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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): March 29, 2018**

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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)

**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))

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

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.

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**Item 1.01 Entry into a Material Definitive Agreement.***Credit Agreement with Wells Fargo*

On March 29, 2018, the Company entered into a sixth amendment (the “Sixth Amendment”) to the second amended and restated credit agreement, by and among the Company, Professional Power Products, Inc., Powertrain Integration Acquisition, LLC and Bi-Phase Technologies, LLC and Wells Fargo Bank, National Association, as agent for the lenders party thereto (“Wells Fargo”), and the lenders party thereto, dated as of June 28, 2016, as amended by the first amendment and waiver thereto, dated as of August 22, 2016, as amended by the second amendment and waiver thereto, dated as of December 19, 2016, as amended by the third amendment, consent and waiver thereto, dated as of March 31, 2017, as amended by the fourth amendment thereto, dated as of July 17, 2017, and as amended by the fifth amendment thereto, dated as of October 3, 2017 (as amended, the “Wells Fargo Agreement”). Amongst other things, the Sixth Amendment (i) increases the aggregate size of the asset based revolving facility to \$75 million, (ii) extends maturity of the facility to the earlier of March 31, 2021 and 60 days prior to the final maturity of the Notes Debt (as defined in the Wells Fargo Agreement), (iii) modifies the Availability Block (as defined in the Wells Fargo Agreement) to the greater of \$6.5 million and 10% of the Borrowing Base (as defined in the Wells Fargo Agreement) but not more than \$7.5 million on or prior to September 30, 2018, and thereafter to equal \$9 million, (iv) provides additional flexibility for including in the Borrowing Base certain designated foreign eligible accounts and (v) increases concentration limits on certain designated eligible accounts included in the Borrowing Base for certain customers.

The foregoing description of the Sixth Amendment is not complete and is qualified in its entirety by reference to the Sixth Amendment, a copy of which is attached hereto as Exhibit 10.1, and is incorporated herein by reference.

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

The information provided in Item 1.01 of this Current Report is incorporated herein by reference.

**Item 7.01 Regulation FD Disclosure.**

A copy of the press release relating to the Sixth Amendment is attached to this Current Report as Exhibit 99.1 and is incorporated herein solely for purposes of this Item 7.01 disclosure.

The information in Item 7.01 of this Current Report, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed “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 such section. The information in Item 7.01 of this Current Report, including Exhibit 99.1 attached hereto, shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any incorporation by reference language in any such filing.

**Caution Regarding Forward-Looking Statements**

This Form 8-K Current Report includes information that constitutes forward-looking statements. These forward-looking statements are covered by the “Safe Harbor for Forward-Looking Statements” provided by the Private Securities Litigation Reform Act of 1995. The Company has tried to identify these forward-looking statements by using words such as “expect,” “contemplate,” “anticipate,” “estimate,” “plan,” “will,” “would,” “should,” “forecast,” “budgeted,” “believe,” “outlook,” “guidance,” “projection,” “target” or similar expressions, but these words are not the exclusive means for identifying such statements. The Company cautions that a number of risks, uncertainties and other factors could cause the Company’s actual results to differ materially from those expressed in, or implied by, the forward-looking statements, including, without limitation: the final results of the Audit Committee’s independent review as it impacts the Company’s accounting, accounting policies and internal control over financial reporting; management’s ability to successfully implement the Audit Committee’s remedial recommendations; the reasons giving rise to the prior resignation of

