

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

SUMIT GUPTA, Individually and
on Behalf of All Others Similarly Situated,

Plaintiff,

v.

POWER SOLUTIONS INTERNATIONAL, INC.,
GARY S. WINEMASTER, DANIEL P. GOREY,
and MICHAEL P. LEWIS,

Defendants.

Case No.: 1:16-cv-08253

Consolidated with

No.: 1:16-cv-9599

Honorable Virginia M. Kendall

**NOTICE OF (I) PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT; (II)
SETTLEMENT FAIRNESS HEARING; AND (III) MOTION FOR AN AWARD OF
ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES**

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

NOTICE OF PENDENCY OF CLASS ACTION: Please be advised that your rights may be affected by the above-captioned securities class action (the “Action”) pending in the United States District Court for the Northern District of Illinois (the “Court”), if you purchased or otherwise acquired Power Solutions International, Inc. (“PSI”) common stock between February 27, 2014 and February 2, 2017, inclusive, and were damaged thereby (the “Settlement Class Period”).¹

NOTICE OF SETTLEMENT: Please also be advised that the Court-appointed Lead Plaintiff Richard Giunta (“Lead Plaintiff”) and named Plaintiff, David Leibowitz (“Plaintiff” and together with Lead Plaintiff, “Plaintiffs”), on behalf of themselves and the Settlement Class (as defined in ¶ 20 below), have reached a proposed settlement of the Action for \$8,500,000 in cash that, if approved, will resolve all claims in the Action (the “Settlement”).

PLEASE READ THIS NOTICE CAREFULLY. This Notice explains important rights you may have, including the possible receipt of cash from the Settlement. If you are a member of the Settlement Class, your legal rights will be affected whether or not you act.

If you have any questions about this Notice, the proposed Settlement, or your eligibility to participate in the Settlement, please DO NOT contact PSI, any other Defendants in the Action, or their counsel. All questions should be directed to Lead Counsel or the Claims Administrator (see ¶ 69 below).

1. **Description of the Action and the Settlement Class:** This Notice relates to a proposed Settlement of claims in a pending securities class action brought by investors alleging, among other things, that defendants Power Solutions International, Inc. (“PSI”), Gary S. Winemaster, Daniel P. Gorey, Michael P. Lewis, Jay J. Hansen, Ellen R. Hoffing, Kenneth Landini, and Mary E. Vogt (collectively, the “Defendants”)² violated the federal securities laws by making material false and misleading statements regarding PSI. Defendants deny all allegations of wrongdoing, damages, or liability whatsoever. A more detailed description of the Action is set forth in paragraphs 11–19 below. The proposed Settlement, if approved by the Court, will settle claims of the Settlement Class, as defined in paragraph 20 below.

¹ All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings ascribed to them in the Stipulation and Agreement of Settlement dated January 22, 2019 (the “Stipulation”), which is available at www.PowerSolutionsSecuritiesLitigation.com.

² Defendants Winemaster, Gorey, Lewis, Hansen, Hoffing, Landini, and Vogt are collectively referred to herein as the “Individual Defendants.”

2. **Statement of the Settlement Class’s Recovery:** Subject to Court approval, Plaintiffs, on behalf of themselves and the Settlement Class, have agreed to settle the Action in exchange for a settlement payment of \$8,500,000 in cash (the “Settlement Amount”) to be deposited into an escrow account. The Net Settlement Fund (*i.e.*, the Settlement Amount plus any and all interest earned thereon (the “Settlement Fund”) less (a) any Taxes, (b) any Notice and Administration Costs, (c) any Litigation Expenses awarded by the Court, and (d) any attorneys’ fees awarded by the Court) will be distributed in accordance with a plan of allocation that is approved by the Court, which will determine how the Net Settlement Fund shall be allocated among members of the Settlement Class. The proposed plan of allocation (the “Plan of Allocation”) is set forth on pages 9–13 below.

3. **Estimate of Average Amount of Recovery Per Share:** Based on Plaintiffs’ damages expert’s estimates of the number of shares of PSI common stock purchased during the Settlement Class Period that may have been affected by the conduct at issue in the Action and assuming that *all* Settlement Class Members elect to participate in the Settlement, the estimated average recovery (before the deduction of any Court-approved fees, expenses and costs as described below) per share is \$0.809. Settlement Class Members should note, however, that the foregoing average recovery per share is only an estimate. Some Settlement Class Members may recover more or less than this estimated amount depending on, among other factors, when and at what prices they purchased/acquired or sold their shares of PSI common stock, and the total number of valid Claim Forms submitted. Distributions to Settlement Class Members will be made based on the Plan of Allocation set forth herein (*see* pages 9–13 below) or such other plan of allocation as may be ordered by the Court.

4. **Average Amount of Damages Per Share:** The Parties do not agree on the average amount of damages per share that would be recoverable if Plaintiffs were to prevail in the Action. Among other things, Defendants do not agree with the assertion that they violated the federal securities laws or that any damages were suffered by any members of the Settlement Class as a result of their conduct.

5. **Attorneys’ Fees and Expenses Sought:** Plaintiffs’ Counsel, which have been prosecuting the Action on a wholly contingent basis since its inception in 2016, have not received any payment of attorneys’ fees for their representation of the Settlement Class and have advanced the funds to pay expenses necessarily incurred to prosecute this Action. Court-appointed Lead Counsel, Glancy Prongay & Murray LLP, will apply to the Court for an award of attorneys’ fees for all Plaintiffs’ Counsel in an amount not to exceed 33 1/3% of the Settlement Fund. In addition, Lead Counsel will apply for reimbursement of Litigation Expenses paid or incurred in connection with the institution, prosecution, and resolution of the claims against the Defendants, in an amount not to exceed \$175,000, which may include an application for reimbursement of the reasonable costs and expenses incurred by Plaintiffs directly related to their representation of the Settlement Class. Any fees and expenses awarded by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses. Estimates of the average cost per affected share of PSI common stock, if the Court approves Lead Counsel’s fee and expense application, is \$0.286 per share.

6. **Identification of Attorneys’ Representatives:** Plaintiffs and the Settlement Class are represented by Jason Krajcer, Esq. of Glancy Prongay & Murray LLP, 1925 Century Park East, Suite 2100, Los Angeles, CA 90067, 888-773-9224, settlements@glancylaw.com.

7. **Reasons for the Settlement:** Plaintiffs’ principal reason for entering into the Settlement is the substantial immediate cash benefit for the Settlement Class without the risk or the delays inherent in further litigation. Moreover, the substantial cash benefit provided under the Settlement must be considered against the significant risk that a smaller recovery—or indeed no recovery at all—might be achieved after contested motions, a trial of the Action, and the likely appeals that would follow a trial. This process could be expected to last several years. Defendants, who deny all allegations of wrongdoing or liability whatsoever, are entering into the Settlement solely to eliminate the uncertainty, burden, and expense of further protracted litigation.

