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

SCHEDULE 13D

**Under the Securities Exchange Act of 1934
(Amendment No. 1)**

POWER SOLUTIONS INTERNATIONAL, INC.
(Name of Issuer)

Common Stock, par value \$0.001 per share
(Title of Class of Securities)

73933G202
(CUSIP Number)

Weichai America Corp.
Attn: Huisheng Liu
3100 Golf Road
Rolling Meadows, IL 60008
847-725-7030
(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

August 8, 2017
(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note. Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule §240.13d-7(b) for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 (the "Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

1	NAME OF REPORTING PERSON Weichai America Corp.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION State of Illinois	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER -0-
	8	SHARED VOTING POWER 2,928,752¹
	9	SOLE DISPOSITIVE POWER -0-
	10	SHARED DISPOSITIVE POWER 2,928,752²
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 2,928,752¹	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 21.46%²	
14	TYPE OF REPORTING PERSON* CO	

¹ The number of shares beneficially owned does not include 2,385,624 shares of Series B Preferred Stock held by Weichai America Corp. The Series B Preferred Stock will convert automatically into 4,771,248 shares of Common Stock of the Issuer upon the Issuer's stockholders approving the proposals to issue Common Stock upon conversion of the Series B Preferred Stock for purposes of Rule 5635 of the Nasdaq Listing Rules, but are not otherwise convertible into shares of Common Stock, and Series B Preferred Stock does not entitle the holder thereof to exercise any voting rights with respect to the underlying shares of Common Stock of the Issuer.

² The beneficial ownership percentage is calculated in accordance with Rule 13d-3 under the Securities Exchange Act of 1934, as amended, based on 10,921,834 outstanding shares of Common Stock as of March 20, 2017 (excluding 84,240 shares of unvested restricted stock that were granted and are subject to forfeiture under the Issuer's incentive compensation plan), as disclosed by the Issuer in the Purchase Agreement attached to the Schedule 13D as filed with the SEC by the Reporting Persons on April 7, 2017, plus 2,728,752 shares of Common Stock issued to Weichai America Corp. on March 31, 2017 pursuant to such Purchase Agreement.

1	NAMES OF REPORTING PERSONS Weichai Power Co., Ltd.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION People's Republic of China	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER -0-
	8	SHARED VOTING POWER 2,928,752¹
	9	SOLE DISPOSITIVE POWER -0-
	10	SHARED DISPOSITIVE POWER 2,928,752²
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 2,928,752¹	
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13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 21.46%²	
14	TYPE OF REPORTING PERSON* CO	

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² The beneficial ownership percentage is calculated in accordance with Rule 13d-3 under the Securities Exchange Act of 1934, as amended, based on 10,921,834 outstanding shares of Common Stock as of March 20, 2017 (excluding 84,240 shares of unvested restricted stock that were granted and are subject to forfeiture under the Issuer's incentive compensation plan), as disclosed by the Issuer in the Purchase Agreement attached to the Schedule 13D as filed with the SEC by the Reporting Persons on April 7, 2017, plus 2,728,752 shares of Common Stock issued to Weichai America Corp. on March 31, 2017 pursuant to such Purchase Agreement.

1	NAMES OF REPORTING PERSONS Shandong Heavy Industry Group Co., Ltd.	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) <input type="checkbox"/> (b) <input type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS AF	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e) <input type="checkbox"/>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION People's Republic of China	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER -0-
	8	SHARED VOTING POWER 2,928,752¹
	9	SOLE DISPOSITIVE POWER -0-
	10	SHARED DISPOSITIVE POWER 2,928,752²
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 2,928,752¹	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 21.46%²	
14	TYPE OF REPORTING PERSON* CO	

¹ The number of shares beneficially owned does not include 2,385,624 shares of Series B Preferred Stock held by Weichai America Corp. The Series B Preferred Stock will convert automatically into 4,771,248 shares of Common Stock of the Issuer upon the Issuer's stockholders approving the proposals to issue Common Stock upon conversion of the Series B Preferred Stock for purposes of Rule 5635 of the Nasdaq Listing Rules, but are not otherwise convertible into shares of Common Stock, and Series B Preferred Stock does not entitle the holder thereof to exercise any voting rights with respect to the underlying shares of Common Stock of the Issuer.

² The beneficial ownership percentage is calculated in accordance with Rule 13d-3 under the Securities Exchange Act of 1934, as amended, based on 10,921,834 outstanding shares of Common Stock as of March 20, 2017 (excluding 84,240 shares of unvested restricted stock that were granted and are subject to forfeiture under the Issuer's incentive compensation plan), as disclosed by the Issuer in the Purchase Agreement attached to the Schedule 13D as filed with the SEC by the Reporting Persons on April 7, 2017, plus 2,728,752 shares of Common Stock issued to Weichai America Corp. on March 31, 2017 pursuant to such Purchase Agreement.

Item 1. Security and Issuer

This constitutes Amendment No. 1 (“Amendment No. 1”) to the Schedule 13D relating to the shares of Common Stock of Power Solutions International, Inc. (the “Issuer”) as filed with the SEC on April 7, 2017 (as so amended, the “Schedule 13D”) by Weichai America Corp. (“Weichai America”), Weichai Power Co., Ltd. (“Weichai Power”), and Shandong Heavy Industry Group Co., Ltd. (“SHIG”) (each of Weichai America, Weichai Power, and SHIG a “Reporting Person” and collectively the “Reporting Persons”). Capitalized terms used in this Amendment No. 1 without being defined herein have the respective meanings given to them in the Schedule 13D.

Except as specifically amended by this Amendment No. 1, this Schedule 13D is not modified or revised in any way.

Item 3. Source and Amount of Funds or Other Consideration

Item 3 is hereby amended and supplemented by adding the following:

Weichai America entered into a Share Purchase Agreement (the “Share Purchase Agreement”) with Gary S. Winemaster (“Mr. Winemaster”) pursuant to which Weichai America purchased 200,000 shares of Common Stock from Mr. Winemaster in a privately negotiated transaction. Pursuant to the terms of the Share Purchase Agreement, Weichai America acquired the Common Stock at a purchase price of \$ 9.50 per share. The Share Purchase Agreement contains customary representations and warranties by Weichai America and Mr. Winemaster. This privately negotiated transaction was subject to the consent of the Issuer which was obtained on August 8, 2017 and the transaction was completed on August 8, 2017.

The source of the funds used to purchase the 200,000 shares of Common Stock from Mr. Winemaster was a \$1.9 million loan from Weichai Power Hong Kong International Development Co., Ltd. to Weichai America (the “Loan Agreement”).

The summary contained herein of the Share Purchase Agreement and the Loan Agreement is not intended to be complete and is qualified in its entirety by reference to the full text of the Share Purchase Agreement and the Loan Agreement, copies of which are filed as Exhibit J and Exhibit K hereto, respectively, and which are incorporated herein by reference.

Item 4. Purpose of Transaction.

Item 4 is hereby amended and supplemented by adding the following:

The information contained in Item 3 above is herein incorporated by reference.

The Reporting Persons acquired securities of the Issuer for investment purposes.

Item 5. Interest in Securities of the Issuer.

Item 5 is hereby amended and restated as set forth below:

(a), (b) The aggregate number of securities and percentage of the class of securities of the Issuer beneficially owned by each Reporting Person named in Item 2(a), as well as the number of securities as to which such person is deemed to have sole power to vote or to direct the vote, shared power to vote or to direct the vote, sole power to dispose or to direct the disposition, shared power to dispose or direct the disposition, is set forth in the following table:

Reporting Person	No of Securities Beneficially Owned	Number of Shares				Percent of Class (2)
		Power to Vote		Power to Dispose		
		Sole	Shared(1)	Sole	Shared(1)	
Weichai America	2,928,752	0	2,928,752	0	2,928,752	21.46%
Weichai Power	2,928,752	0	2,928,752	0	2,928,752	21.46%
SHIG	2,928,752	0	2,928,752	0	2,928,752	21.46%
Total(3) (all Reporting Persons)	2,928,752	0	2,928,752	0	2,928,752	21.46%

- 1 Weichai America is the direct and record owner of 2,928,752 shares of Common Stock and shares the power to vote and the power to dispose of all of such shares of Common Stock with Weichai Power and SHIG by virtue of the fact that Weichai Power is Weichai America's parent company, and Weichai Power is controlled by SHIG. SHIG holds less than 20% of the shares in Weichai Power but is able to exercise influence over Weichai Power by virtue of its status as the largest shareholder of Weichai Power and representatives or designees of SHIG currently comprise a majority of members of Weichai Power's board of directors.
- 2 The foregoing percentages are calculated in accordance with the 10,921,834 outstanding shares of Common Stock as of March 20, 2017 (excluding 84,240 shares of unvested restricted stock that were granted and are subject to forfeiture under the Issuer's incentive compensation plan), as disclosed by the Issuer in the Purchase Agreement included as Exhibit B to the Schedule 13D as filed by the Reporting Persons with the SEC on April 7, 2017 plus 2,728,752 shares of Common Stock issued to Weichai America on March 31, 2017 pursuant to such Purchase Agreement.
- 3 The Reporting Persons disclaim membership in a group.