RSM US LLP as the Company's independent registered public accounting firm; the time and effort required to complete the restatement of the affected financial statements, complete its delinquent financial statements and amend or prepare the related Form 10-K and Form 10-Q filings, particularly within the current anticipated timeline; the subsequent discovery of additional adjustments to the Company's previously issued financial statements; the timing of completion of necessary re-audits, interim reviews and audits by the new independent registered public accounting firm; the timing of completion of steps to address, and the inability to address and remedy, material weaknesses; the identification of additional material weaknesses or significant deficiencies; variances in non-recurring expenses; risks relating to the substantial costs and diversion of personnel's attention and resources deployed to address the financial reporting and internal control matters and related class action litigation; the ability of the Company to accurately budget for and forecast product shipments, and the extent to which product shipments result in recorded revenues; the impact of the resignation of the Company's former independent registered public accounting firm, RSM US LLP, on the Company's relationship with its lender and trade creditors and the potential for defaults and exercise of creditor remedies; the impact of the previously disclosed investigation initiated by the SEC and any related or additional governmental investigative or enforcement proceedings; the impact of resignations of the Company's directors and certain executive officers and any delays and challenges encountered in recruiting replacements for open positions and the replacements' transitions into their positions; and any negative impacts from delisting of the Company's common stock from Nasdaq and any delays and challenges in obtaining a re-listing on a stock exchange. Actual events or results may differ materially from the Company's expectations. The Company's forward-looking statements are presented as of the date hereof. Except as required by law, the Company expressly disclaims any intention or obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
10.1	<a href="#"><u>Sixth Amendment to Second Amended and Restated Credit Agreement, dated as of March 29, 2018, by and among Power Solutions International, Inc., Professional Power Products, Inc., Powertrain Integration Acquisition, LLC and Bi-Phase Technologies, LLC and Wells Fargo Bank, National Association, as agent for the lenders party thereto, and the lenders party thereto.</u></a>
99.1	<a href="#"><u>Press release, dated March 29, 2018.</u></a>

**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/ Charles F. Avery, Jr.

Charles F. Avery, Jr.

Chief Financial Officer

Dated: March 29, 2018

**CONSENT, SIXTH AMENDMENT AND WAIVER TO  
SECOND AMENDED AND RESTATED CREDIT AGREEMENT**

THIS CONSENT, SIXTH AMENDMENT AND WAIVER TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT (this "Amendment") is entered into as of March 29, 2018 by and among the lenders identified on the signature pages hereof (such lenders, together with their respective successors and permitted assigns, are referred to hereinafter each individually as a "Lender" and collectively as "Lenders"), **WELLS FARGO BANK, NATIONAL ASSOCIATION**, a national banking association, as administrative agent for each member of the Lender Group and the Bank Product Providers (in such capacity, together with its successors and assigns in such capacity, "Agent"), **POWER SOLUTIONS INTERNATIONAL, INC.**, a Delaware corporation ("Parent"), **PROFESSIONAL POWER PRODUCTS, INC.**, an Illinois corporation ("PPPI"), **POWERTRAIN INTEGRATION ACQUISITION, LLC**, an Illinois limited liability company ("PIA"), **BI-PHASE TECHNOLOGIES, LLC**, a Minnesota limited liability company ("Bi-Phase"); Parent, PPPI, PIA and Bi-Phase are referred to hereinafter each individually as a "Borrower", and individually and collectively, jointly and severally, as the "Borrowers", and each of the parties listed on the signature pages hereto as Loan Parties (together with Parent and Borrowers, collectively, jointly and severally, "Loan Parties" and each, individually, a "Loan Party").

WHEREAS, Borrowers, Agent, and Lenders are parties to that certain Second Amended and Restated Credit Agreement dated as of June 28, 2016 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement");

WHEREAS, Events of Default may occur under Section 8.2 of the Credit Agreement as a result of Borrowers' failure to deliver the annual audited financial statements of Parent and its Subsidiaries for the fiscal years ended December 31, 2016 and December 31, 2017 within 90 days after the end of the fiscal year ended December 31, 2017 as required under Section 5.1 of the Credit Agreement and clause (g) of Schedule 5.1 to the Credit Agreement (the "Potential Events of Default");

WHEREAS, Borrowers have notified Agent that Parent desires to consummate the Specified Acquisition (as defined in that certain Fifth Amendment Side Letter dated as of October 3, 2017 by Borrowers in favor of Agent (the "Fifth Amendment Side Letter")); and

WHEREAS, Borrowers, Agent and Lenders have agreed to waive the Potential Events of Default, consent to the Specified Acquisition and modify the Credit Agreement subject to the terms and provisions hereof;

NOW THEREFORE, in consideration of the premises and mutual agreements herein contained, the parties hereto agree as follows:

1. Defined Terms. Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to such terms in the Credit Agreement.

2. Consent. Subject to the satisfaction of the conditions set forth in Section 7 below and in reliance upon the representations and warranties of Borrowers set forth in Section 8 below, Lenders hereby consent to the consummation of the Specified Acquisition in accordance with the Specified Purchase Agreement (as defined in the Fifth Amendment Side Letter) so long as (x) the Specified Acquisition is consummated on or prior to May 31, 2018, (y) after giving effect to the consummation of the Specified Acquisition, Excess Availability is not less than \$1,000,000 and (z) the Purchase Price does not exceed \$6,000,000 plus the issuance of a \$750,000 letter of credit. This is a limited consent and shall not be deemed to constitute a consent to any other modification of the Loan Documents, and shall not be deemed to prejudice any right or rights which Agent or the Lenders may now have or may have in the future under or in connection with any Loan Documents or any of the instruments or agreements referred to therein, as the same may be amended from time to time.