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT:

<p>SUBMIT A CLAIM FORM POSTMARKED NO LATER THAN JUNE 13, 2019.</p>	<p>This is the only way to be eligible to receive a payment from the Settlement Fund. If you are a Settlement Class Member and you remain in the Settlement Class, you will be bound by the Settlement as approved by the Court and you will give up any Released Plaintiffs' Claims (defined in ¶ 29 below) that you have against Defendants and the Defendants' Releasees (defined in ¶ 30 below), so it is in your interest to submit a Claim Form.</p>
<p>EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION SO THAT IT IS RECEIVED NO LATER THAN APRIL 22, 2019.</p>	<p>If you exclude yourself from the Settlement Class, you will not be eligible to receive any payment from the Settlement Fund. This is the only option that allows you ever to be part of any other lawsuit against any of the Defendants or the Defendants' Releasees concerning the Released Plaintiffs' Claims.</p>
<p>OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS RECEIVED NO LATER THAN APRIL 22, 2019.</p>	<p>If you do not like the proposed Settlement, the proposed Plan of Allocation, or the request for attorneys' fees and reimbursement of Litigation Expenses, you may write to the Court and explain why you do not like them. You cannot object to the Settlement, the Plan of Allocation or the fee and expense request unless you are a Settlement Class Member and do not exclude yourself from the Settlement Class.</p>
<p>GO TO A HEARING ON MAY 13, 2019 AT 9:00 A.M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS RECEIVED NO LATER THAN APRIL 22, 2019.</p>	<p>Filing a written objection and notice of intention to appear by April 22, 2019 allows you to speak in Court, at the discretion of the Court, about the fairness of the proposed Settlement, the Plan of Allocation, and/or the request for attorneys' fees and reimbursement of Litigation Expenses. If you submit a written objection, you may (but you do not have to) attend the hearing and, at the discretion of the Court, speak to the Court about your objection.</p>
<p>DO NOTHING.</p>	<p>If you are a member of the Settlement Class and you do not submit a valid Claim Form, you will not be eligible to receive any payment from the Settlement Fund. You will, however, remain a member of the Settlement Class, which means that you give up your right to sue about the claims that are resolved by the Settlement and you will be bound by any judgments or orders entered by the Court in the Action.</p>

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WHY DID I GET THE POSTCARD NOTICE?

8. The Court directed that the Postcard Notice be mailed to you because you or someone in your family or an investment account for which you serve as a custodian may have purchased or otherwise acquired shares of PSI common stock during the Settlement Class Period. The Court also directed that this detailed Internet Notice be posted online at www.PowerSolutionsSecuritiesLitigation.com and mailed to you upon request to the Claims Administrator. The Court has directed us to disseminate these notices because, as a potential Settlement Class Member, you have a right to know about your options before the Court rules on the proposed Settlement. Additionally, you have the right to understand how this class action lawsuit may generally affect your legal rights. If the Court approves the Settlement, and the Plan of Allocation (or some other plan of allocation), the Claims Administrator selected by Plaintiffs and approved by the Court will make payments pursuant to the Settlement after any objections and appeals are resolved.

9. The purpose of this Notice is to inform you of the existence of this case, that it is a class action, how you might be affected, and how to exclude yourself from the Settlement Class if you wish to do so. It is also being sent to inform you of the terms of the proposed Settlement, and of a hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, the proposed Plan of Allocation and the motion by Lead Counsel for an award of attorneys’ fees and reimbursement of Litigation Expenses (the “Final Approval Hearing”). See paragraph 68 below for details about the Final Approval Hearing, including the date and location of the hearing.

10. The issuance of this Notice is not an expression of any opinion by the Court concerning the merits of any claim in the Action, and the Court still has to decide whether to approve the Settlement. If the Court approves the Settlement and a plan of allocation, then payments to Authorized Claimants will be made after any appeals are resolved and after the completion of all claims processing. Please be patient, as this process can take some time to complete.

WHAT IS THIS CASE ABOUT?

11. This litigation stems from, among other things, PSI's announcement that it would restate its financial statements for fiscal years: 2014, 2015 and 2016.

12. Two class action complaints were filed in the United States District Court for the Northern District of Illinois (the "Court"), which by Order dated January 19, 2017, were consolidated under *Gupta v. Power Solutions, Inc., et al.*, 1:16-cv-08253 and Lead Plaintiff and Lead Counsel were approved and appointed by the Court.

13. On September 15, 2017, Plaintiffs filed and served their consolidated Amended Class Action Complaint (the "Complaint") asserting claims against all Defendants under Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5 promulgated thereunder, and against the Individual Defendants under Section 20(a) of the Exchange Act. Among other things, the Complaint alleged that Defendants improperly recognized revenue in violation of Generally Accepted Accounting Principles and made materially false and misleading statements about an entity, Professional Power Products, Inc., that PSI acquired in April 2014. The Complaint further alleged that the prices of PSI common stock were artificially inflated as a result of Defendants' allegedly false and misleading statements, and declined when the truth was revealed.

14. On November 17, 2017, Defendants PSI, Gary S. Winemaster, Jay J. Hansen, Ellen R. Hoffing, Kenneth Landini and Mary Vogt and, separately, Daniel P. Gorey, moved to dismiss the Complaint. On November 20, 2017, Michael P. Lewis moved for leave to file *instanter* his motion to dismiss, which the Court granted on December 11, 2017. On January 22, 2018, Plaintiffs filed and served their papers in opposition to those motions and, on March 5 and 6, 2018, Defendants filed and served their reply papers.

15. On April 16, 2018, Lead Counsel and Counsel for PSI participated in a full-day mediation session before Robert A. Meyer, Esq. In advance of that session, the Parties exchanged detailed mediation statements and exhibits to Mr. Meyer, which addressed the issues of both liability and damages. The session ended without any formal agreement being reached.

16. Mr. Meyer conducted further discussions with the Parties which culminated in an agreement in principle to settle the Action that was memorialized in a term sheet (the "Term Sheet"), the provisions of which were negotiated between the parties over the next several weeks, and which was executed on July 17, 2018. The Term Sheet sets forth, among other things, the Parties' agreement to settle and release all claims asserted against Defendants in the Action in return for a cash payment by or on behalf of Defendants of \$8,500,000 for the benefit of the Settlement Class, subject to certain terms and conditions and the execution of a customary "long form" stipulation and agreement of settlement and related papers.