(c) Except as described in this Schedule 13D, neither any Reporting Person nor, to any Reporting Person's knowledge (i) any executive officer or director of such Reporting Person; (ii) any person controlling of such Reporting Person; or (iii) any executive officer or director of any corporation or other person ultimately in control of such Reporting Person, each as listed in Schedule A attached to the Schedule 13D as filed by the Reporting Persons with the SEC on April 7, 2017 has effected any transactions in the Common Stock during the last sixty days.

(d) Not Applicable.

(e) Not Applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

Item 6 is hereby amended and supplemented by adding the following:

Weichai America entered into the Share Purchase Agreement, with Mr. Winemaster pursuant to which Weichai America purchased 200,000 shares of Common Stock from Mr. Winemaster in a privately negotiated transaction. Pursuant to the terms of the Share Purchase Agreement, Weichai America acquired the Common Stock at a purchase price of \$9.50 per share. The Share Purchase Agreement contains customary representations and warranties by Weichai America and Mr. Winemaster. This privately negotiated transaction was subject to the consent of the Issuer which approval was obtained on August 8, 2017 and the transaction was completed on August 8, 2017.

The source of the funds used to purchase the 200,000 shares of Common Stock from Mr. Winemaster was a \$1.9 million loan from Weichai Power Hong Kong International Development Co., Ltd. to Weichai America pursuant to the Loan Agreement.

The summary contained herein of the Share Purchase Agreement and the Loan Agreement is not intended to be complete and is qualified in its entirety by reference to the full text of the Share Purchase Agreement and the Loan Agreement, copies of which are filed as Exhibit J and Exhibit K hereto, respectively, and which are incorporated herein by reference.

Item 7. Material to be filed as Exhibits.

Item 7 is hereby amended and supplemented by adding the following:

Exhibit J: Share Purchase Agreement between Weichai America and Gary Winemaster,

Exhibit K: Loan Agreement with Weichai Power Hong Kong International Development Co., Ltd.

SIGNATURE

After reasonable inquiry and to the best of each Reporting Person's knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: August 10, 2017

Weichai America Corp.

By: /s/ Huisheng Liu

Name: Huisheng Liu

Title: Chairman

Weichai Power Co., Ltd.

By: /s/ Sun Shaojun

Name: Sun Shaojun

Title: Executive President

Shandong Heavy Industry Group Co., Ltd.

By: /s/ Jiang Kui

Name: Jiang Kui

Title: President

SHARE PURCHASE AGREEMENT

This Share Purchase Agreement (this "Agreement"), dated as of August 2, 2017, is entered into by and among Gary Winemaster (the "Seller"), and Weichai America Corp., an Illinois corporation (the "Purchaser"). Each of the Seller and the Purchaser are sometimes referred to herein as a "Party" and together as the "Parties" to this Agreement.

Recitals

WHEREAS, the Seller owns shares of common stock, par value \$0.001 per share ("Company Common Stock"), of Power Solutions International, Inc., a Delaware corporation (the "Company");

WHEREAS, the Seller desires to sell, and the Purchaser desires to purchase, 200,000 shares of Company Common Stock (the "Subject Shares") for a price per share of \$9.50, subject to the terms and provisions of this Agreement; and

WHEREAS, as part of the transaction contemplated hereby, immediately prior to the Closing (as defined in Section 3 below), the Purchaser agrees to release its security interest in the Subject Shares, subject to the terms and provisions of this Agreement.

Agreement

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Share Purchase. Subject to the terms and conditions of this Agreement, at the Closing the Seller agrees to sell the Subject Shares to the Purchaser, and the Purchaser agrees to purchase the Subject Shares from the Seller. The purchase price for the Subject Shares shall be \$9.50 per share, resulting in a total purchase price of \$1,900,000.00 due to the Seller from the Purchaser (the "Purchase Price"), and which shall be payable in cash at the Closing.
2. Transfer Taxes. All transfer, documentary, sales, use, stamp, registration, value added and other such taxes and fees (including any kind whatsoever in the nature of taxes imposed by any United States federal, state, local or foreign or other taxing authority and any penalties and interest arising therefrom) incurred in connection with and/or resulting from the transfer of Subject Shares contemplated hereunder shall be borne and paid by the Seller. The Seller shall, at his own expense, timely file any tax return or other document with respect to such taxes.
3. Closing. The closing of the transactions contemplated by this Agreement (the "Closing") shall take place at the offices of the Company, on August 4, 2017, or on such other date as the Parties may mutually determine (the "Closing Date").
4. Closing Deliveries of the Purchaser. At the Closing, the Purchaser shall deliver the Purchase Price to the Seller by wire transfer of immediately available funds to an account designated by the Seller.

5. Closing Deliveries by the Seller. At the Closing, the Seller shall deliver, or cause to be delivered, to the Purchaser, a certificate or certificates or evidence of book-entry notation, registered in the name of the Purchaser, representing the Subject Shares together with assignments separate from certificates with respect to the Subject Shares, sufficient to transfer the title of the Subject Shares to the Purchaser on the books of the Company.

6. Representations and Warranties of the Seller. The Seller represents and warrants to the Purchaser that the statements contained in this Section 6 are true and correct as of the date of Closing.

(a) Power, Legal, Valid and Binding Obligations. The Seller has all necessary power and capacity to execute and deliver this Agreement and each of the other agreements and instruments contemplated hereby (collectively, the “Ancillary Documents”) and to perform, observe and comply with all of his agreements and obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. This Agreement and the Ancillary Documents to which the Seller is or will be a party have been or will be duly and validly executed by the Seller and, upon delivery thereof by the Seller, will constitute the legal, valid and binding obligations of the Seller, enforceable against the Seller in accordance with their terms.

(b) No Conflict. None of the execution, delivery or performance by the Seller of this Agreement or any Ancillary Document to which the Seller is or will be a party will (with or without the giving of notice, the lapse of time or both) conflict with, result in a breach or violation of or constitute a default under (a) any contract, agreement or other instrument to which the Seller is a party or by which the Seller or its assets or property is bound or (b) any law, statute, rule, regulation, ordinance, writ, order or judgment to which the Seller is subject or by which it or its assets or property is bound.

(c) Title to Shares; Liens and Encumbrances. The Seller is the legal and beneficial owner of the Subject Shares and holds such Subject Shares free and clear of all liens, pledges, options, claims, encumbrances and other security arrangements or restrictions of any kind (collectively, “Liens”) other than restrictions under that certain Stock Pledge Agreement, dated as of March 31, 2017, by and among the Seller, Kenneth Winemaster and the Purchaser (the “Pledge Agreement”), and upon delivery of the Subject Shares to the Purchaser pursuant to the terms of this Agreement, the Purchaser will receive good and marketable title thereto, free and clear of any and all Liens.

(d) Legal Matters. There is no action, suit or proceeding by or before any court or governmental or other regulatory or administrative agency or commission pending, or, to the best of the Seller’s knowledge, threatened against or involving the Seller which challenges the validity of this Agreement and each of the Ancillary Agreement or any action taken or to be taken by the Seller pursuant to this Agreement or in connection with the transactions contemplated hereby. The Seller is not subject to any judgment, order or decree entered into in any lawsuit or proceeding which will have an adverse effect on the transactions contemplated hereby.

