that he is retired and all questions and comments are now being handled by the new CFO and Eric Cohen.

8. Return of Company Property. Employee represents and agrees that Employee has returned any and all Company records and files and any copies thereof (whether in electronic or paper form), keys, keyless entry cards, documents, confidential or proprietary information, computer equipment, CDs, computer software programs, vehicles, credit cards and any other property owned by or belonging to the Company in Employee's possession or under Employee's control without any originals or copies being kept by Employee or conveyed to any other person. Employee also agrees to cooperate with any request by the Company to review the Employee's personal electronic device(s) for purposes of removing any Company data.

9. Binding Agreement. This Agreement shall be binding upon the Company, its Company Affiliates and each of their respective officers, directors members, managers and partners, as well as upon Employee and upon Employee's heirs, administrators, representatives, executors, successors and assigns and shall inure to the benefit of the Releasees and to their heirs, administrators, representatives, executors, successors and assigns.

10. Jurisdiction and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois. Any controversy between Company and Employee arising under or relating to this Agreement shall be determined by the Circuit Court of DuPage County, Illinois and agree not to present any such controversy to any other court or forum.

11. Severability. It is understood and agreed that the provisions of this Agreement shall be deemed severable, and the invalidity or unenforceability of any one or more of the provisions herein shall not affect the validity and enforceability of the other provisions herein.

12. Complete and Exclusive Agreement. The parties understand and agree that this Agreement is final and binding and constitutes the complete and exclusive statement of the terms and conditions of settlement, that no representations or commitments were made by the parties to induce this Agreement other than as expressly set forth herein and that this Agreement is fully understood by the parties. This Agreement may not be modified or supplemented except by a subsequent written agreement signed by the party against whom enforcement is sought.

13. Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement. Signatures to this Agreement transmitted by facsimile, by electronic mail in portable document format (.pdf) form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document will have the same effect as physical delivery of the paper document bearing the original signature.

14. Acknowledgment. The undersigned parties acknowledge and agree that they have carefully read the foregoing document, that a copy of the document was available to them prior

to execution, that they understand its contents including its release of claims, that they have been given the opportunity to ask any questions concerning the Agreement and its contents, and have signed this Agreement as their free and voluntary act.

**EMPLOYEE IS ADVISED THAT EMPLOYEE HAS UP TO TWENTY-ONE (21) CALENDAR DAYS TO CONSIDER THIS AGREEMENT AND GENERAL RELEASE. EMPLOYEE ALSO IS ADVISED TO CONSULT WITH AN ATTORNEY PRIOR TO EMPLOYEE'S SIGNING OF THIS AGREEMENT AND GENERAL RELEASE.**

**EMPLOYEE AGREES THAT ANY MODIFICATIONS, MATERIAL OR OTHERWISE, MADE TO THIS AGREEMENT AND GENERAL RELEASE, DO NOT RESTART OR AFFECT IN ANY MANNER THE ORIGINAL UP TO TWENTY-ONE (21) CALENDAR DAY CONSIDERATION PERIOD.**

**EMPLOYEE FREELY AND KNOWINGLY, AND AFTER DUE CONSIDERATION, ENTERS INTO THIS AGREEMENT AND GENERAL RELEASE INTENDING TO WAIVE, SETTLE AND RELEASE ALL CLAIMS EMPLOYEE HAS OR MIGHT HAVE AGAINST RELEASEES.**

**EMPLOYEE MAY REVOKE THE AGREEMENT FOR ANY REASON FOR A PERIOD OF SEVEN (7) DAYS AFTER THE DATE THE AGREEMENT IS EXECUTED BY BOTH PARTIES (THE "REVOCATION PERIOD"). ANY REVOCATION MUST BE IN WRITING AND SHOULD STATE, "I HEREBY REVOKE MY ACCEPTANCE OF OUR AGREEMENT AND GENERAL RELEASE." THE REVOCATION SHOULD BE PERSONALLY DELIVERED OR MAILED TO WILLIAM BUZOGANY AT POWER SOLUTIONS INTERNATIONAL, INC., 201 MITTEL DR. WOOD DALE IL 60191. A REVOCATION FORWARDED BY MAIL MUST BE POSTMARKED BY A DATE WITHIN THE REVOCATION PERIOD. THE AGREEMENT IS NOT EFFECTIVE UNTIL THE REVOCATION PERIOD HAS EXPIRED.**

**IN WITNESS WHEREOF**, the parties herein executed this Separation Agreement and General Release as of the date appearing next to their signatures.