17. Based on the investigation and mediation of the case and Plaintiffs' direct oversight of the prosecution of this matter and with the advice of their counsel, each of the Plaintiffs has agreed to settle and release the claims raised in the Action pursuant to the terms and provisions of the Stipulation, after considering, among other things, (a) the substantial financial benefit that Plaintiffs and the other members of the Settlement Class will receive under the proposed Settlement; and (b) the significant risks and costs of continued litigation and trial.

18. Defendants, individually and collectively, have denied and continue to deny each and all of the claims and contentions alleged by Plaintiffs in the Action. Defendants expressly have vigorously denied and continue to deny any and all charges of fault, wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Action. Defendants further deny that the Plaintiffs or Settlement Class have suffered damages, that the prices of PSI common stock were artificially inflated during the Settlement Class Period as a result of any alleged misrepresentations, omissions, non-disclosures or otherwise by Defendants, and/or that the Plaintiffs or the Settlement Class were harmed by the conduct alleged in the Complaint. Nonetheless, Defendants have concluded that further conduct of the Action would be protracted and expensive, and that it is desirable that the Action be fully and finally settled in the manner and upon the terms and conditions set forth in the Stipulation. Defendants have also taken into account the uncertainty and risks inherent in any litigation, especially in complex cases like the Action. Defendants have, therefore, determined to settle the Action in the manner and upon the terms and conditions set forth in the Stipulation. The Term Sheet, the Supplemental Agreement and the Stipulation shall in no event be construed or deemed to be evidence of or an admission or concession on the part of any Plaintiff of any infirmity in any of the claims asserted in the Action, or an admission or concession that any of the Defendants' defenses to liability had any merit. Similarly, the Stipulation, nor any act performed or document executed pursuant to or in furtherance of the Stipulation, and all negotiations, discussions, actions, and proceedings in connection with the Stipulation shall not be deemed or constitute a presumption, concession, or an admission by any Defendants or any other Defendants' Releasees (defined below) of any fault, liability, or wrongdoing whatsoever as to any facts or claims alleged or asserted in the Action or any other action or proceeding (including *Dorvit v.*

Winemaster, Case No. 1:17-cv-01097 (N.D. Ill. filed February 10, 2017) (“*Dorvit*”), *Rebscher v. Winemaster*, Case No. 2017-CH-06517 (Circuit Court of Cook County, Chancery Division filed May 5, 2017) (consolidated with *McClenney v. Winemaster*, Case No. 2017-CH-06481 (Circuit Court of Cook County, Chancery Division filed May 5, 2017) (“*Rebscher*”), and *Martin v. Winemaster*, Case No. 18-cv-2386 (N.D. Ill. filed April 3, 2018) (“*Martin*”), and shall not be invoked, offered, or received in evidence or otherwise used by any person in the Litigation except in connection with any proceeding to proceed with or enforce the terms of the Stipulation.

19. On January 24, 2019, the Court preliminarily approved the Settlement, authorized the Postcard Notice to be mailed to potential Settlement Class Members and this detailed Internet Notice to be posted online and mailed to potential Settlement Class Members upon request, and scheduled the Final Approval Hearing to consider whether to grant final approval to the Settlement.

HOW DO I KNOW IF I AM AFFECTED BY THE SETTLEMENT? WHO IS INCLUDED IN THE SETTLEMENT CLASS?

20. If you are a member of the Settlement Class, you are subject to the Settlement, unless you timely request to be excluded. The Settlement Class consists of:

all persons and entities who or which purchased or otherwise acquired PSI common stock between February 27, 2014 and February 2, 2017, inclusive, and were damaged thereby (the “Settlement Class Period”).

Excluded from the Settlement Class are Defendants; members of the Individual Defendants’ Immediate Families; Defendants legal representatives, heirs, successors, or assigns, and any entity in which they have or had a controlling interest; any trust of which any Defendant is the settlor or which is for the benefit of any Defendant and/or member(s) of his or her family; and the current former officers and directors of PSI. Also excluded from the Settlement Class are any persons or entities who or which exclude themselves by submitting a request for exclusion in accordance with the requirements set forth in this Notice that is accepted by the Court. *See* “What If I Do Not Want To Be A Member Of The Settlement Class? How Do I Exclude Myself?” on pages 13–14 below.

PLEASE NOTE: RECEIPT OF THE POSTCARD NOTICE DOES NOT MEAN THAT YOU ARE A SETTLEMENT CLASS MEMBER OR THAT YOU WILL BE ENTITLED TO RECEIVE PROCEEDS FROM THE SETTLEMENT.

If you are a Settlement Class Member and you wish to be eligible to participate in the distribution of proceeds from the Settlement, you are required to submit the Claim Form that is available online at www.PowerSolutionsSecuritiesLitigation.com or which can be mailed to you upon request to the Claims Administrator, and the required supporting documentation as set forth therein, postmarked no later than June 13, 2019.

WHAT ARE PLAINTIFFS’ REASONS FOR THE SETTLEMENT?

21. Plaintiffs and Lead Counsel believe that the claims asserted against Defendants have merit. They recognize, however, the expense and length of continued proceedings necessary to pursue their claims against Defendants through trial and appeals, as well as the very substantial risks they would face in establishing liability and damages. Plaintiffs and Lead Counsel recognized that Defendants had numerous avenues of attack that could preclude a recovery. For example, Defendants assert that the statements were not materially false and misleading, and that even if they were, they were not made with the requisite state of mind to support the securities fraud claims alleged. Even if the hurdles to establishing liability were overcome, the amount of damages that could be attributed to the allegedly false statements would be hotly contested. Plaintiffs would have to prevail at several stages—motions to dismiss and for summary judgment, trial, and if they prevailed on those, on the appeals that were likely to follow. Thus, there were very significant risks attendant to the continued prosecution of the Action.

22. In light of these risks, the amount of the Settlement and the immediacy of recovery to the Settlement Class, Plaintiffs and Lead Counsel believe that the proposed Settlement is fair, reasonable, and adequate, and in the best interests of the Settlement Class. Plaintiffs and Lead Counsel believe that the Settlement provides a substantial benefit to the Settlement Class, namely \$8,500,000 in cash (less the various deductions described in this Notice), as compared to the risk that the claims in the Action would produce a smaller recovery, or no recovery after motions to dismiss, summary judgment, trial, and appeals, possibly years in the future.

23. Defendants have denied and continue to deny the claims asserted against them in the Action and deny having engaged in any wrongdoing or violation of law of any kind whatsoever. Defendants also have denied and continue to deny, *inter alia*, that any Settlement Class Member has suffered any damages; that the price of PSI stock was artificially inflated by reason of the alleged misrepresentations, omissions, or otherwise; or that the Settlement Class Members were harmed by the conduct in the Action or that could have been alleged as part of the Action. In addition, Defendants maintain that they have meritorious defenses to all claims alleged in the Action. Defendants have agreed to the Settlement solely to eliminate the burden and expense of continued litigation. Accordingly, the Settlement may not be construed as an admission of any wrongdoing, damages, or liability by Defendants.