7. Representations and Warranties of the Purchaser. The Purchaser represents and warrants to the Seller that the statements contained in this Section 6 are true and correct as of the Closing.

(a) Power, Legal, Valid and Binding Obligations. The Purchaser is a duly incorporated and validly existing corporation organized under the laws of the State of Illinois. The Purchaser has all necessary power and capacity to execute and deliver this Agreement, and to perform, observe and comply with all of its agreements and obligations hereunder and to consummate the transactions contemplated hereby. This Agreement has been or will be duly and validly executed by the Purchaser and, upon delivery thereof by the Purchaser, will constitute the legal, valid and binding obligations of the Purchaser, enforceable against it in accordance with its terms.

(b) No Conflict. None of the execution, delivery or performance by the Purchaser of this Agreement will (with or without the giving of notice, the lapse of time or both) conflict with, result in a breach or violation of or constitute a default under (a) any contract, agreement or other instrument to which the Purchaser is a party or by which it or its assets or property is bound or (b) any law, statute, rule, regulation, ordinance, writ, order or judgment to which the Purchaser is subject or by which it or its assets or property is bound.

(c) Legal Matters. There is no action, suit or proceeding by or before any court or governmental or other regulatory or administrative agency or commission pending, or, to the best of the Purchaser's knowledge, threatened against or involving the Purchaser which challenges the validity of this Agreement or any action taken or to be taken by the Purchaser pursuant to this Agreement or in connection with the transactions contemplated hereby. The Purchaser is not subject to any judgment, order or decree entered into in any lawsuit or proceeding which will have an adverse effect on the transactions contemplated hereby. The Purchaser is acquiring the Subject Shares for its own account for the purpose of investment and not with a view to the distribution or resale thereof and understands that the Subject Shares will not be registered under the Securities Act of 1933 or under any securities law or blue sky law of any jurisdiction and, therefore, none of the Subject Shares can be sold, assigned, transferred, pledged or other disposed of without registration under the Securities Act of 1933 and under any other applicable laws unless an exemption from registration thereunder is available.

8. Representations and Warranties of the Parties. Each Party represents and warrants to the other Party that the statements contained in this Section 8 are true and correct as of the Closing.

(a) Each Party has received and carefully reviewed certain public filings of the Company with the U.S. Securities and Exchange Commission (which each of the Parties acknowledge are not current), other publicly available information regarding the Company, and such other information that it and its advisers deem necessary to make its decision to enter into this Agreement.

(b) Each Party has made its own decision to consummate the transactions contemplated by this Agreement based on its own independent review and consultations with such investment, legal, tax, accounting and other advisers as it deemed necessary, prudent or

advisable. Each Party has made its own decision concerning the transactions contemplated by this Agreement without reliance on any representation or warranty of, or advice from, the other Party (other than the representations and warranties expressly set forth in this Agreement) and without reliance on any information from, representation or warranty of, or advice from, the Company. Neither Party nor anyone affiliated with such Party has made any representations or warranties, express or implied, regarding the Company, the Subject Shares or any aspect of the transactions contemplated by this Agreement, except as specifically, and not by implication, set forth in this Agreement.

(c) Each Party acknowledges and understands that the other Party and its affiliates (whether as officers of the Company or members of the board of directors of the Company) may possess material non-public information that may impact the value of the Subject Shares (the "Information"), that such Party has not disclosed to the other Party, including without limitation, (a) information received by principals and employees of such Party or the Company, and (b) information received on a privileged basis from the attorneys and financial advisers representing the Company. Each Party understands, based on its experience, the disadvantage to which it may be subject due to the disparity of information between the Parties. Notwithstanding this, each Party has deemed it appropriate to engage in the transactions contemplated by this Agreement.

(d) Each Party agrees that the other Party and the Company and their respective affiliates, principals, stockholders, partners, employees and agents shall have no liability to such Party or its principals, partners, employees or agents, whatsoever due to or in connection with the Information or otherwise as a result of the transactions contemplated hereby, and each Party hereby irrevocably waives any claim that it might have based on the failure of the other Party or the Company and their respective affiliates, principals, stockholders, partners, employees and agents to disclose the Information.

9. Release of Security Interest in Subject Shares. In reliance upon the representations, warranties and covenants made by the Seller hereunder, the Purchaser hereby releases its security interest in the Subject Shares, and only the Subject Shares, granted to it by the Seller pursuant to that certain stock pledge agreement, dated as of March 31, 2017, by and among the Seller, Kenneth Winemaster and the Purchaser (the "Stock Pledge Agreement") and waive the compliance with (i) Article III of that certain shareholders agreement, dated as of March 20, 2017, by and among the Company, the Purchaser, and each of the persons listed on Exhibit A thereto (the "Shareholders Agreement"), and (ii) any other provision in the Stock Pledge Agreement or the Shareholders Agreement, in each case to the sole extent that such sections or provisions would limit or otherwise prohibit the transactions contemplated by this Agreement. The foregoing release and waivers shall have no effect on, and nothing contained in this Agreement shall be construed to release and waive, the Purchaser's security interests, liens and other rights on the remainder of the Pledged Shares (as defined in the Stock Pledge Agreement) and all of such security interests, liens and rights shall continue in full force and effect until such time as the Stock Pledge Agreement is terminated pursuant to the terms thereof.

10. Miscellaneous.

- (a) Survival of Representations and Warranties Herein. All representations, warranties and covenants set forth herein shall survive the Closing Date.
- (b) Additional Documents. From time to time after execution of this Agreement, each Party shall, without additional consideration, execute and deliver such further agreements and instruments and take such other action as may be reasonably requested by the other Party in order to carry out the purposes of this Agreement.
- (c) Amendment and Waiver. This Agreement cannot be amended, supplemented or modified, nor can any provision hereof be waived, except by a written instrument signed by the Party against whom enforcement of such amendment, supplement, modification or waiver is sought.
- (d) Notices. Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be deemed to have been properly given (a) when delivered by hand; (b) when sent by facsimile or email (with acknowledgment of complete transmission); (c) three days after being sent by certified mail, return receipt requested or (d) one day after deposit with a nationally-recognized overnight delivery service, in each case to the addresses or facsimile numbers set forth on the signature page hereof. Each party hereto shall be entitled to specify a different address or facsimile number for the receipt of subsequent notices or other communications by giving written notice thereof to the other party in accordance with this Paragraph (d).
- (e) Severability. If any term or provision of this Agreement, or the application thereof to any person, entity or circumstance, shall, to any extent, be determined to be contrary to law and unenforceable by any court of law, the remaining terms and provisions of this Agreement, and the application thereof to other persons, entities and circumstances, shall not be invalidated thereby, and each term and provision hereof shall be construed with all other remaining terms and provisions hereof to effect the intent of the parties to the fullest extent of the law.
- (f) No Third Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any person other than the Parties and their respective successors and permitted assigns.
- (g) Governing Law. This Agreement shall be governed by and construed in accordance with the domestic laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware.
- (h) Entire Agreement. This Agreement, including the other writings referred to herein or delivered pursuant hereto, constitutes the entire agreement between the Parties with respect to the subject matter hereof.
- (i) Binding Effect. This Agreement and all the provisions hereof shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

(j) Counterparts. This Agreement may be executed in any number of separate counterparts, each of which, when so executed, shall be deemed an original, and all of said counterparts taken together shall be deemed to constitute but one and the same instrument and, any signed counterpart shall be deemed delivered by the Party signing it if sent to the other parties hereto by facsimile transmission or electronic transmission and shall be as effective as original ink signatures for the purposes of the execution and delivery of this Agreement.

(k) Confidentiality. Unless the prior written consent of the other Party is obtained, the sale and purchase of the Subject Shares and all provisions of this Agreement shall be and remain confidential to the Parties, except to the extent that such information is in the public domain or disclosure is required by law or by any regulatory body whether public or not. For the avoidance of doubt, the Parties shall be permitted to disclose the terms of this Agreement to their professional or financial advisors who are aware of its confidential nature.

(l) Assignment. Neither Party may, without the prior written consent of the other Party, assign, grant any security interest over, hold in trust or otherwise transfer the benefit of the whole or any part of this Agreement.