Date: <u>October 4, 2015</u>	<b>Power Solutions International, Inc.</b>
	By: <u>Eric A. Cohen</u>
	Its: <u>Chief Operating Officer</u>
Date: <u>October 3, 2015</u>	<u>/s/ Daniel P. Gorey</u>
	Daniel P. Gorey



**EXECUTIVE EMPLOYMENT AGREEMENT**

This Executive Employment Agreement ("Agreement") is made by and between Michael P. Lewis ("Executive") and Power Solutions International, Inc. ("Company") this second day of October, 2015.

WHEREAS, the Company desires to employ Executive as its Chief Financial Officer for its own operations and for the operations of its subsidiaries and related entities;

WHEREAS, Executive is willing to be employed by Company in the position of Chief Financial Officer, and to perform services on behalf of Company and its subsidiary entities;

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, which the parties agree constitute good and sufficient consideration, the Company and Executive agrees as follows:

**1. Employment and Duties.** Executive will serve as Chief Financial Officer (CFO) in Wood Dale, Illinois for the Company and its subsidiary entities. Executive shall report to Company's Chief Executive Officer and shall have responsibility for the day-to-day operations of the financial department and shall also be responsible for Investor relations and such other duties as are normally commensurate with Executive's position. Executive shall perform Executive's duties in a conscientious, reasonable and competent manner and shall strive to promote the success and best interests of Company. Company may not relocate Executive's office away from Wood Dale, Illinois without Executive's written consent.

**2. Compensation.**

**A. Annual Base Salary.** Commencing on October 19, 2015 Company shall provide Executive with a gross annual salary of \$325,000.00, which shall be paid in equal bi-monthly installments. Increases may be made to Executive's base salary in the sole discretion of Company, but no decreases in base salary may be made in Executive's base salary without the written consent of Executive.

**B. Discretionary Bonus.** Executive may receive a target of 50 per cent of Executive's Annual Base Salary in the sole discretion of the Company based upon Executive's performance with respect to annual targets to be established by Company's Board of Directors.

**C. Equity Award.** Pursuant to a mutually agreed upon Equity Award Plan to be adopted by Company's Board and approved by Company's shareholders, Executive will be provided with a SARs Award of 60,000 SARS (PSIX trading symbol). Strike price being the stock price on the grant date which will be date of board approval. Vesting shall be in accordance with the Stock Appreciation Rights Agreement. The

Equity Award will include such vesting, termination, forfeiture and other terms as shall be agreed upon by Executive and Company and approved by Company's Board and shall vest automatically on a change of control termination without Cause, upon resignation by Executive for Good Cause, upon the death of Executive or upon the total disability of the Executive as defined by this Agreement. Change in Control shall have the same definition as set forth in Paragraph 2.11 of the 2012 Incentive Compensation Plan as Amended July 31, 2013

**D. Relocation Expenses.** The Company will cover up to \$25,000 in relocation expenses to the Chicagoland area, grossed up to cover all applicable taxes on such amount, upon submittal of receipts to Company and approval by Company of such expenses. The Company will further cover the cost of Temporary Housing at a location of Employees choosing in an amount not to exceed \$3,800.00 per month, grossed up to cover all applicable taxes on such amount, and for a maximum duration of 9 months from the commencement of work which shall include October 2015 with proration.

**E. Non-compete consideration.** Upon commencement of work Employee will receive the sum of \$5,000.00 as additional consideration for entering into this Agreement and being bound by its restrictive covenants. It is understood that this consideration is in addition to all other consideration contained herein.

**F. Reimbursement of Expenses.** The Company will reimburse Executive for all reasonable expenses incurred by Executive while performing Executive's duties under this Agreement, subject to the Company's policies in effect from time to time and corroborating documentation reasonably satisfactory to the Company.

**G. Company supplied Equipment.** During the term of this Agreement, Company will supply Employee with a Company owned laptop/computer and cell phone for Employee's use on Company business.

**H. Fringe Benefits.** Executive shall be eligible to participate in the executive benefit plans offered by the Company pursuant to the terms of the benefit plan documents, including health benefits.