3. Amendments to Credit Agreement. Subject to the satisfaction of the conditions set forth in Section 7 below and in reliance upon the representations and warranties of the Loan Parties set forth in Section 8 below, the Credit Agreement is amended as follows:

(a) The definition of “Availability Block” set forth in Schedule 1.1 to the Credit Agreement is hereby amended and restated in its entirety as follows:

“Availability Block” means (x) on and prior to September 30, 2018, an amount equal to the greater of \$6,500,000 and 10% of the Borrowing Base, but not more than \$7,500,000 and (y) at any time thereafter, an amount equal to 12% of the Maximum Revolver Amount.

(b) Clause (f) of the definition of “Eligible Accounts” set forth in Schedule 1.1 of the Credit Agreement is hereby amended and restated in its entirety as follows:

(f) Accounts with respect to which the Account Debtor either (i) does not maintain its chief executive office in the United States, or (ii) is not organized under the laws of the United States or any state thereof, or (iii) is the government of any foreign country or sovereign state, or of any state, province, municipality, or other political subdivision thereof, or of any department, agency, public corporation, or other instrumentality thereof, unless the Account is supported by an irrevocable letter of credit reasonably satisfactory to Agent (as to form, substance, and issuer or domestic confirming bank) that has been delivered to Agent and is directly drawable by Agent and the aggregate amount of such Accounts covered by such letters of credit does not exceed \$5,000,000; provided, however, that such Accounts not supported by a letter of credit shall not be excluded from Eligible Accounts in an aggregate amount not to exceed \$6,000,000 as a result of this clause (f) to the extent that the Account Debtor is Hyundai Group, Doosan Corporation, Anhui Heli Co., Ltd., GE Oil and Gas Australia, Enerflex Australia, Dover Australia, non-United States subsidiaries of Hyster-Yale Materials Handling or Oil Lift Australia,

(c) Clause (i) of the definition of “Eligible Accounts” set forth in Schedule 1.1 of the Credit Agreement is hereby amended and restated in its entirety as follows:

(i) Accounts with respect to an Account Debtor whose total obligations owing to Borrowers exceed 30% (such percentage, as applied to a particular Account Debtor, being subject to reduction by Agent in its Permitted Discretion if the creditworthiness of such Account Debtor deteriorates) of all Eligible Accounts (or (x) if the Account Debtor is Freightliner Trucks (a division of Daimler Trucks North America LLC), Bandit Industries, Inc., Kohler Co., or Mitsubishi-Caterpillar Forklifts of America, Inc., 25% of all Eligible Accounts (y) if the Account Debtor is Navistar, 30% of all Eligible Accounts and (z) if the Account Debtor is Hyster-Yale Materials Handling, 35% of all Eligible Accounts), to the extent of the obligations owing by such Account Debtor in excess of such percentage; provided, that, in each case, the amount of Eligible Accounts that are excluded because they exceed the foregoing percentage shall be determined by Agent based on all of the otherwise Eligible Accounts prior to giving effect to any eliminations based upon the foregoing concentration limit,

(d) The definition of “Maturity Date” set forth in Schedule 1.1 of the Credit Agreement is hereby amended and restated in its entirety as follows:

“Maturity Date” means the earliest of (a) March 31, 2021 and (b) 60 days prior to the final maturity of the Notes Debt.

(e) The definition of “Maximum Revolver Amount” set forth in Schedule 1.1 of the Credit Agreement is hereby amended and restated in its entirety as follows:

“Maximum Revolver Amount” means \$75,000,000, decreased by the amount of reductions in the Revolver Commitments made in accordance with Section 2.4(c) of the Agreement.

4. Waiver. Subject to the satisfaction of the conditions set forth in Section 7 below and in reliance upon the representations and warranties set forth in Section 8 below, Agent and Lenders hereby waive the Potential Events of Default. For the avoidance of doubt, the foregoing waivers shall not be deemed to be a waiver of any other existing or hereafter arising Defaults or Events of Default or any other deviation from the express terms of the Credit Agreement or any other Loan Document. This is a limited waiver and shall not be deemed to constitute a consent or waiver of any other term, provision or condition of the Credit Agreement or any other Loan Document, as applicable, or to prejudice any right or remedy that Agent or any Lender may now have or may have in the future under or in connection with the Credit Agreement or any other Loan Document.