(m) Costs. All costs in connection with the negotiation, preparation, execution and performance of this Agreement, and any documents referred to in it, will be borne by the Party that incurred the costs.

Signature page follows.

IN WITNESS WHEREOF, each of the Parties hereto has duly executed this Agreement as of the date first above written.

SELLER:

/S/ GARY WINEMASTER

GARY WINEMASTER

Address: 19197 W. Forest Lane
Mundelein, Illinois 60060
Email: Gary.Winemaster@psiengines.com

PURCHASER:

WEICHAI AMERICA CORP.

By: /S/ HUI SHENG LIU

Name: Huisheng Liu
Title: CEO

Address: Weichai America Corp.
Attention: Victory Liu
3100 Golf Road Rolling Meadows, Illinois 60008
Email: victor.liu@weichaiamerica.com

THIS AGREEMENT is dated 1 August, 2017

BETWEEN:

- (1) **WEICHAI AMERICA CORP.**, a corporation incorporated under the laws of Illinois with the principal office at 3100 Golf Road, Rolling Meadows, IL, USA (the “**Borrower**”); and
- (2) **WEICHAI POWER HONG KONG INTERNATIONAL DEVELOPMENT CO., LIMITED**, a company incorporated under the laws of Hong Kong whose registered office is at Room 3407-08, 34/Floor, Gloucester Tower, The Landmark, 15 Queen’s Road, Central, Hong Kong (the “**Lender**”).

IT IS AGREED as follows:

1. **INTERPRETATION**

1.1 **Definitions:** In this Agreement, unless the context requires otherwise:

“**Advance**” means each advance made or to be made by the Lender under this Agreement.

“**Authorisation**” means:

- (a) an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation, lodgement or registration; or
- (b) in relation to anything which will be fully or partly prohibited or restricted by law if a governmental agency intervenes or acts in any way within a specified period after lodgement, filing, registration or notification, the expiry of that period without intervention or action.

“**Business Day**” means a day (other than a Saturday or a Sunday) on which banks are open for business in Hong Kong and Luxemburg.

“**Default**” means any Event of Default or any event which with the giving of notice or expiry of any grace period or the satisfaction of any other condition (or any combination thereof) would constitute an Event of Default.

“**Default Rate**” means [REDACTED]

“**Drawdown Date**” means the date, being a Business Day falling within the Drawdown Period, on which an Advance is or is to be drawn.

“**Drawdown Notice**” means a notice substantially in the form of Schedule 1 (*Form of Drawdown Notice*).

“**Drawdown Period**” means the period commencing on the signing date of this Agreement and ending on the earlier of (a) the date falling one (1) month prior to the Maturity Date, and (b) the date on which the Facility is cancelled or terminated under the provisions of this Agreement.

“**Event of Default**” means any of the events or circumstances specified in Clause (*Events of Default*).

“**Facility**” means a revolving credit facility to be made available by the Lender to the Borrower on the terms and conditions set out in this Agreement.

“**Financial Indebtedness**” means any Indebtedness in respect of:

- (a) monies borrowed and debit balances at banks; or
- (b) any debenture, bond, note, loan stock or other debt security; or
- (c) any acceptance credit; or
- (d) receivables sold or discounted (otherwise than on a non-recourse basis); or
- (e) the acquisition cost of any asset to the extent payable before or after the time of acquisition or possession by the party liable where the advance or deferred payment is arranged primarily as a method of raising finance or financing the acquisition of that asset; or
- (f) leases entered into primarily as a method of raising finance or financing the acquisition of the asset leased and treated as a finance lease under the applicable accounting principles; or
- (g) amounts raised under any other transaction having the commercial effect of a borrowing or raising of money and treated as such under the applicable accounting principles; or
- (i) any guarantee, indemnity or similar assurance against financial loss of any person in respect of any Indebtedness referred to in the preceding paragraphs,

but no particular Indebtedness shall be taken into account more than once.

“**Hong Kong**” means the Hong Kong Special Administrative Region of the People’s Republic of China.

“**Indebtedness**” means any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent, primary or collateral, several or joint, secured or unsecured, subordinated or unsubordinated.

“**Interest Payment Date**” means, (i) in relation to each Advance, the last day of each Interest Period and the Maturity Date, (ii) in relation to a prepayment of an Advance, the date on which an amount of that Advance is prepaid; or (iii) the date on which all Advances under this Agreement are declared immediately due and payable by the Lender pursuant to Clause 14.2(ii).

“**Interest Period**” means three months. The first Interest Period for the Loan shall start on the Drawdown Date. Any Interest Period which would end on a non- Business Day shall instead end on the next following Business Day, or, if that Business Day is in another calendar month, on the immediately preceding Business Day.

“**Interest Rate**” means LIBOR [REDACTED]

“**Material Adverse Change**” means an event or circumstance which:

- (a) constitutes or would reasonably be likely to constitute, a material adverse change in the business, operations, property, or financial condition of the Borrower caused by any reason (howsoever described); or
- (b) has or would reasonably be likely to have a material adverse effect on the ability of the Borrower to perform its payment obligations under this Agreement.

“**Material Adverse Effect**” means:

- (a) a material adverse effect on the business, operations, property, or financial or trading position of the Borrower caused by any reason (howsoever described);
- (b) a material adverse effect on the ability of the Borrower to perform its payment obligations under this Agreement; or
- (c) an adverse effect on the legality, validity or enforceability of this Agreement or the rights or remedies of the Lender under this Agreement which is, in either case, materially prejudicial to the interests of the Lender.

“**Maturity Date**” means the date falling 12 months from the date on which the first Advance is made.

“**Security Interest**” means any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, security interest or encumbrance of any other kind securing or conferring any priority of payment in respect of any obligation of any person and includes, without limitation, title transfer and/or retention arrangements having a similar effect.

“**Subsidiary**” of a person means any company or entity directly or indirectly controlled by such person, for which purpose “**control**” means either ownership of more than 50% of the voting share capital (or equivalent right of ownership) of such company or entity or power to direct its policies and management whether by contract or otherwise.

“**Taxes**” includes all present and future taxes, levies, imposts, duties, fees or charges of whatever nature together with interest thereon and penalties in respect thereof and “**Taxation**” shall be construed accordingly.

“**Unpaid Sum**” means any sum due and payable but unpaid by the Borrower under this Agreement.

1.2 Construction: In this Agreement, unless the context otherwise requires:

- (a) “**assets**” includes present and future properties, revenues and rights of every description;
- (b) an Event of Default or a Default is “**continuing**” if it has not been remedied or waived;
- (c) references to Clauses and Schedules are to be construed as references to the clauses of, and schedules to, this Agreement and references to this Agreement include its Schedules;
- (d) reference in a Clause to a sub-clause shall be a reference to a sub-clause of that Clause;
- (e) references to (or to any specified provision of) this Agreement or any other document shall be construed as references to this Agreement, that provision or that document as in force for the time being and as amended, varied, novated or supplemented in accordance with the terms thereof, or as the case may be, with the agreement of the relevant parties and (where such consent is, by the terms of this Agreement or the relevant document, required to be obtained as a condition to such amendment, variation, novation or supplement being permitted) the prior written consent of the Lender;
- (f) words importing the plural shall include the singular and vice versa;
- (g) references to a “**person**” shall be construed as including references to an individual, firm, company, corporation, unincorporated body of persons or any state or any agency thereof; and
- (h) any reference to the “**Borrower**” or the “**Lender**” shall, where the context permits, be construed so as to include their/its and any subsequent successors and permitted transferees and permitted assigns in accordance with their respective interests.

1.3 Clause Headings: Clause headings, sub-headings and the table of contents are inserted for convenience of reference only and shall be ignored in the interpretation of this Agreement.

2. THE FACILITY

Subject to the terms and conditions of this Agreement, the Lender hereby agrees to make available to the Borrower the Facility in the maximum aggregate amount of \$1,900,000.00 US Dollars.

3. **PURPOSE**

The Borrower shall apply the proceeds of each Advance for the general corporate purposes. However, the Lender is not bound to monitor or verify the application of any amount borrowed pursuant to this Agreement.