**I. Vacation.** Executive shall be entitled to take vacation as approved by the CEO.

**J. Expense Reimbursements.** Company shall reimburse Executive for all reasonable and necessary expenses incurred by Executive in carrying out Executive's duties under this Agreement. Executive shall provide Company a quarterly itemized account of such expenses.

**3. Exclusive Services.** Executive agrees he shall devote his entire time, skill, ability, attention and best efforts to the faithful performance of his position and may not be employed in or serve in any capacity by any other business except as approved in advance in writing by the Company's Chief Executive Officer and Board of Directors. Subsequent to the second anniversary of execution of this agreement, the Company

understands and agrees that Executive may serve as a member of a board of directors with pay for non-competing companies, subject to the approval of the Board of Directors which shall not be unreasonably denied.

**4. Indemnification.** The parties incorporate by reference the Indemnification Agreement dated October , 2015.

**5. Term.** Executive will commence employment on October 19, 2015 and serve until October 18, 2020 ("Initial Term"). Following the Initial Term, this Agreement will automatically renew for a term of one (1) year unless prior to October 18, 2020 Executive or Company provide ninety (90) days' prior written notice of intent not to renew this Agreement. Thereafter, annual renewal or termination of this Agreement shall be in accord with the terms of the preceding sentence. In the event that this Agreement is not renewed by the Company or by Executive for Good Reason, as defined below, Executive shall be entitled to severance benefits as specified in Paragraph 8 unless non-renewal is for Cause as defined below.

**6. Termination.** This Agreement may be terminated by any of the following methods:

A. **MUTUAL AGREEMENT.** This Agreement and employment may be terminated by written mutual agreement of the parties.

B. **CAUSE.** The Company may terminate this Agreement for Cause by providing written notice of termination to Executive specifying with particularity the facts and basis for the determination of Cause. Cause for termination shall be limited to the following:

1. Executive's habitual intoxication or drug addiction or failure to pass or take a for cause drug test;
2. Executive's conviction of a felony;
3. Executive's willful failure or willful inability to perform Executive's duties under this Agreement. To the extent that a willful failure or willful inability to perform can be cured, Executive shall be given written notice of the failure or inability to perform and shall be given 30 days to cure the failure or inability to perform. Should the same willful failure or inability to perform reoccur, Executive will not be given another opportunity to cure hereunder, without the express written consent of the Chief Executive Officer;
4. Executive taking any action which in any material way impairs the reputation, goodwill or business position of Company.

C. **TERMINATION BY EXECUTIVE FOR GOOD REASON.** Good Reason means, (A) reduction in base compensation without the consent of Executive; (B) a reduction in overall compensation, responsibilities, status, title or duties which represents a material reduction in Executive's overall compensation, responsibilities, status, title or duties; or (C) relocation of Executive's place of employment to a location away from Wood Dale, Illinois without Executive's written consent, or (D) Company is in material violation of the terms of this Agreement or (E) Company violates Employee's rights protected under federal, state or local employment laws, or (F) the Company directs Executive to engage in fraudulent, deceptive or illegal practices or actions, provided that upon the occurrence of any of the events described in (A) to (F) above, Executive has provided written notice to the Company within ninety (90) days of such event or events that Executive intends to resign by reason thereof and the Company has not cured such matter within thirty (30) days following the delivery of such notice and Executive resigns within thirty (30) days of the Company's failure to cure such matter. The tendering of the initial notice of Good Reason, shall not be considered notice of voluntary resignation.

D. **EXECUTIVE'S DEATH.** In such event, Executive and his heirs shall not be entitled to any compensation other than Executive's owed expense reimbursements and/or compensation earned and accrued or vested at the time of Executive's death, and the monetary obligations of Company to Executive as set forth in this Agreement shall terminate after a period of thirty (30) days from the date of death.

E. **TOTAL AND PERMANENT DISABILITY.** Company shall have the right to terminate this Agreement, after giving to Executive ten (10) days' written notice of its intention to do so, should Executive, because of "total and permanent disability," be unable to perform any duties required of Executive under this Agreement for a period of six (6) consecutive months. The term "total and permanent disability" shall mean the existence of a permanent mental or physical disability, determined by a physician in accordance with generally accepted medical principles, which renders Executive totally unable to perform any material obligations or terms contained in this Agreement. Executive shall have the right to obtain a second opinion from a physician. If the second opinion is in conflict with the opinion of the Company designated physician, then the two physicians shall agree upon a third physician Board Certified in the condition experienced by Executive and the decision of this third physician shall be final and binding on both the Company and the Executive.