5. Continuing Effect. Except as expressly set forth in Section 2 of this Amendment, nothing in this Amendment shall constitute a modification or alteration of the terms, conditions or covenants of the Credit Agreement or any other Loan Document, or a waiver of any other terms or provisions thereof, and the Credit Agreement and the other Loan Documents shall remain unchanged and shall continue in full force and effect, in each case as amended hereby.

6. Reaffirmation and Confirmation. Each Loan Party hereby ratifies, affirms, acknowledges and agrees that the Credit Agreement and the other Loan Documents represent the valid, enforceable and collectible obligations of such Loan Party, and further acknowledges that there are no existing claims, defenses, personal or otherwise, or rights of setoff whatsoever with respect to the Credit Agreement or any other Loan Document. Each Loan Party hereby agrees that this Amendment in no way acts as a release or relinquishment of the Liens and rights securing payments of the Obligations. The Liens and rights securing payment of the Obligations are hereby ratified and confirmed by the Loan Parties in all respects.

7. Conditions to Effectiveness of Amendment. This Amendment shall become effective as of the date first written above upon the satisfaction of the following conditions precedent:

(a) Each party hereto shall have executed and delivered this Amendment to Agent;

(b) Agent shall have received each of the additional documents, instruments and agreements listed on the closing checklist attached hereto as Annex A;

(c) Borrowers shall have paid to Agent the First Closing Fee Installment (as defined below);

(d) All proceedings taken in connection with the transactions contemplated by this Amendment and all documents, instruments and other legal matters incident thereto shall be reasonably satisfactory to Agent and its legal counsel; and

(e) No Default or Event of Default shall have occurred and be continuing.

8. Representations and Warranties. In order to induce Agent and Lenders to enter into this Amendment, each Loan Party hereby represents and warrants to Agent and Lenders, after giving effect to this Amendment:

(a) All representations and warranties contained in the Credit Agreement (other than Sections 4.8 and 4.12 with respect to the facts and circumstances set forth in the RSM Letter) and the other Loan Documents are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) on and as of the date hereof (except to the extent that such representations and warranties relate solely to an earlier date, in which case such representations and warranties shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) as of such earlier date);

(b) No Default or Event of Default has occurred and is continuing; and

(c) This Amendment and the Credit Agreement, as amended hereby, constitute legal, valid and binding obligations of such Loan Party and are enforceable against such Loan Party in accordance with their respective terms, except as enforcement may be limited by equitable principles or by bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or limiting creditors' rights generally.



9. Miscellaneous.

(a) Other Agreement. Borrowers, Agent and Lenders agree that the Obligations shall continue to bear interest at a per annum rate equal to 1 percentage point above the per annum rate otherwise applicable under the Credit Agreement until (x) Borrowers deliver to Agent audited financial statements for the fiscal years ending December 31, 2016 and ending December 31, 2017 and the financial statements for the fiscal quarter ending March 31, 2018, each as required under Schedule 5.1 to the Credit Agreement, and (y) Loan Parties and their Subsidiaries have completed all filings then required to be made with the SEC.

(b) Amendment Fee. In consideration of entering into this Amendment, Borrowers shall pay to Agent, for the benefit of each Lender, a closing fee equal to \$750,000, which fee shall be fully earned as of the date hereof and shall be payable and non-refundable as follows: \$375,000 on the date hereof ("First Closing Fee Installment") and \$375,000 on March 29, 2019.

(c) Expenses. Borrowers agree to pay on demand all Lender Group Expenses of Agent in connection with the preparation, negotiation, execution, delivery and administration of this Amendment in accordance with the terms of the Credit Agreement.

(d) Governing Law. This Amendment shall be a contract made under and governed by, and construed in accordance with the internal laws of the State of Illinois.

(e) Counterparts. This Amendment may be executed in any number of counterparts, and by the parties hereto on the same or separate counterparts, and each such counterpart, when executed and delivered, shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Amendment. Delivery of an executed signature page of this Amendment by facsimile transmission or electronic photocopy (i.e. "pdf") shall be effective as delivery of a manually executed counterpart hereof.