4. **DRAWDOWN**

4.1 **Delivery of a Drawdown Notice**

Subject to the terms and conditions of this Agreement, the Facility will be made available to the Borrower in one (1) or more Advance(s). Any Advance will be made by the Lender to the Borrower if the following conditions are fulfilled:

- (a) not later than 10:00 a.m. (Hong Kong time) on the thirtieth (30th) day before the proposed Drawdown Date of the relevant Advance (or such shorter notice period as the Lender may agree), the Lender has received from the Borrower a Drawdown Notice which shall be irrevocable and shall oblige the Borrower to either (i) borrow such Advance on the Drawdown Date therein stated upon the terms and conditions of this Agreement or (ii) at the option of the Borrower, compensate the Lender for all costs, losses and/or expenses incurred by the Lender in making arrangements to fund such Advance as requested in such Drawdown Notice,
- (b) the proposed Drawdown Date of such Advance is a Business Day falling within the Drawdown Period.
- (c) the aggregate amount of all Advances outstanding at any time shall not exceed the maximum amount of the Facility, save for any amount that is due to be repaid or prepaid on or before the proposed Drawdown Date of such Advance.

4.2 **Cancellation after Drawdown Period**

Any part of the Facility which remains undrawn by the end of the Drawdown Period shall at that time be automatically cancelled and any remaining amount available under the Facility for drawing shall at that time be reduced to zero. No amount of the Facility that is cancelled under this Agreement may be subsequently reinstated.

5. **CONDITIONS PRECEDENT**

5.1 **Documentary Conditions Precedent**

Unless the Lender otherwise agrees in writing with the Borrower, the Lender shall not be obliged to make any advance under the Facility to the Borrower until the Borrower has executed and delivered to the Lender an executed original of this Agreement.

5.2 Further Conditions

The obligation of the Lender to make available each Advance is subject to the further conditions that at the time of the making of such Advance:

- (a) the representations and warranties set out in Clause 12 (*Representations and Warranties*) which are to be repeated pursuant to Clause 12.2 (*Repetition*) are true and correct in all material respects as if made on and as of the time of the making of such Advance by reference to the facts and circumstances existing at such time;
- (b) no Default is continuing, or would result from the making of the proposed Advance; and
- (c) there has been no Material Adverse Change.

6. **REPAYMENT AND PREPAYMENT**

6.1 Repayment

Subject to this Clause 6 (*Repayment and Prepayment*), the Borrower shall repay each Advance in full on the Maturity Date together with all interest accrued thereon and all other sums owing under this Agreement.

Only if the Borrower sends a written request to the Lender at least 1 (one) month prior to the Maturity Date that it wants to extend the term of the loan beyond the Maturity Date, and such request is agreed by the Lender in writing, the term of the Loan shall be extended for an indefinite period of time at the same interest as set out in Section 7. Otherwise, the Loan will be repaid on Maturity Date. Under either case, the accrued interest will be paid on Maturity Date.

6.2 Voluntary Prepayment

The Borrower may at any time prepay, without premium or, the whole or any part of an Advance on a Business Day provided that the Borrower shall have given to the Lender not less than seven (7) days' (or such shorter period as the Lender may agree) prior written notice of the amount and proposed date of prepayment; and

Any amount prepaid under the Facility shall then be available for the making of further Advances under the Facility during the Drawdown Period subject to and in accordance with the terms of this Agreement.

6.3 Irrevocability

Any notice of prepayment given by the Borrower under this Agreement shall be irrevocable and shall specify the date upon which such prepayment is to be made and the amount of such prepayment and shall oblige the Borrower to make such prepayment on such date.

6.4 **No Unpermitted Prepayment or Cancellation**

The Borrower shall not repay or prepay the whole or any part of an Advance or cancel the whole or any part of the Facility except at the times and in the manner expressly provided for in this Agreement.

6.5 **Additional Amounts on Prepayment**

Any prepayment under this Agreement shall be made together with accrued interest thereon up to the actual date of payment and all other sums then due and payable under this Agreement.

7. **INTEREST**

7.1 **Interest**

In respect of each Advance, interest shall accrue during each Interest Period at the Interest Rate. The Borrower has the option to pay all or any part of such accrued interest on each Interest Payment Date. To the extent that such accrued interest is not paid on the relevant Interest Payment Date (“**Unpaid Interest**”), such Unpaid Interest shall be paid on the next Interest Payment Date and in any event on or before the Maturity Date, but without any compounding nor any default interest on any such Unpaid Interest.

7.2 **Default Interest**

If the Borrower fails to pay any sum on its due date for payment under this Agreement, interest shall accrue on the Unpaid Sum from the due date up to the date of actual receipt by the Lender (both before and after judgment) at the Default Rate. Any interest accruing under this Clause 7.2 shall be immediately payable by the Borrower on demand by the Lender.

7.3 **Calculation**

Interest shall accrue from day to day and shall be calculated on the basis of the actual number of days elapsed over a year of 360 days.

8. **CHANGE OF LAW OR CIRCUMSTANCES**

If it shall become unlawful or contrary to any law, regulation, treaty or official directive (whether or not having the force of law), as the case may be, in any jurisdiction applicable to the Lender for the Lender to fund any Advance or maintain the Facility or to give effect to its obligations as contemplated hereunder, the Lender may, by written notice to the Borrower, declare that the Lender’s obligations to make available any Advance or maintain the Facility shall be terminated forthwith whereupon the Borrower shall if so required pursuant to such law, regulation, treaty or official directive (a) repay forthwith or before the latest date permitted by such law, regulation, treaty or official directive all of the Advances in full together with all interest accrued up to the date of actual payment; and (b) pay forthwith all other sums owing hereunder and under this Agreement. The Facility shall be cancelled on the giving of such notice.

9. **INDEMNITIES**

9.1 **General Indemnity**

The Borrower shall, within five (5) Business Days of demand of the Lender, indemnify the Lender against all reasonable costs, losses, expenses and liabilities which the Lender may sustain or incur as a consequence of all or any of:

- (a) any default in payment on due date by the Borrower of any sum due or expressed to be due under this Agreement;
- (b) the occurrence or continuation of any Event of Default;
- (c) any accelerated repayment under Clause 14 (*Events of Default*); or
- (d) any failure to borrow in accordance with a Drawdown Notice, including any failure in the due satisfaction of any of the conditions in Clause 5 (*Conditions Precedent*).

9.2 **Currency Indemnity**

If an amount due to the Lender from the Borrower in one currency (the “**first currency**”) is received by the Lender in another currency (the “**second currency**”), the Borrower’s obligations to the Lender in respect of such amount shall only be discharged to the extent that the Lender may purchase the first currency with the second currency in accordance with its usual practice. If the amount of the first currency which may be so purchased (after deducting any costs of exchange and any other related costs) is less than the amount so due, the Borrower shall indemnify the Lender against the shortfall.

10. **PAYMENTS**

10.1 **Place**

All payments by the Borrower under this Agreement shall be made to the Lender to a bank account as notified by Lender to the Borrower from time to time for this purpose in writing at least ten (10) Business Days prior to the due date of any such payment.

10.2 **Funds**

Payments under this Agreement by the Borrower shall be made for value on the due date before 11:00 a.m. (Hong Kong time) in immediately available funds to such account as the Lender may specify.

10.3 Set-off and Counterclaim

All payments made by the Borrower under this Agreement shall be made in full and without set-off or counterclaim.

10.4 Application

If the Lender receives from the Borrower or any other person on its behalf a payment less than the amount due, the Lender may apply such payment towards the obligations of the Borrower hereunder in the following order, notwithstanding any appropriation made, or purported to be made, by the Borrower:-

- (a) first, in or towards payment of any unpaid fees, costs and expenses of the Lender under this Agreement;
- (b) secondly, in or towards payment to the Lender of any accrued interest which shall have become due but remains unpaid; and
- (c) thirdly, in or towards payment to the Lender of any other amounts which shall have become due but remain unpaid.

The order of application set out in paragraphs (a) to (c) may be varied by the Lender in its sole discretion.

10.5 Business Day Convention

If any sum would otherwise become due for payment pursuant to this Agreement on a day which is not a Business Day, the due date for such payment shall instead be the next succeeding Business Day unless such Business Day falls in the next calendar month, in which event such date shall be the immediately preceding Business Day and interest shall be adjusted accordingly.