WHAT MIGHT HAPPEN IF THERE WERE NO SETTLEMENT?

24. If there were no Settlement and Plaintiffs failed to establish any essential legal or factual element of their claims against Defendants, neither Plaintiffs nor the other members of the Settlement Class would recover anything from Defendants. Also, if Defendants were successful in proving any of their defenses, either at summary judgment, at trial, or on appeal, the Settlement Class could recover substantially less than the amount provided in the Settlement, or nothing at all.

HOW ARE SETTLEMENT CLASS MEMBERS AFFECTED BY THE ACTION AND THE SETTLEMENT?

25. As a Settlement Class Member, you are represented by Plaintiffs and Lead Counsel, unless you enter an appearance through counsel of your own choice at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file a notice of appearance on your behalf and must serve copies of his or her appearance on the attorneys listed in the section entitled, “When And Where Will The Court Decide Whether To Approve The Settlement?” on pages 14–15 below.

26. If you are a Settlement Class Member and do not wish to remain a Settlement Class Member, you may exclude yourself from the Settlement Class by following the instructions in the section entitled, “What If I Do Not Want To Be A Member Of The Settlement Class? How Do I Exclude Myself?” on pages 13–14 below.

27. If you are a Settlement Class Member and you wish to object to the Settlement, the Plan of Allocation, or Lead Counsel’s application for attorneys’ fees and reimbursement of Litigation Expenses, and if you do not exclude yourself from the Settlement Class, you may present your objections by following the instructions in the section entitled, “When And Where Will The Court Decide Whether To Approve The Settlement?” below.

28. If you are a Settlement Class Member and you do not exclude yourself from the Settlement Class, you will be bound by any orders issued by the Court. If the Settlement is approved, the Court will enter a judgment (the “Judgment”). The Judgment will dismiss with prejudice the claims against Defendants and will provide that, upon the Effective Date of the Settlement, Plaintiffs and each of the Settlement Class Members, on behalf of themselves, and their respective heirs, executors, administrators, predecessors, successors, and assigns in their capacities as such, will have fully, finally and forever compromised, settled, released, resolved, relinquished, waived and discharged each and every Released Plaintiffs’ Claim (as defined in ¶ 29 below) against Defendants and Defendants’ Releasees (as defined in ¶ 30 below), and shall forever be barred and enjoined from prosecuting any or all of the Released Plaintiffs’ Claims against any of Defendants’ Releasees.

29. “Released Plaintiffs’ Claims” means all claims, liabilities, demands, lawsuits, and causes of action of every nature and description, whether known or Unknown Claims, whether arising under federal, state, common or foreign law, whether class or individual in nature, that are based upon, arise out of, or relate to, or involve, directly or indirectly, (i) the purchase, acquisition, sale or retention of PSI common stock during the Settlement Class Period, and (ii) any of the actions, failures to act, transactions, occurrences, statements, omissions, allegations, facts, practices, events, or claims arising therefrom or related thereto, alleged or asserted in, or which could have been asserted in the Complaint in the Action. Released Plaintiffs’ Claims do not include any Excluded Claims.³

30. “Defendants’ Releasees” means Defendants and their respective current and former family members, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, foundations, agents, employees, parents, subsidiaries, divisions, affiliates, officers, managers, directors, predecessors, predecessors-in-interest, successors, successors-in-interest, assigns, advisors, consultants, attorneys, personal or legal representatives, accountants, auditors, insurers, co-insurers, reinsurers, and associates, in their capacities as such.

³ “Excluded Claims” means (i) any claims asserted in Dorvit, Rebscher and Martin, (ii) any claims of any person or entity who or which submits a request for exclusion that is accepted by the Court, and (iii) any claims relating to the enforcement of the Settlement or its terms.

31. “Unknown Claims” means any Released Plaintiffs’ Claims which Plaintiffs or any other Settlement Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, and any Released Defendants’ Claims which any Defendant or any other Defendants’ Releasee does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, which, if known by him, her, or it, might have affected his, her, or its decision(s) with respect to this Settlement. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date of the Settlement, Plaintiffs and Defendants shall expressly waive, and each of the other Settlement Class Members and each of the other Defendants’ Releasees shall be deemed to have waived, and by operation of the Judgment or the Alternate Judgment, if applicable, shall have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Plaintiffs, any Settlement Class Member, Defendants, and each of their respective Releasees, may hereafter discover facts in addition to or different from those which he, she, or it now knows or believes to be true with respect to the subject matter of the Released Claims, but the Parties shall expressly fully, finally, and forever settle and release, and each Settlement Class Member and each of the Releasees, upon the Effective Date, shall be deemed to have, and by operation of the Final Judgment or Alternate Judgment shall have fully, finally, and forever settled and released, any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including but not limited to, conduct which is negligent, intentional, with or without malice or a breach of any duty, law, or rule without regard to the subsequent discovery or existence of such different or additional facts. Plaintiffs and Defendants acknowledge, and each of the Settlement Class Members and each of Defendants’ Releasees shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement.

32. The Judgment will also provide that, upon the Effective Date of the Settlement, Defendants, on behalf of themselves, and their respective heirs, executors, administrators, predecessors, successors, and assigns in their capacities as such, will have fully, finally and forever compromised, settled, released, resolved, relinquished, waived and discharged each and every Released Defendants’ Claim (as defined in ¶ 33 below) against Plaintiffs and the other Plaintiffs’ Releasees (as defined in ¶ 34 below), and shall forever be barred and enjoined from prosecuting any or all of the Released Defendants’ Claims against any of the Plaintiffs’ Releasees.

33. “Released Defendants’ Claims” means all claims and causes of action of every nature and description, whether known claims or Unknown Claims, whether arising under federal, state, common or foreign law, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims asserted in the Action against the Defendants. Released Defendants’ Claims do not include any claims relating to the enforcement of the Settlement or any claims against any person or entity who or which submits a request for exclusion from the Settlement Class that is accepted by the Court.

34. “Plaintiffs’ Releasees” means Plaintiffs in the Action, and all other Settlement Class members, and their respective current and former officers, directors, agents, parents, affiliates, subsidiaries, successors, predecessors, assigns, assignees, employees, accountants, family members, and attorneys, in their capacities as such.

HOW DO I PARTICIPATE IN THE SETTLEMENT? WHAT DO I NEED TO DO?