F. **TERMINATION BY COMPANY WITHOUT CAUSE.** The Company shall have the right to terminate Executive's employment without cause upon thirty (30) days written notice. Should the Company decide to remove Executive from his duties during this thirty (30) day period, Executive shall still be considered an employee and entitled to all of the benefits of this Agreement.

**7. Notice of Termination** Any notice of termination by Company or Executive shall be communicated in writing to the other party and shall specify the termination provision that shall apply and provide specific facts to support such notice.

**8. Severance Pay.** If Company terminates this Agreement for any reason other than the written mutual agreement of the parties, Executive's death, Executive's total and permanent disability, or Cause, Company shall pay Executive's compensation and benefits being earned at the time of employment termination for a period of one (1) year. Severance Pay and benefits shall also be paid to Executive if this Agreement is terminated by Executive for Good Reason. There shall be no duty to mitigate by seeking new employment

**9. Covenant Not to Compete and Not to Solicit.** The services to be rendered pursuant to this Agreement by Executive are special, unique and of extraordinary character. Executive agrees that without the prior written consent of Company's Chief Executive Officer, during the term of this Agreement and for one (1) year after the termination of this Agreement for any reason, neither Executive nor any person or entity controlled by Executive will own, manage, operate, control, be employed or engaged by, lend to, or engage in the following, in any manner, directly or indirectly, whether or not for compensation, including in the capacity of a sole proprietor or a shareholder, officer, director, member, partner, Executive, agent, consultant, contractor of, any person, firm, corporation or other organization or entity that designs, develops, sells, distributes, provides or otherwise promotes the design, development, sale, distribution or provision of products or services in the industrial gas and alternative fuel engines or power packaging or is in any other way in competition with Company. The non-compete shall not apply in the case of Company's material breach of this Agreement, including but not limited to the failure of Company to pay severance pay in violation of this Agreement.

Further, during the time period aforesaid, neither Executive nor any person or entity controlled by Executive will, directly or indirectly, solicit existing or prospective customers, suppliers, or other business relations of Company or any of their affiliates, Executives, consultants, or agents for sales of competitive products or services or for the purpose of terminating, reducing or altering their business or employment relationships with Company or any of its affiliates. It is mutually recognized and agreed that the products or services of Company and its affiliates are to be sold or provided throughout the United States of America and worldwide and, therefore, the scope and the duration of this covenant is reasonable in light of the circumstances, and required for the protection of Company and its business.

**10. Trade Secrets and Confidential Information.** Executive will not, except in connection with this Agreement, and solely for the benefit of Company, directly or indirectly, for his own benefit or the benefit of any third-party, during the term hereof and at any time subsequent to the termination of the Agreement for whatever reason, use or disclose to any other person, corporation or other entity any information of a confidential or proprietary nature belonging to or provided to Executive by Company or relating to Company's business. Such information shall include but not be limited to trade secrets (as defined below), files, records, data, documents, processes and procedures, specifications, methods of operation and other business methods, inventions, techniques and know-how,

formulae, experimental research or developmental work, plans, policies, lists of prospective, past or current customers or clients, price lists, lists of the names and addresses of Executives, suppliers or representatives, or other matters of any kind or description relating to the products, services, suppliers, matters of any kind or description relating to the products, services, suppliers, customers, sales or businesses of Company, unless said information has already become public knowledge, not via Executive, or unless Executive is compelled to release it by governmental process. For purposes hereof, a “trade secret” means information that is sufficiently secret to derive economic value, actual or potential, from not being generally known to other persons who can obtain economic value from its disclosure or use, and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy or confidentiality.

Regardless of the form or medium in which contained or embodied, including electronic media, all records, files, writings, drawings, inventions, improvements, techniques, procedures, discovery, documents, equipment and the like relating to Company’s business that Executive shall prepare, use, conceive, discover, develop, construct, observe, whether alone or in conjunction with others, shall at all times be and remain the sole property of Company. Upon termination of this Agreement for any reason, Executive shall return to the possession of the Company any items of that nature and any copies thereof that he may have in his possession.