10.6 Certificates

Any certification or determination by the Lender of a rate or amount under this Agreement is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

10.7 Currency

All payments relating to costs, losses, expenses or Taxes shall be made in the currency in which the relative costs, losses, expenses or Taxes were incurred, to the extent legally possible. Any other amount payable under this Agreement shall, except as otherwise provided, be made in US Dollars.

11. TAXES

All sums payable by the Borrower under this Agreement shall be paid in full (a) free of any restriction or condition, (b) free and clear of and without any deduction or

withholding on account of any Taxes imposed, levied, collected, withheld or assessed by or within Hong Kong or any other jurisdiction from or through which the relevant payment is made by the Borrower and (c) without deduction or withholding on account of any other amount, whether by way of set-off or counterclaim or otherwise. If at any time the Borrower is required to make any deduction or withholding in respect of Taxes from any payment due under this Agreement for the account of the Lender (save where such requirement arises as a result of a change by the Lender of its tax status or tax residence), the sum due from the Borrower in respect of such payment shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Lender receives on the due date for such payment (and retains, free from any liability in respect of such deduction or withholding) a net sum equal to the sum which it would have received had no such deduction or withholding been required to be made and the Borrower shall indemnify the Lender against any losses or reasonable costs incurred by the Lender by reason of any failure of the Borrower to make any such deduction or withholding or by reason of any increased payment not being made on the due date for such payment. The Borrower shall promptly deliver to the Lender any receipts, certificates or other proof evidencing the amounts (if any) paid or payable in respect of any deduction or withholding as aforesaid. The Lender shall co-operate with the Borrower in completing any procedural formalities necessary for the Borrower to obtain authorisation to make payment to the Lender without a Tax deduction (or with a reduced Tax deduction).

12. **REPRESENTATIONS AND WARRANTIES**

12.1 The Borrower hereby represents and warrants to the Lender as at the date of this Agreement that:

- (a) **Incorporation, Registration, Power and Authority**: the Borrower is a corporation duly formed and validly existing under the laws of its place of incorporation/formation. The Borrower has full power and authority to execute, enter into, perform and deliver this Agreement and to exercise its rights and perform its obligations hereunder and all corporate or other actions required to authorise the execution, entry into, performance and delivery of, this Agreement and the transactions contemplated by this Agreement and the performance by it of its obligations hereunder have been duly taken;
- (b) **Binding Obligations**: the obligations expressed to be assumed by the Borrower in this Agreement are legal, valid, binding and enforceable obligations;
- (c) **Non-Violation of Law, etc**: the execution, entry into, performance and delivery by the Borrower of this Agreement and the performance by it of its obligations hereunder and thereunder will not:
 - (i) contravene any provisions of any law, statute, decree, rule or regulation to which it or any of its assets or revenues are subject; or
 - (ii) conflict with, or result in any breach of any of the terms of, or constitute a default under, any material agreement or other instrument to which it is a party; or

- (iii) result in the creation or imposition of or oblige it to create any Security Interest other than as permitted under the terms of this Agreement on any of its undertaking, assets, rights or revenues;
- (d) No Breach of Borrowing Powers: the Borrower's borrowing pursuant to this Agreement and entering into of this Agreement will not cause any limit or restriction on its borrowing or other powers (whether imposed by law, decree, rule, regulation, agreement, its corporate constitutional documents or otherwise howsoever) or on the right or ability of its general partner to exercise any such powers or result in such powers to be exceeded or breached;
- (e) Validity and Admissibility in Evidence: all Authorisations required:
 - (i) to enable the Borrower to lawfully enter into, exercise its rights and comply with and perform its obligations in this Agreement;
 - (ii) to make this Agreement admissible in evidence in its jurisdiction of incorporation; and/or
 - (iii) for the Borrower to carry on its business, and the absence of which is reasonably likely to have a Material Adverse Effect,have been obtained or effected and are in full force and effect;
- (f) No Default:
 - (i) no Default is continuing or is reasonably likely to result from the making of any Advance; and
 - (ii) no other event or circumstance is outstanding which constitutes a default under any other agreement or instrument which is binding on it or to which its assets are subject which is reasonably likely to have a Material Adverse Effect;
- (g) Pari Passu Ranking: its payment obligations under this Agreement rank at least pari passu with the claims of all its other present and future unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally;
- (h) No Proceedings Pending or Threatened:
 - (i) no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency have (to the best of its knowledge and belief) been started or, to its knowledge, after having made all reasonable enquiries, threatened against the Borrower or any of its Subsidiaries; and.
 - (ii) no state or official investigation or enquiry concerning the Borrower, any of its Subsidiaries or any of their key employees or operations is in progress or to its knowledge, after having made all reasonable enquiries, has been threatened,

which, in each case, is reasonably likely to be adversely determined and, if so determined, has or is reasonably likely to have a Material Adverse Effect;

- (i) No Winding-up: neither the Borrower nor any of its Subsidiaries has taken any action, nor have any other steps been taken or legal proceedings been started or (to the best of the Borrower's knowledge and belief) threatened against the Borrower or any of its Subsidiaries, for its winding-up, dissolution or administration or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of it or of any or all of its assets or revenues;
- (j) Security: other than (i) the Security Interest existing as at the date hereof which have been disclosed in writing to, and accepted by, the Lender prior to the date of this Agreement, (ii) the Security Interests which have been approved or do not require or have not required the approval by the partners' meeting or the advisory board or the management board of the Borrower, (iii) the Security Interests as set out in paragraph (l) below, and (iv) the Security Interests which have been established according to applicable statutory law or in the ordinary course of business, no Security Interest exists over all or any of the present or future revenues or assets of the Borrower or any of its Subsidiaries;
- (k) Immunity:
 - (i) the execution by the Borrower of this Agreement constitutes, and the exercise by it of its rights and performance by it of its obligations under this Agreement will constitute, private and commercial acts performed for private and commercial purposes; and
 - (ii) the Borrower will not be entitled to claim immunity from suit, execution, attachment or other legal process in any proceedings taken in its jurisdiction of incorporation in relation to this Agreement;

12.2 Repetition: The representations and warranties made by the Borrower pursuant to paragraphs (a) to (e) and (k) of Clause 12.1 shall be deemed to be repeated and correct in all material respects on and as of each day from the date of this Agreement until all monies due or owing by the Borrower under this Agreement have been repaid in full as if made with reference to the facts and circumstances existing on each such day.

12.3 Acknowledgement of Reliance: The Borrower hereby acknowledges that the Lender has entered into this Agreement in full reliance on the representations and warranties made or deemed to be made and repeated under this Clause 12.

13. **UNDERTAKINGS**

The Borrower hereby undertakes with the Lender that so long as any sum remains payable under this Agreement or any part of the Facility remains available:

- (a) **Information**: the Borrower shall promptly provide the Lender with details of any actual, pending or threatened litigation, arbitration, winding-up, receivership, judicial or administrative proceedings against it or any of its assets which if adversely determined, have or would reasonably be expected to have a Material Adverse Effect;
- (b) **Notification of Defaults**: the Borrower shall promptly inform the Lender of (i) any occurrence of any event which it becomes aware may adversely affect the Borrower's ability to perform its payment obligations under this Agreement in any material respect or (ii) any Default forthwith upon becoming aware of the same and will from time to time, if so requested by the Lender, confirm to the Lender in writing that, no Default has occurred or, if a Default has occurred and the Borrower is aware thereof, that such Default has occurred and the steps it intends to take (if any) to remedy it;
- (c) **Inspection of Books and Records**: the Borrower shall keep books and records which accurately reflect in all material respects all of its business, affairs and transactions to the extent required by mandatory statutory law;
- (d) **Consents**: the Borrower will obtain and promptly renew from time to time and thereafter maintain in full force and effect, and will comply in all material respects with, all such Authorisations as may be required under any applicable law or regulation to enable it to perform its obligations under this Agreement or required for the validity or enforceability of this Agreement;
- (e) **Investigations**:
 - (i) If an Event of Default under paragraph (a), (f) to (k) or (n) of Clause 14.1 (*Events of Default*) has occurred and is continuing, the Lender may, after notifying the Borrower, instruct (or require the Borrower to instruct) the auditors of the Borrower (or such other independent public accountants of recognized international standing as the Lender selects) to investigate the affairs, financial performance or accounting and other reporting procedures and standards of the Borrower. The reasonable cost and expense of each such investigation or report shall be borne by the Borrower on a full indemnity basis.
 - (ii) The Borrower shall co-operate fully with any person carrying out an investigation or preparing a report pursuant to paragraph (i) above;