35. To be eligible for a payment from the proceeds of the Settlement, you must be a member of the Settlement Class and you must timely complete and return the Claim Form with adequate supporting documentation **postmarked no later than June 13, 2019**. A Claim Form is available on the website maintained by the Claims Administrator for the Settlement, www.PowerSolutionsSecuritiesLitigation.com, or you may request that a Claim Form be mailed to you by calling the Claims Administrator toll-free at 1-888-457-6703. Please retain all records of your ownership of and transactions in PSI common stock, as they may be needed to document your Claim. If you request exclusion from the Settlement Class or do not submit a timely and valid Claim Form, you will not be eligible to share in the Net Settlement Fund.

HOW MUCH WILL MY PAYMENT BE?

36. At this time, it is not possible to make any determination as to how much any individual Settlement Class Member may receive from the Settlement.

37. Pursuant to the Settlement, PSI and/or PSI's insurer have agreed to pay or caused to be paid eight million five-hundred thousand dollars (\$8,500,000) in cash on behalf of Defendants. The Settlement Amount will be deposited into an escrow account. The Settlement Amount plus any interest earned thereon is referred to as the "Settlement Fund." If the Settlement is approved by the Court and the Effective Date occurs, the "Net Settlement Fund" (that is, the Settlement Fund less (a) all federal, state, and/or local taxes on any income earned by the Settlement Fund and the reasonable costs incurred in connection with determining the amount of and paying taxes owed by the Settlement Fund (including reasonable expenses of tax attorneys and accountants); (b) the costs and expenses incurred in connection with providing notice to Settlement Class Members and administering the Settlement on behalf of Settlement Class Members; and (c) any attorneys' fees and Litigation Expenses awarded by the Court) will be distributed to Settlement Class Members who submit valid Claim Forms, in accordance with the proposed Plan of Allocation or such other plan of allocation as the Court may approve.

38. The Net Settlement Fund will not be distributed unless and until the Court has approved the Settlement and a plan of allocation, and the time for any petition for rehearing, appeal or review, whether by certiorari or otherwise, has expired.

39. Neither Defendants nor any other person or entity that paid any portion of the Settlement Amount on their behalf are entitled to get back any portion of the Settlement Fund once the Court's order or judgment approving the Settlement becomes Final. Defendants and Defendants' Releasees shall not have any liability, obligation or responsibility for the administration of the Settlement, the disbursement of the Net Settlement Fund or the plan of allocation.

40. Approval of the Settlement is independent from approval of a plan of allocation. Any determination with respect to a plan of allocation will not affect the Settlement, if approved.

41. Unless the Court otherwise orders, any Settlement Class Member who fails to submit a Claim Form postmarked on or before June 13, 2019 shall be fully and forever barred from receiving payments pursuant to the Settlement but will in all other respects remain a Settlement Class Member and be subject to the provisions of the Stipulation, including the terms of any Judgment entered and the releases given. This means that each Settlement Class Member releases the Released Plaintiffs' Claims (as defined in ¶ 29 above) against Defendants' Releasees (as defined in ¶ 30 above) and will be enjoined and prohibited from filing, prosecuting, or pursuing any of the Released Plaintiffs' Claims against any of Defendants' Releasees whether or not such Settlement Class Member submits a Claim Form.

42. Participants in and beneficiaries of a plan covered by ERISA ("ERISA Plan") should NOT include any information relating to their transactions in PSI common stock held through the ERISA Plan in any Claim Form that they may submit in this Action. They should include ONLY those shares that they purchased or acquired outside of the ERISA Plan. Claims based on any ERISA Plan's purchases or acquisitions of PSI common stock during the Settlement Class Period may be made by the plan's trustees. To the extent any of the Defendants or any of the other persons or entities excluded from the Settlement Class are participants in the ERISA Plan, such persons or entities shall not receive, either directly or indirectly, any portion of the recovery that may be obtained from the Settlement by the ERISA Plan.

43. The Court has reserved jurisdiction to allow, disallow, or adjust on equitable grounds the Claim of any Settlement Class Member.

44. Each Claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to his, her, or its Claim Form.

45. Only Settlement Class Members will be eligible to share in the distribution of the Net Settlement Fund. Persons and entities that are excluded from the Settlement Class by definition or that exclude themselves from the Settlement Class pursuant to a request for exclusion that is accepted by the Court will not be eligible to receive a distribution from the Net Settlement Fund and should not submit Claim Forms. The only securities that are included in the Settlement are PSI common stock.

PROPOSED PLAN OF ALLOCATION

46. The objective of the Plan of Allocation is to equitably distribute the Settlement proceeds to those Settlement Class Members who allegedly suffered economic losses as a proximate result of the alleged wrongdoing. The calculations made pursuant to the Plan of Allocation are not intended to be estimates of, nor indicative of, the amounts

that Settlement Class Members might have been able to recover after a trial. Nor are the calculations pursuant to the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants pursuant to the Settlement. The computations under the Plan of Allocation are only a method to weigh the claims of Authorized Claimants against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund.

47. In developing the Plan of Allocation, Plaintiffs' damages expert estimated the amount of alleged artificial inflation⁴ in the per share closing prices of PSI common stock that was allegedly proximately caused by Defendants' alleged false and misleading statements and material omissions. In estimating the artificial inflation, Plaintiffs' damages expert considered price changes in PSI common stock in reaction to certain alleged corrective disclosures in the marketplace, adjusting for price changes that Plaintiffs' damages expert attributed to market or industry forces. The estimated artificial inflation in PSI common stock is shown in Table A below.

48. For losses to be compensable damages under the federal securities laws, the disclosure of the allegedly misrepresented information must be the cause of the decline in the price or value of the security. In this case, Plaintiffs allege that Defendants made false statements and omitted material facts during the Settlement Class Period (*i.e.*, the period from February 27, 2014 and February 2, 2017, inclusive), which Plaintiffs allege artificially inflated the prices of PSI common stock. Plaintiffs further allege that corrective disclosures removed artificial inflation from the price of PSI common stock on May 8, 2015, August 6, 2015, August 7, 2015, October 28, 2015, February 23, 2016, August 4, 2016, August 16, 2016, August 19, 2016, January 5, 2017 and February 3, 2017. Because Plaintiffs allege that the disclosures reduced the alleged artificial inflation in stages over the course of the Settlement Class Period, the damages allegedly suffered by any particular Claimant will depend on when that Claimant purchased and sold shares, or retained shares beyond the end of the Settlement Class Period.

CALCULATION OF RECOGNIZED LOSS AMOUNTS

49. Based on the formula set forth below, a "Recognized Loss Amount" shall be calculated for each purchase or acquisition of PSI common stock during the Settlement Class Period that is listed in the Proof of Claim Form and for which adequate documentation is provided. If a Recognized Loss Amount calculates to a negative number or zero under the formula below, that Recognized Loss Amount will be zero.