**11. Property of Company.** Executive agrees that all confidential information, in whatever form, shall remain the sole property of Company. Executive agrees to deliver all Company property to Company upon the termination of this Agreement for any reason or demand for return of the same by Company.

**12. Work Product.** If during Executive’s service with Company Executive invents, designs, or prepares or produces, in whole or in part, any work product derived from Company’s confidential information or other property, such work product shall remain the property of Company.

**13. Irreparable Harm.** Executive agrees that irreparable injury will result to Company and its related businesses and property in the event of a breach or threatened breach by Executive of the covenants contained in paragraphs 9, 10, and 11 of this Agreement. Such injury would be difficult if not impossible to ascertain. In the event of such a breach, in addition to any remedy at law, Company will be entitled to seek and obtain temporary, preliminary and permanent injunctive relief.

**14. Governing Law and Jurisdiction.** This Agreement shall be interpreted in accordance with and governed by the laws of the State of Illinois, without regard to its conflicts of law provisions. It is agreed that both parties equally participated in drafting this Agreement.

**15. Attorney Fees.** The Company shall pay to the firm of Van Suilichem & Associates, PC, the Executive’s legal counsel, up to a maximum of \$4,000, for documented legal fees and expenses incurred by the Executive in connection with the negotiation of this Agreement. Such reimbursement shall be reported on IRS Form 1099s issued to his legal counsel.

**16. Arbitration.** Should the parties have any dispute relating to the terms of this Agreement, those disputes shall be resolved by final and binding arbitration in accordance with the Employment Arbitration Rules of the American Arbitration Association.

**17. Amendments.** No modification, amendment or waiver of any of the provisions of this Agreement shall be effective unless in writing and signed by the parties to this Agreement.

**18. Non-Waiver.** The Company's failure to insist upon Executive's strict compliance with any provision of this Agreement shall not be deemed a waiver of such provision or of any other provision in this Agreement.

**19. Assignment.** This Agreement is for the benefit of and may be enforced by the Company, its successors and assigns. This Agreement may not be assigned by Executive to any other person or to any entity without the express written consent of the Chief Executive Officer of the Company.

**20. Notices.** All notices to be given under this Agreement shall be in writing and shall be sent to the following addresses, or to such other addresses as either party may designate in writing to the other, by registered mail, postage prepaid.

If to Executive:  
Michael P. Lewis  
XXX  
XXX

If to Company:  
Gary Winemaster  
201 Mittel Dr.  
Wood Dale, IL 60191

**21. Survivability.** Paragraphs 9 through 13 of this Agreement shall survive, and be enforceable after, the termination of Executive's employment with the Company for any reason.

**22. Severability.** The provisions of this Agreement shall be severable. The unenforceability or invalidity of any one or more provisions, clauses, or sentences hereof shall not render any other provision, clause, or sentence herein contained unenforceable or invalid. The portion of the Agreement which is not invalid or unenforceable shall be considered enforceable and binding on the parties and the invalid or unenforceable provisions, clauses, or sentences shall be deemed excised, modified, or restricted to the extent necessary to render the same valid and enforceable, and this Agreement shall be construed as if such invalid or unenforceable provisions, clauses, or sentence were omitted

**23. Counterparts and Signatures.** This Agreement may be signed in counterparts, each of which shall be deemed an original, but all of which, taken together shall constitute the same instrument. A signature made on a faxed or electronically mailed copy of the Agreement or a signature transmitted by facsimile or electronic mail will have the same effect as the original signature.

**24. Headings.** The section headings of this Agreement have been inserted for convenience only and shall not modify or affect the construction or interpretation of any provision of this Agreement.

**25. Entire Agreement.** This instrument contains the entire agreement of the parties. It supersedes any and all other agreements or understandings either oral or written between the parties, with respect to the subject matter hereof. It may not be changed or contradicted in any respect except in a subsequent written agreement signed by the Executive and Company's Chief Executive Officer.

POWER SOLUTIONS INTERNATIONAL, INC.

/s/ Gary S. Winemaster

By: Gary Winemaster

Its: Chief Executive Officer

Date: October 2, 2015

Michael P. Lewis

/s/ Michael P. Lewis

Date: October 2, 2015





Power Solutions International, Inc.