- (f) Anti-Money Laundering Requirements: the Borrower shall promptly on the request of the Lender supply to the Lender any documentation or other evidence which is reasonably requested by the Lender (whether for itself or any prospective permitted assignee or transferee) to enable the Lender or prospective assignee or transferee (if the Lender (i) if so required for the assignment or transfer pursuant to Clause 16.3 (*Assignment and Transfer by the Lender*), has obtained the prior written consent of the Borrower or (ii) otherwise has notified the Borrower of such assignment or transfer) to carry out and be satisfied with the results of all of their respective anti-money laundering and/ or other similar requirements;
- (g) Pari Passu Ranking: the Borrower shall procure that its obligations under this Agreement do and shall rank at all times at least pari passu in right of payment with all their other present and future, actual or contingent, unsecured and unsubordinated obligations, except for those which are mandatorily preferred by law applying to companies generally;
- (h) Compliance with Laws and Regulations: the Borrower shall (and will cause each of its Subsidiaries to) comply in all respects with all laws (including without limitation, any applicable money laundering laws) to which it may be subject, if failure so to comply would materially impair its ability to perform its payment obligations under this Agreement;
- (i) Change of Business: the Borrower will not make or permit any material change to the nature of its business and operations as a whole as currently being conducted;
- (j) Application of Funds: the Borrower shall apply the proceeds of the Facility in accordance with Clause 3 (*Purpose*) and shall not in any manner utilise or deploy the Facility for any purpose other than permitted under Clause 3 (*Purpose*).

14. **EVENTS OF DEFAULT**

14.1 Events of Default

There shall be an Event of Default if, for any reason and whether or not for a reason outside the control of the Borrower:

- (a) Non-Payment: the Borrower fails to pay any amount due from it under this Agreement, in the currency and in the manner specified herein unless its failure is caused by administrative or technical error and payment is made within three (3) Business Days; or
- (b) Other Breaches: the Borrower fails to duly comply with any provision (other than those referred to in paragraph (a) above) of this Agreement or any condition attached to any waiver or consent given under this Agreement is not fulfilled and, in respect of any such non-compliance which is capable of remedy, such non-compliance shall not have been remedied within fifteen (15) days of the

earlier of (i) the Borrower becoming aware of the occurrence of such default and (ii) the date on which the Borrower should have become aware thereof had it made reasonable enquiries; or

- (c) Breach of Representation: any representation or warranty made or deemed to be made or repeated by the Borrower pursuant to this Agreement or in any notice, certificate or statement referred to or delivered thereunder is or proves to have been or be incorrect or misleading in any material respect and, in respect of any underlying circumstances which are capable of remedy, such circumstances shall not have been remedied within fifteen (15) days of the earlier of (i) the Borrower becoming aware of the occurrence of such default and (ii) the date on which the Borrower should have become aware thereof had it made reasonable enquiries; or
- (d) Consents: any Authorization in connection with, the execution, delivery, performance, validity, enforceability or admissibility in evidence of this Agreement is modified or is not granted or withheld or is revoked or terminated or expires and is not renewed or otherwise ceases to be in full force and effect and, in respect of any such modification or other event which is capable of remedy, such modification or other event shall not have been remedied within fifteen (15) days of the earlier of (i) the Borrower becoming aware of the occurrence of such default and (ii) the date on which the Borrower should have become aware thereof had it made reasonable enquiries; or
- (e) Creditors' Process: a creditor attaches or takes possession of, or a distress, execution, sequestration or other process is levied or enforced upon or sued out against, any of the undertakings or material assets, rights or revenues of the Borrower or any step is taken to enforce any present or future Security Interest on or over all or any part of the material assets or revenues of the Borrower; or
- (f) Insolvency or bankruptcy: (save as a result of the Lender failing to comply with its obligation to make Advances under this Agreement) the Borrower is or is presumed or deemed to be unable to pay its debts as they become due or becomes, or admits to being unable generally to pay its debts or otherwise becomes insolvent (according to the laws of the jurisdiction it is seated or operates in or the jurisdiction of whose courts any part of its assets is subject to) or stops or suspends making payment (whether of principal or interest) with respect to all or any class of its debts or announces an intention to do so; or
- (g) Winding-up: any petition or other step is taken for the purpose of winding up or bankrupting the Borrower or an order is made or resolution is passed for the winding up or bankruptcy of the Borrower or a meeting is convened for the purpose of passing any such resolution; or
- (h) Administration: an administrator (including a preliminary administrator) of the Borrower is appointed or an administration or bankruptcy order is made in relation to the Borrower; or
- (i) Appointment of Receivers and Managers: any administrative or other receiver is appointed of the Borrower or any part of its material assets and/or undertakings or the Borrower requests any person to appoint such a receiver; or

- (j) Compositions: any steps are taken, or negotiations are commenced, by the Borrower with a view to proposing any kind of composition, compromise or arrangement with all or any class of its creditors; or
- (k) Analogous Proceedings: there occurs, in relation to the Borrower, in any country or territory in which it carries on business or to the jurisdiction of whose courts any part of its assets is subject, any event which appears in that country or territory to correspond with, or have an effect equivalent or similar to, any of those mentioned in paragraphs (e) to (j) (inclusive); or
- (l) Suspension of Business or Expropriation: the Borrower suspends or ceases or threatens to suspend or cease to carry on its business or any substantial part thereof or any governmental or other authority expropriates, seizes, or compulsorily acquires or formally announces to expropriate, seize or compulsorily acquire all or any substantial part of the business, assets, rights or revenues of the Borrower unless the Borrower is adequately compensated for such expropriation, seizure or compulsory acquisition; or
- (m) Illegality: it becomes or will become unlawful at any time for the Borrower to perform all or any of its obligations under this Agreement or any of its obligations under this Agreement is not or ceases to be or is claimed by it not to be legal, valid and binding or in full force and effect and, if capable of remedy, such illegality or other circumstance shall not have been remedied within fifteen (15) days of the earlier of (i) the Borrower becoming aware of the occurrence of such illegality or other circumstance and (ii) the date on which the Borrower should have become aware thereof had it made reasonable enquiries; or
- (n) Material Adverse Change: any other event or circumstance arises which constitutes a Material Adverse Change; or
- (o) Repudiation: the Borrower repudiates this Agreement or does or causes to be done any act or thing evidencing an intention to repudiate this Agreement; or
- (p) Enforceability, Security Interest and Guarantees: this Agreement ceases to be legal, valid, binding and enforceable on or against any party thereto or is not in full force and effect and, if capable of remedy, such unenforceability or other circumstance shall not have been remedied within fifteen (15) days of the earlier of (i) the Borrower becoming aware of such unenforceability or other circumstance and (ii) the date on which the Borrower should have become aware thereof had it made reasonable enquiries; or
- (q) Material Litigation: if any litigation, arbitration or administrative proceeding is taking place against the Borrower which has or is reasonably likely to have a Material Adverse Effect

14.2 Acceleration

The Lender may, without prejudice to any of its other rights, at any time after the occurrence of an Event of Default, by notice to the Borrower:

- (i) declare that the obligations of the Lender to make the Facility available shall be terminated, whereupon the Facility shall be reduced to zero forthwith; and/or
- (ii) declare that all the Advances and all interest accrued thereon and other sums owing under this Agreement have become immediately due and payable, whereupon the same shall, immediately or in accordance with the terms of such notice, become so due and payable without further demand or other legal formality of any kind; and/or
- (iii) take any action, exercise any other right or pursue any other remedy conferred upon the Lender by this Agreement or the other Financial Documents or by any applicable law or regulation or otherwise as a consequence of such Event of Default.