For shares of PSI common stock purchased or otherwise acquired between February 27, 2014 and February 2, 2017:

- A. For shares sold between February 27, 2014 and February 2, 2017, the Recognized Loss shall be that number of shares multiplied by the lesser of:
 - (1) the applicable purchase date artificial inflation per share figure less the applicable sales date artificial inflation per share figure, as found in Table A; or
 - (2) the difference between the purchase price per share and the sales price per share.
- B. For shares sold between February 3, 2017 and May 3, 2017, the Recognized Loss shall be the lesser of:
 - (1) the applicable purchase date artificial inflation per share figure, as found in Table A; or
 - (2) the difference between the purchase price per share and the sales price per share; or
 - (3) the difference between the purchase price per share and the average closing price between February 3, 2017 and the date of sale, as found in Table B.⁵
- C. For shares held at the end of trading on May 3, 2017, the Recognized Loss shall be that number of shares multiplied by the lesser of:
 - (1) the applicable purchase date artificial inflation per share figure, as found in Table A; or
 - (2) the difference between the purchase price per share and \$6.61.⁶

⁴ Any reference to "artificial inflation" of PSI's stock in this Notice shall be understood to mean the artificial inflation alleged in the Complaint and shall not be deemed or constitute a presumption, concession, or an admission by any Defendants or any other Defendants' Releasees that PSI's stock was artificially inflated during the Class Period.

⁵ Pursuant to Section 21(D)(e)(2) of the Private Securities Litigation Reform Act of 1995, "in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, if the plaintiff sells or repurchases the subject security prior to the expiration of the 90-day period described in paragraph (1), the plaintiff's damages shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the security and the mean trading price of the security during the period beginning immediately after dissemination of information correcting the misstatement or omission and ending on the date on which the plaintiff sells or repurchases the security."

⁶ Pursuant to Section 21(D)(e)(1) of the Private Securities Litigation Reform Act of 1995, "in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated." The mean (average) closing price of Power Solutions International, Inc. common stock during the 90-day period beginning on February 3, 2017 and ending on May 3, 2017 was \$6.61 per share.

Table A

Purchase or Sale Date Range	Artificial Inflation Per Share
02/27/2014–05/07/2015	\$28.58
5/08/2015–08/05/2015	\$20.76
08/06/2015	\$17.25
08/07/2015–10/27/2015	\$15.36
10/28/2015–02/22/2016	\$11.68
02/23/2016–08/03/2016	\$10.08
08/04/2016–08/15/2016	\$8.44
08/16/2016–08/18/2016	\$7.08
08/19/2016–01/04/2017	\$5.55
01/05/2017–02/02/2017	\$4.71

Table B

Date of Sale	Average Closing Price Between 02/03/2017 and Date of Sale	Date of Sale	Average Closing Price Between 02/03/2017 and Date of Sale
02/03/2017	\$2.80	03/21/2017	\$4.99
02/06/2017	\$3.25	03/22/2017	\$5.02
02/07/2017	\$3.42	03/23/2017	\$5.06
02/08/2017	\$3.42	03/24/2017	\$5.10
02/09/2017	\$3.38	03/27/2017	\$5.13
02/10/2017	\$3.33	03/28/2017	\$5.22
02/13/2017	\$3.37	03/29/2017	\$5.31
02/14/2017	\$3.40	03/30/2017	\$5.41
02/15/2017	\$3.44	03/31/2017	\$5.53
02/16/2017	\$3.72	04/03/2017	\$5.66
02/17/2017	\$3.96	04/04/2017	\$5.77
02/21/2017	\$4.06	04/05/2017	\$5.87
02/22/2017	\$4.13	04/06/2017	\$5.95
02/23/2017	\$4.18	04/07/2017	\$6.02
02/24/2017	\$4.23	04/10/2017	\$6.09
02/27/2017	\$4.30	04/11/2017	\$6.15
02/28/2017	\$4.36	04/12/2017	\$6.21
03/01/2017	\$4.42	04/13/2017	\$6.27
03/02/2017	\$4.48	04/17/2017	\$6.32
03/03/2017	\$4.56	04/18/2017	\$6.32
03/06/2017	\$4.60	04/19/2017	\$6.34
03/07/2017	\$4.65	04/20/2017	\$6.36
03/08/2017	\$4.69	04/21/2017	\$6.37
03/09/2017	\$4.72	04/24/2017	\$6.39
03/10/2017	\$4.76	04/25/2017	\$6.40
03/13/2017	\$4.79	04/26/2017	\$6.43
03/14/2017	\$4.83	04/27/2017	\$6.46
03/15/2017	\$4.86	04/28/2017	\$6.49
03/16/2017	\$4.90	05/01/2017	\$6.54
03/17/2017	\$4.93	05/02/2017	\$6.58
03/20/2017	\$4.96	05/03/2017	\$6.61

ADDITIONAL PROVISIONS

50. The Net Settlement Fund will be allocated among all Authorized Claimants whose Distribution Amount (defined in paragraph 53 below) is \$10.00 or greater.

51. If a Settlement Class Member has more than one purchase/acquisition or sale of PSI common stock, all purchases/acquisitions and sales shall be matched on a First-In, First-Out (“FIFO”) basis. Settlement Class Period sales will be matched first against any holdings at the beginning of the Settlement Class Period, and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Settlement Class Period.

52. A Claimant’s “Recognized Claim” under the Plan of Allocation shall be the sum of his, her, or its Recognized Loss Amounts for all PSI common stock.

53. The Net Settlement Fund will be distributed to Authorized Claimants on a *pro rata* basis based on the relative size of their Recognized Claims. Specifically, a “Distribution Amount” will be calculated for each Authorized Claimant, which shall be the Authorized Claimant’s Recognized Claim divided by the total Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund. If any Authorized Claimant’s Distribution Amount calculates to less than \$10.00, it will not be included in the calculation and no distribution will be made to such Authorized Claimant.

54. Purchases or acquisitions and sales of PSI common stock shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. The receipt or grant by gift, inheritance, or operation of law of PSI common stock during the Settlement Class Period shall not be deemed a purchase, acquisition, or sale of PSI common stock for the calculation of an Authorized Claimant’s Recognized Loss Amount, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of any PSI common stock unless (i) the donor or decedent purchased or otherwise acquired such PSI common stock during the Settlement Class Period; (ii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such PSI common stock; and (iii) it is specifically so provided in the instrument of gift or assignment.

55. The date of covering a “short sale” is deemed to be the date of purchase or acquisition of the PSI common stock. The date of a “short sale” is deemed to be the date of sale of PSI common stock. Under the Plan of Allocation, however, the Recognized Loss Amount on “short sales” is zero. In the event that a Claimant has an opening short position in an PSI common stock, the earliest Settlement Class Period purchases or acquisitions of that security shall be matched against such opening short position, and not be entitled to a recovery, until that short position is fully covered.