201 Mittel Drive  
Wood Dale, IL 60191  
[www.psiengines.com](http://www.psiengines.com)

## **PSI Announces Retirement of Chief Financial Officer Daniel Gorey**

**Names Automotive Industry Veteran Michael P. Lewis as New CFO**

WOOD DALE, IL, October 5, 2015 (GLOBE NEWSWIRE) – Power Solutions International, Inc. (Nasdaq: PSIX), the global alternative-fuel engine company, today announced that Chief Financial Officer Daniel Gorey will retire effective October 19, 2015. Mr. Gorey will assist with the transition until that date, when new CFO Michael P. Lewis will begin his tenure.

Mr. Gorey joined PSI as Senior Vice President of Finance in July 2011, bringing extensive experience with publicly traded companies to help guide PSI's transition from private to public. He assumed the role of Chief Financial Officer in April 2012.

"Dan's skills and leadership have been instrumental in helping PSI successfully navigate a period of significant growth and change," said Gary Winemaster, PSI's Chairman and Chief Executive Officer. "On behalf of our entire organization, I sincerely thank him for his valuable contributions and service. We wish him the very best."

Incoming CFO Michael P. Lewis brings more than twenty years of financial experience in the automotive manufacturing sector to his new position at PSI. He served most recently as Vice President, Finance and Chief Financial Officer, North American Operations for Benteler Automotive, the global automotive component supplier. While there, Lewis oversaw a major restructuring of operational efforts including manufacturing footprint, supply chain and operational disposition, which improved EBITDA by over 20% from the prior run-rate.

"It's a tremendous opportunity to join a proven market leader such as PSI, at such an exciting time," Lewis said. "It has a solid operational reputation and strong leadership, and is well positioned to deliver value through product innovation and profitable growth. I look forward to being part of PSI's management team to support PSI's goals and to serving its shareholders."

Prior to his tenure at Benteler, Mr. Lewis served as Vice President, Treasurer and Director of Investor Relations from 2010 to 2012 at Visteon, the Van Buren, Michigan-based manufacturer of products for vehicle OEMs worldwide. He began at Visteon in 2000, with increasing financial management responsibility, including Director of Mergers and Acquisitions and Assistant Treasurer. Before joining Visteon, Lewis worked at Ford Motor Company from 1993 to 2000, serving as an analyst in several capacities before becoming a Forecasting Team and Corporate Finance Project Manager.

"We're thrilled to be bringing on an executive of Michael's caliber," said Mr. Winemaster. "His combination of broad financial experience and deep automotive and manufacturing knowledge make him perfectly suited to take over the role of CFO at PSI."

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#### **About Power Solutions International, Inc.**

Power Solutions International, Inc. (PSI) is a leader in the design, engineering and manufacture of emissions-certified, alternative-fuel power systems. PSI provides integrated turnkey solutions to leading global original equipment manufacturers in the industrial and on-road markets. The company's unique in-house design, prototyping, engineering and testing capacities allows PSI to customize clean, high-performance engines that run on a wide variety of fuels, including natural gas, propane, biogas, diesel and gasoline.

PSI develops and delivers complete .97 to 22-liter power systems, including the 8.8-liter engine aimed at the industrial and on-road markets, such as medium-duty fleets, delivery trucks, school buses and garbage/refuse trucks. PSI power systems are currently used worldwide in power generators, forklifts, aerial lifts, and industrial sweepers, as well as in oil and gas, aircraft ground support, agricultural and construction equipment.

In 2014, PSI acquired Professional Power Products, Inc. (3PI), a leading designer and manufacturer of large, custom-engineered, integrated electrical power generation systems serving the global diesel and natural gas power generation market. 3PI specializes in systems for both standby and prime power applications.

#### **About Powertrain Integration**

For over ten years Powertrain Integration (PI) has delivered one-stop General Motors (GM) powertrain solutions. Featuring the GM Powertrain lineup, PI provides the broadest range of components, systems, and services while focusing on the unique needs of niche OEM automakers and fleets. PI specializes in clean power on-highway systems using alternative fuels, as well as gasoline and diesel. Coupled with industry partners, PI develops and produces new green powertrain applications. From low to high volume programs, PI provides complete design, engineering, testing, and production services to deliver OEM engineered vehicle integration.

#### **Contact:**

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