15. EXPENSES AND STAMP DUTY

The Borrower shall pay:

- (a) Expenses: to the Lender, within five (5) Business Days of demand and in the currency specified by the Lender, all costs and expenses on a full indemnity basis (including legal and out-of-pocket expenses) incurred by the Lender in connection with the enforcement of or, following notice of acceleration, preservation of any rights under this Agreement together with interest at the Default Rate from the date on which such expenses were incurred to the date of payment (as well after as before judgment);
- (b) Stamp Duty: promptly, and in any event before any penalty becomes payable, any stamp, documentary, registration or similar Taxes payable in connection with the entry into, performance, enforcement or admissibility in evidence of this Agreement and/or any amendment or waiver thereof, and shall indemnify the Lender against any liability with respect to or resulting from any delay in paying or omission to pay any such Taxes (unless caused by the Lender's gross negligence or wilful misconduct);and

16. ASSIGNMENT AND TRANSFER

- 16.1 Benefit of Agreement: This Agreement shall be binding upon and ensure to the benefit of each party hereto and its successors and permitted assignees and transferees.
- 16.2 Assignment and Transfer by the Borrower: the Borrower may not assign or transfer or novate or in any way dispose of all or any of its rights, benefits and/or obligations under this Agreement.

16.3 Assignment and Transfer by the Lender:

- (a) The Lender may not assign or transfer or novate or in any way dispose of all or any of its rights, benefits and/or obligations under this Agreement to any person which is not an affiliate of the Lender (the “**New Lender**”) without the prior written consent of the Borrower.
- (b) A transfer of obligations will be effective only if the New Lender confirms to the Borrower in writing that it undertakes to be bound by the terms of this Agreement. On the transfer becoming effective in this manner, the Lender shall be released from its obligations under this Agreement to the extent that they are transferred to the New Lender.
- (c) Nothing in this Agreement restricts the ability of the Lender to sub-contract out an obligation if it remains liable under this Agreement for that obligation.

16.4 References: if the Lender assigns or transfers or novates all or any part of its rights, benefits and/or obligations in accordance with this Clause, all relevant references in this Agreement to the Lender shall thereafter be construed as a reference to the Lender and/or its assignee or transferee (as the case may be) to the extent of their respective interests.

16.5 Disclosure: the Lender may disclose on a confidential basis to a prospective assignee or transferee or to any other person who may propose entering into, or who has entered into, contractual relations with the Lender in relation to this Agreement such information about the transactions contemplated by this Agreement or the Borrower as the Lender shall consider appropriate.

17. **SET-OFF**

Without prejudice to any right of set-off, combination of accounts, lien or other rights which the Lender is at any time entitled whether by operation of law or contract or otherwise, the Lender may (but shall not be obliged to) set off against any obligation of the Borrower due and payable by it hereunder without prior notice any monies held by the Lender for the account of the Borrower at any office of the Lender anywhere and in any currency. The Lender may effect such currency exchanges as are appropriate to implement such set-off.

18. **REMEDIES, WAIVERS AND AMENDMENTS**

18.1 No Implied Waivers, Remedies Cumulative: Time shall be of the essence of this Agreement but no failure or delay on the part of the Lender in exercising any power, right or remedy under this Agreement shall operate as a waiver hereof or thereof, nor shall any single or partial exercise by the Lender of any power, right or remedy preclude any other or further exercise hereof or thereof or the exercise of any other power, right or remedy. The remedies provided in this Agreement are cumulative and not exclusive of any remedies provided by law.

18.2 Amendments and Consents: Any provision of this Agreement may be amended only if the Borrower and the Lender so agree in writing. Any consent by the Lender under this Agreement must be made in writing. In addition, any such waiver or consent may be given subject to any conditions thought fit by the Lender and shall be effective only in the instance and for the purpose for which it is given.

18.3 Severability: If any provision of this Agreement is prohibited or unenforceable in any jurisdiction such prohibition or unenforceability shall not invalidate the remaining provisions hereof or affect the validity or enforceability of such provision in any other jurisdiction.

19. NOTICES

19.1 Notices

Every notice, request, demand or other communication under this Agreement shall:

- (a) be in writing delivered personally or by prepaid registered letter or facsimile transmission to the addresses and fax numbers set out below;
- (b) be deemed to have been received, subject as otherwise provided in this Agreement, in the case of a facsimile transmission, on the Business Day immediately following the date of despatch with confirmed facsimile report (provided that if the date of despatch is not a Business Day in the city of the addressee it shall be deemed to have been received at the opening of business on the next such Business Day) and, in the case of a letter, when delivered personally or, in the case of a registered letter, on the 5th Business Day after posting if airmail and 2nd Business Day if local mail provided that any notice or communication to be made or delivered by the Borrower to the Lender shall be effective when the Lender actually receives it; and
- (c) be sent to such other address or fax number or, if agreed by the Lender and the Borrower, email address as is notified by one party to the other from time to time.

19.2 Addresses

Notices or communications shall be sent to the following addresses or fax numbers (or, if agreed by the Lender and the Borrower, to such email address as may be notified by one party to the other party pursuant to paragraph (c) of Clause 15.1 (*Notices*)):

To the Borrower:

Name: Weichai America Corp..
Address: [REDACTED]
Fax:
Attention: CEO

To the Lender:

Name: Weichai Power Hong Kong International
Development Co., Ltd.
Address: [REDACTED]
Fax: [REDACTED]
Attention: Board of Directors

19.3 Language

Each notice or document referred to herein or to be delivered hereunder shall be in the English language.

20. PARTIAL INVALIDITY

The illegality, invalidity or unenforceability of any provision of this Agreement under the law of any jurisdiction shall not affect its legality, validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision.

21. COUNTERPARTS

This Agreement may be signed in any number of counterparts, all of which when taken together shall constitute one and the same instrument. Each party may enter into this Agreement by signing any such counterpart.

22. GOVERNING LAW

22.1 This Agreement shall be governed by and construed in accordance with the laws of Hong Kong.

22.2 For the exclusive benefit of the Lender, the parties irrevocably agree that the courts of Hong Kong are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement.

22.3 Without prejudice to any other mode of service allowed under any relevant law, the Borrower as soon as reasonably possible will appoint and notify to the Lender in writing an agent for service of process in relation to any proceedings before the Hong Kong courts in connection with this Agreement.

22.4 Each of the parties hereto irrevocably waives any objection which it may now or hereafter have to the laying of the venue of any proceedings in the courts of Hong Kong and any claim that any such proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgment in any proceedings brought in the courts of Hong Kong shall be conclusive and binding upon the relevant party and may be enforced in the courts of any other jurisdiction, in each case to the fullest extent permitted by law.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed the day and year first above written.

SCHEDULE 1
FORM OF DRAWDOWN NOTICE

[Date]

From: Weichai America Corp.
To: Weichai Power Hong Kong International Development Co., Limited

Re: **USD 1,900,000 Revolving Credit Facility to Weichai America Corp. dated [●](the “Loan Agreement”)**

Dear Sirs,

We refer to the Loan Agreement. Terms defined in the Loan Agreement shall have the same meanings herein.

We hereby give you notice that we wish to draw down an Advance on [date] in the amount of the USD [amount] and such amount should be credited to the following bank account of the Borrower:

Account Name: Weichai America Corp.
Account No.:
BLZ:
Swift:
Account Bank:

We confirm that:-

- (a) no Default has occurred and is continuing or would result from the making of that Advance; and
- (b) the representations and warranties to be made or, as the case may be, repeated by us in the Loan Agreement are true and correct in all material respects at the date hereof as if made with respect to the facts and circumstances existing at such date;

This notice is irrevocable.

Words and expressions defined in the Loan Agreement shall have the same meanings where used herein.

For and on behalf of
Weichai America Corp.

Name:
Title:

Name:
Title:

SIGNATURE PAGE

THE BORROWER

SIGNED by)
)
/s/ Huisheng Liu)
_____)
for and on behalf of)
WEICHAI AMERICA CORP.)
)

THE LENDER

SIGNED by)
)
/s/ Guogang Wu)
_____)
for and on behalf of)
WEICHAI POWER HONG KONG)
INTERNATIONAL DEVELOPMENT)
CO., LIMITED)
)

Dated 1 August, 2017

WEICHAI AMERICA CORP.

as Borrower

and

**WEICHAI POWER HONG KONG INTERNATIONAL
DEVELOPMENT CO., LIMITED**

as Lender

**LOAN AGREEMENT
in relation to a
USD 1,900,000.00 REVOLVING CREDIT FACILITY**

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