56. Option contracts are not securities eligible to participate in the Settlement. With respect to PSI common stock purchased or sold through the exercise of an option, the purchase/sale date of the PSI common stock is the exercise date of the option and the purchase/sale price of PSI common stock is the exercise price of the option.

57. To the extent a Claimant had a market gain with respect to his, her, or its overall transactions in PSI common stock during the Settlement Class Period, the value of the Claimant’s Recognized Claim shall be zero. Such Claimants shall in any event be bound by the Settlement. To the extent that a Claimant suffered an overall market loss with respect to his, her, or its overall transactions in PSI common stock during the Settlement Class Period, but that market loss was less than the total Recognized Claim calculated above, then the Claimant’s Recognized Claim shall be limited to the amount of the actual market loss.

58. For purposes of determining whether a Claimant had a market gain with respect to his, her, or its overall transactions in PSI common stock during the Settlement Class Period or suffered a market loss, the Claims Administrator shall determine the difference between (i) the Total Purchase Amount⁷ and (ii) the sum of the Total Sales Proceeds⁸ and Total Holding Value.⁹ This difference shall be deemed a Claimant’s market gain or loss with respect to his, her, or its overall transactions in PSI common stock during the Settlement Class Period.

⁷ The “Total Purchase Amount” is the total amount the Claimant paid (excluding commissions and other charges) for all shares of PSI common stock purchased or acquired during the Settlement Class Period.

⁸ The Claims Administrator shall match any sales of PSI common stock during the Settlement Class Period, first against the Claimant’s opening position in PSI common stock (the proceeds of those sales will not be considered for purposes of calculating market gains or losses). The total amount received (excluding commissions and other charges) for the remaining sales of PSI common stock sold during the Settlement Class Period shall be the “Total Sales Proceeds.”

⁹ Based on the statutory provision described above in footnote 6, the Claims Administrator shall ascribe a holding value of \$6.61 per share to PSI common stock purchased or acquired during the Settlement Class Period and still held as of the close of trading on May 3, 2017. The total calculated holding values for all PSI common stock shall be the Claimant’s “Total Holding Value.”

59. After the initial distribution of the Net Settlement Fund, the Claims Administrator shall make reasonable and diligent efforts to have Authorized Claimants cash their distribution checks. To the extent any monies remain in the fund nine (9) months after the initial distribution, if Lead Counsel, in consultation with the Claims Administrator, determines that it is cost-effective to do so, the Claims Administrator shall conduct a redistribution of the funds remaining after payment of any unpaid fees and expenses incurred in administering the Settlement, including for such redistribution, to Authorized Claimants who have cashed their initial distributions and who would receive at least \$10.00 from such redistribution. Additional redistributions to Authorized Claimants who have cashed their prior checks and who would receive at least \$10.00 on such additional redistributions may occur thereafter if Lead Counsel, in consultation with the Claims Administrator, determines that additional redistributions, after the deduction of any additional fees and expenses incurred in administering the Settlement, including for such redistributions, would be cost-effective. At such time as it is determined that the redistribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance shall be contributed to non-sectarian, not-for-profit organization(s), to be recommended by Lead Counsel and approved by the Court.

60. Payment pursuant to the Plan of Allocation, or such other plan of allocation as may be approved by the Court, shall be conclusive against all Authorized Claimants. No person shall have any claim against Plaintiffs, Plaintiffs' Counsel, Plaintiffs' damages expert, Defendants, Defendants' Counsel, or any of the Releasees, or the Claims Administrator or other agent designated by Lead Counsel arising from distributions made substantially in accordance with the Stipulation, the plan of allocation approved by the Court, or further Orders of the Court. Plaintiffs, Defendants and their respective counsel, and Defendants' Releasees, shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund, the Net Settlement Fund, the plan of allocation, or the determination, administration, calculation, or payment of any Claim Form or nonperformance of the Claims Administrator, the payment or withholding of taxes owed by the Settlement Fund, or any losses incurred in connection therewith.

61. The Plan of Allocation set forth herein is the plan that is being proposed to the Court for its approval by Plaintiffs after consultation with their damages expert. The Court may approve this plan as proposed or it may modify the Plan of Allocation without further notice to the Settlement Class. Any Orders regarding any modification of the Plan of Allocation will be posted on the Settlement website, www.PowerSolutionsSecuritiesLitigation.com.

WHAT PAYMENT ARE THE ATTORNEYS FOR THE SETTLEMENT CLASS SEEKING? HOW WILL THE LAWYERS BE PAID?

62. Plaintiffs' Counsel have not received any payment for their services in pursuing claims against the Defendants on behalf of the Settlement Class, nor have Plaintiffs' Counsel been reimbursed for their out-of-pocket expenses. Before final approval of the Settlement, Lead Counsel will apply to the Court for an award of attorneys' fees for all Plaintiffs' Counsel in an amount not to exceed 33 1/3% of the Settlement Fund. At the same time, Lead Counsel also intends to apply for reimbursement of Litigation Expenses in an amount not to exceed \$175,000, which may include an application for reimbursement of the reasonable costs and expenses incurred by Plaintiffs directly related to their representation of the Settlement Class. The Court will determine the amount of any award of attorneys' fees or reimbursement of Litigation Expenses. Such sums as may be approved by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses.

WHAT IF I DO NOT WANT TO BE A MEMBER OF THE SETTLEMENT CLASS? HOW DO I EXCLUDE MYSELF?

63. Each Settlement Class Member will be bound by all determinations and judgments in this lawsuit, whether favorable or unfavorable, unless such person or entity mails or delivers a written Request for Exclusion from the Settlement Class, addressed to *Power Solutions Securities Litigation, EXCLUSIONS, c/o Claims Administrator, P.O. Box 3747, Portland, OR 97208-3747*. The exclusion request must be *received* no later than **April 22, 2019**. You will not be able to exclude yourself from the Settlement Class after that date. Each Request for Exclusion must: (a) state the name, address and telephone number of the person or entity requesting exclusion, and in the case of entities, the name and telephone number of the appropriate contact person; (b) state that such person or entity "requests exclusion from the Settlement Class in *Power Solutions Securities Litigation, Case No. 1:16-cv-08253*"; (c) identify and state the number of shares of PSI common stock that the person or entity requesting exclusion purchased/acquired and/or sold during the Settlement Class Period (*i.e.*, between February 27, 2014 and February 2, 2017, inclusive), as well as the dates and prices of each such purchase/acquisition and sale; and (d) be signed by the person or entity requesting exclusion or an authorized representative. A Request for Exclusion shall not be valid and effective unless it provides all the information called for in this paragraph and is received within the time stated above, or is otherwise accepted by the Court.