10. Release. In consideration of the agreements of Agent and Lenders contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each Loan Party, on behalf of itself and its respective successors, assigns, and other legal representatives, hereby absolutely, unconditionally and irrevocably releases, remises and forever discharges Agent and Lenders, and their successors and assigns, and their present and former shareholders, affiliates, subsidiaries, divisions, predecessors, directors, officers, attorneys, employees, agents and other representatives (Agent, each Lender and all such other Persons being hereinafter referred to collectively as the "Releasees" and individually as a "Releasee"), of and from all demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, damages and any and all other claims, counterclaims, defenses, rights of set-off, demands and liabilities whatsoever (individually, a "Claim" and collectively, "Claims") of every name and nature, known as of the date of this Amendment, both at law and in equity, which each Loan Party, or any of its respective successors, assigns, or other legal representatives may now or

hereafter own, hold, have or claim to have against the Releasees or any of them for, upon, or by reason of any circumstance, action, cause or thing whatsoever which arises at any time on or prior to the day and date of this Amendment, in each case for or on account of, or in relation to, or in any way in connection with any of the Credit Agreement, or any of the other Loan Documents or transactions thereunder or related thereto.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized and delivered as of the date first above written.

**BORROWERS:**

**POWER SOLUTIONS INTERNATIONAL, INC.,**  
a Delaware corporation

By: /s/ Charles F. Avery, Jr.  
Name: Charles F. Avery, Jr.  
Title: Chief Financial Officer

**PROFESSIONAL POWER PRODUCTS, INC.,**  
an Illinois corporation

By: /s/ Charles F. Avery, Jr.  
Name: Charles F. Avery, Jr.  
Title: Chief Financial Officer

**POWERTRAIN INTEGRATION ACQUISITION, LLC,** an Illinois limited liability company

By: /s/ Charles F. Avery, Jr.  
Name: Charles F. Avery, Jr.  
Title: Chief Financial Officer

**BI-PHASE TECHNOLOGIES, LLC,** a Minnesota limited liability company

By: /s/ Charles F. Avery, Jr.  
Name: Charles F. Avery, Jr.  
Title: Chief Financial Officer

**LOAN PARTIES:**

**THE W GROUP, INC.**, a Delaware corporation

By: /s/ Charles F. Avery, Jr.

Name: Charles F. Avery, Jr.

Title: Chief Financial Officer

**POWER SOLUTIONS, INC.**, an Illinois corporation

By: /s/ Charles F. Avery, Jr.

Name: Charles F. Avery, Jr.

Title: Chief Financial Officer

**POWER GREAT LAKES, INC.**, an Illinois corporation

By: /s/ Charles F. Avery, Jr.

Name: Charles F. Avery, Jr.

Title: Chief Financial Officer

**AUTO MANUFACTURING, INC.**, an Illinois corporation

By: /s/ Charles F. Avery, Jr.

Name: Charles F. Avery, Jr.

Title: Chief Financial Officer

**TORQUE POWER SOURCE PARTS, INC.**,  
an Illinois corporation

By: /s/ Charles F. Avery, Jr.

Name: Charles F. Avery, Jr.

Title: Chief Financial Officer

**POWER PROPERTIES, L.L.C.**, an Illinois limited liability company

By: The W Group, Inc., as sole managing member

By: /s/ Charles F. Avery, Jr.

Name: Charles F. Avery, Jr.

Title: Chief Financial Officer

**POWER PRODUCTION, INC.**,  
an Illinois corporation

By: /s/ Charles F. Avery, Jr.

Name: Charles F. Avery, Jr.

Title: Chief Financial Officer

**POWER GLOBAL SOLUTIONS, INC.**, an Illinois corporation

By: /s/ Charles F. Avery, Jr.

Name: Charles F. Avery, Jr.

Title: Chief Financial Officer

**PSI INTERNATIONAL, LLC**, an Illinois limited liability company

By: /s/ Charles F. Avery, Jr.

Name: Charles F. Avery, Jr.

Title: Chief Financial Officer

**XISYNC LLC**, an Illinois limited liability company

By: The W Group, Inc., as sole managing member

By: /s/ Charles F. Avery, Jr.

Name: Charles F. Avery, Jr.

Title: Chief Financial Officer

**AGENT:**

**WELLS FARGO BANK, NATIONAL ASSOCIATION**, a national banking association, as Agent, as Lead Arranger, as Book Runner, and as a Lender

By: /s/ Brian Hynds

Name: Brian Hynds

Title: Vice President

Signature Page to Consent and Sixth Amendment to Second Amended and Restated Credit Agreement

ANNEX A

CLOSING CHECKLIST

Loans by

**Wells Fargo Bank, N.A.,  
as Administrative Agent and Lender**

to

**Power Solutions International, Inc. and certain of its Affiliates**

**Consent and Sixth Amendment to  
Second Amended and Restated Credit Agreement**

Closing Date: March 29, 2018

I. Parties:

- A. Wells Fargo Bank, N.A. (“WF”), as Administrative Agent (“Administrative Agent”)  
10 South Wacker Drive, 13<sup>th</sup> Floor  
Chicago, Illinois 60606
- B. Power Solutions International, Inc. (“Parent”)  
Professional Power Products, Inc. (“Power Products”)  
Powertrain Integration Acquisition, LLC (“PI Acquisition”)  
Bi-Phase Technologies, LLC (“Bi-Phase”; together with Parent, Power Products, and PI  
Acquisition, the “Borrowers”, and each, a “Borrower”)
- The W Group, Inc. (“W Group”)  
Power Solutions, Inc. (“PSI”)  
Power Great Lakes, Inc. (“Great Lakes”)  
Auto Manufacturing, Inc. (“Auto”)  
Torque Power Source Parts, Inc. (“Torque”)  
Power Properties, L.L.C. (“Power Properties”)  
Power Production, Inc. (“Power Production”)  
Power Global Solutions, Inc. (“Power Global”)  
PSI International, LLC (“PSI International”)  
XISYNC LLC (“XiSync”; together with W Group, PSI, Great Lakes, Auto, Torque, Power Properties, Power Production, Power Global, PSI  
International, and XiSync, the “Guarantors”, and each, a “Guarantor”)  
201 Mittel Drive  
Wood Dale, Illinois 60191

The Borrowers and the Guarantors shall be collectively referred to herein as the “Loan Parties”, and each, a “Loan Party”.

II. Counsel to Parties:

A. Counsel to Administrative Agent:

Goldberg Kohn Ltd.  
55 East Monroe Street, Suite 3300  
Chicago, Illinois 60603  
Telephone: (312) 201-4000  
Telecopy: (312) 332-2196  
Attention: Keith G. Radner

B. Counsel to Loan Parties:

Paul Hastings LLP  
200 Park Avenue  
New York, New York 10166  
Telephone: (212) 318-6000  
Telecopy: (212) 319-4090  
Attention: Leslie A. Plaskon



III. Closing Documents:

A. Loan Documents:

1. Consent and Sixth Amendment

B. Corporate Documents Pertaining to each Loan Party:

2. Omnibus Secretary's Certificate of Loan Parties with respect to:

Certified Certificates of Incorporation/Formation

Bylaws/Operating Agreements

Resolutions

Incumbency of Officers

3. Certificates of good standing as set forth on Exhibit A

C. Other Items:

4. Opinion of Loan Parties' counsel re Loan Documents

**EXHIBIT A**

**CERTIFICATES OF GOOD STANDING**

**Loan Party**

Power Solutions International, Inc.  
Professional Power Products, Inc.  
Powertrain Integration Acquisition, LLC  
Bi-Phase Technologies, LLC  
The W Group, Inc.  
Power Solutions, Inc.  
Power Great Lakes, Inc.  
Auto Manufacturing, Inc.  
Torque Power Source Parts, Inc.  
Power Properties, L.L.C.  
Power Production, Inc.  
Power Global Solutions, Inc.  
PSI International, LLC  
XiSync LLC

**Jurisdiction**

Delaware, Illinois  
Illinois, Wisconsin, New York, Pennsylvania  
Illinois, Michigan  
Minnesota  
Delaware, Illinois  
Illinois  
Illinois  
Illinois  
Illinois  
Illinois  
Illinois  
Illinois  
Illinois  
Illinois

Exhibit A



Power Solutions International, Inc.

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

## **Power Solutions International Announces Amendment and Extension of Its Asset Based Credit Facility**

WOOD DALE, Ill., March 29, 2018 — Power Solutions International, Inc. (“the Company”) (OTC Pink: PSIX), a leader in the design, engineering and manufacture of emissions-certified, alternative-fuel power systems, announced the successful completion of an amendment and extension of its existing asset based revolving credit facility (“Credit Facility”) with Wells Fargo Bank, NA (“Wells Fargo”). The amendment extends the maturity to March 31, 2021, subject to certain terms as further described in the agreement, and increases the maximum credit line commitment to \$75 million from \$65 million. Additionally, among other changes, the Company obtained additional borrowing base flexibility related to accounts receivable concentrations and eligible accounts. The interest rate remains unchanged versus the prior agreement, however, it will decrease by 1 percentage point upon the filing of the Company’s audited financial statements for the fiscal years ended December 31, 2016 and 2017, and the fiscal quarter ending March 31, 2018, with the Securities and Exchange Commission.

John Miller, chief executive officer and president, commented, “We appreciate the support that Wells Fargo has provided to PSI and we value this relationship. These positive changes support our current liquidity needs and provide us with greater flexibility to execute our long-term business plan.”

Additional details on the amendment can be found in the Company’s Current Report on Form 8-K filed with the Securities and Exchange Commission on March 29, 2018.

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

Power Solutions International, Inc. (PSI or the Company) 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 allow PSI to customize clean, high-performance engines that run on a wide variety of fuels, including natural gas, propane, biogas, gasoline and diesel.

PSI develops and delivers powertrains purpose built for the Class 3 through Class 7 medium duty trucks and buses for the North American and Asian markets, which includes work trucks, school and transit buses, terminal tractors, and various other vocational vehicles. In addition, PSI develops and delivers complete industrial power systems that are used worldwide in stationary and mobile power generation applications supporting standby, prime, distributed generation, demand response, and co-generation power (CHP) applications; and mobile industrial applications that include forklifts, aerial lifts, industrial sweepers, aircraft ground support, arbor, agricultural and construction equipment. For more information on PSI, visit [www.psiengines.com](http://www.psiengines.com).

### **Cautionary Note Regarding Forward-Looking Statements**

This press release contains forward-looking statements regarding the current expectations of the Company about its prospects and opportunities. These forward-looking statements are covered by the “Safe Harbor for Forward-Looking Statements” provided by the Private Securities Litigation Reform Act of 1995. The Company has tried to identify these forward-looking statements by using words such as “expect,” “contemplate,” “anticipate,” “estimate,” “plan,” “will,” “would,” “should,” “forecast,” “budgeted,” “believe,” “outlook,” “guidance,” “projection,” “target” or similar expressions, but these words are not the exclusive means for identifying such statements. The Company cautions that a number of risks, uncertainties and other factors could cause the Company’s actual results to differ materially from those expressed in, or implied by, the forward-looking statements, including, without limitation: the final results of the Audit Committee’s independent review as it impacts the Company’s accounting, accounting policies and internal control over financial reporting; management’s ability to successfully implement the Audit Committee’s remedial recommendations; the reasons giving rise to the prior resignation of RSM US LLP as the Company’s independent registered public accounting firm; the time and effort required to complete the restatement of the affected financial statements, complete its delinquent financial statements and amend or prepare the related Form 10-K and Form 10-Q filings, particularly within the current anticipated timeline; the subsequent discovery of additional adjustments to the Company’s previously issued financial statements; the timing of completion of necessary re-audits, interim reviews and audits by the new independent registered public accounting firm; the timing of completion of steps to address, and the inability to address and remedy, material weaknesses; the identification of additional material weaknesses or significant deficiencies; variances in non-recurring expenses; risks relating to the substantial costs and diversion of personnel’s attention and resources deployed to address the financial reporting and internal control matters and related class action litigation; the ability of the Company to accurately budget for and forecast product shipments, and the extent to which product shipments result in recorded revenues; the impact of the resignation of the Company’s former independent registered public accounting firm, RSM US LLP, on the Company’s relationship with its lender and trade creditors and the potential for defaults and exercise of creditor remedies; the impact of the previously disclosed investigation initiated by the SEC and any related or additional governmental investigative or enforcement proceedings; the impact of resignations of the Company’s directors and certain executive officers and any delays and challenges encountered in recruiting replacements for open positions and the replacements’ transitions into their positions; and any negative

impacts from delisting of the Company's common stock from Nasdaq and any delays and challenges in obtaining a re-listing on a stock exchange. Actual events or results may differ materially from the Company's expectations. The Company's forward-looking statements are presented as of the date hereof. Except as required by law, the Company expressly disclaims any intention or obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise.

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