64. If you do not want to be part of the Settlement Class, you must follow these instructions for exclusion even if you have pending, or later file, another lawsuit, arbitration, or other proceeding relating to any Released Plaintiffs' Claim against any of the Defendants' Releasees.

65. If you ask to be excluded from the Settlement Class, you will not be eligible to receive any payment out of the Net Settlement Fund.

66. Defendants have the right to terminate the Settlement if valid requests for exclusion are received from persons and entities entitled to be members of the Settlement Class in an amount that exceeds an amount agreed to by Plaintiffs and Defendants.

WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT? DO I HAVE TO COME TO THE HEARING? MAY I SPEAK AT THE HEARING IF I DON'T LIKE THE SETTLEMENT?

67. **Settlement Class Members do not need to attend the Final Approval Hearing. The Court will consider any submission made in accordance with the provisions below even if a Settlement Class Member does not attend the hearing. You can participate in the Settlement without attending the Final Approval Hearing.**

68. The Final Approval Hearing will be held on May 13, 2019 at 9:00 a.m., before the Honorable Virginia M. Kendall at the United States District Court for the Northern District of Illinois, United States Courthouse, Courtroom 2319, 219 South Dearborn Street, Chicago, IL 60604. The Court reserves the right to approve the Settlement, the Plan of Allocation, Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses and/or any other matter related to the Settlement at or after the Final Approval Hearing without further notice to the members of the Settlement Class.

69. Any Settlement Class Member who or which does not request exclusion may object to the Settlement, the proposed Plan of Allocation or Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses. Objections must be in writing. You must file any written objection, together with copies of all other papers and briefs supporting the objection, with the Clerk's Office at the United States District Court for the Northern District of Illinois at the address set forth below on or before April 22, 2019. You must also serve the papers on Lead Counsel and on Defendants' Counsel at the addresses set forth below so that the papers are *received on or before April 22, 2019*.

Clerk's Office
United States District Court
Northern District of Illinois
Clerk of the Court
United States Courthouse
219 South Dearborn St.
Chicago IL, 60604

Lead Counsel
Glancy Prongay & Murray LLP
Jason Krajcer, Esq.
1925 Century Park East, Suite 2100
Los Angeles, CA 90067

PSI's Counsel
Vedder Price P.C.
Rebecca L. Dandy, Esq.
222 North LaSalle St.,
Suite 2600
Chicago, IL 60601

70. Any objection: (a) must state the name, address and telephone number of the person or entity objecting and must be signed by the objector; (b) must contain a statement of the Settlement Class Member's objection or objections, and the specific reasons for each objection, including any legal and evidentiary support the Settlement Class Member wishes to bring to the Court's attention; and (c) must include documents sufficient to prove membership in the Settlement Class, including the number of shares of PSI common stock that the objecting Settlement Class Member purchased/acquired and/or sold during the Settlement Class Period (*i.e.*, between February 27, 2014 and February 2, 2017, inclusive), as well as the dates and prices of each such purchase/acquisition and sale. You may not object to the Settlement, the Plan of Allocation or Lead Counsel's motion for attorneys' fees and reimbursement of Litigation Expenses if you exclude yourself from the Settlement Class or if you are not a member of the Settlement Class.

71. You may file a written objection without having to appear at the Final Approval Hearing. You may not, however, appear at the Final Approval Hearing to present your objection unless you first file and serve a written objection in accordance with the procedures described above, unless the Court orders otherwise.

72. If you wish to be heard orally at the hearing in opposition to the approval of the Settlement, the Plan of Allocation or Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses, and if you timely file and serve a written objection as described above, you must also file a notice of appearance with the Clerk's Office and serve it on Lead Counsel and Defendants' Counsel at the addresses set forth above so that it is **received on or before April 22, 2019**. Persons who intend to object and desire to present evidence at the Final Approval Hearing must include in their written objection or notice of appearance the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the hearing. Such persons may be heard orally at the discretion of the Court.

73. You are not required to hire an attorney to represent you in making written objections or in appearing at the Final Approval Hearing. However, if you decide to hire an attorney, it will be at your own expense, and that attorney must file a notice of appearance with the Court and serve it on Lead Counsel and Defendants' Counsel at the addresses set forth in ¶ 69 above so that the notice is **received on or before April 22, 2019**.

74. The Final Approval Hearing may be adjourned by the Court without further written notice to the Settlement Class. If you intend to attend the Final Approval Hearing, you should confirm the date and time with Lead Counsel.

75. Unless the Court orders otherwise, any Settlement Class Member who does not object in the manner described above will be deemed to have waived any objection and shall be forever foreclosed from making any objection to the proposed Settlement, the proposed Plan of Allocation or Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses. Settlement Class Members do not need to appear at the Final Approval Hearing or take any other action to indicate their approval.

WHAT IF I BOUGHT SHARES ON SOMEONE ELSE'S BEHALF?

76. If you purchased or otherwise acquired PSI common stock between February 27, 2014 and February 2, 2017, inclusive, for the beneficial interest of persons or organizations other than yourself, you must either: (a) within seven (7) calendar days of receipt of the Postcard Notice, request from the Claims Administrator sufficient copies of the Postcard Notice to forward to all such beneficial owners and within seven (7) calendar days of receipt of those Postcard Notices, forward them to all such beneficial owners; or (b) within seven (7) calendar days of receipt of the Postcard Notice, provide a list of the names and addresses of all such beneficial owners to *Power Solutions Securities Litigation*, c/o Claims Administrator, P.O. Box 3747, Portland, OR 97208-3747. If you choose the second option, the Claims Administrator will send a copy of the Postcard Notice to the beneficial owners. Upon full compliance with these directions, such nominees may seek reimbursement of their reasonable expenses actually incurred, up to a maximum of \$0.50 per notice, by providing the Claims Administrator with proper documentation supporting the expenses for which reimbursement is sought. Any dispute concerning the reasonableness of reimbursement costs shall be resolved by the Court. Copies of this Notice and the Claim Form may be obtained from the website maintained by the Claims Administrator, www.PowerSolutionsSecuritiesLitigation.com, or by calling the Claims Administrator toll-free at 1-888-457-6703.

CAN I SEE THE COURT FILE? WHOM SHOULD I CONTACT IF I HAVE QUESTIONS?

77. This Notice contains only a summary of the terms of the proposed Settlement. For more detailed information about the matters involved in this Action, you are referred to the papers on file in the Action, including the Stipulation, which may be inspected during regular office hours at the Office of the Clerk, United States District Court for the Northern District of Illinois, United States Courthouse, 219 South Dearborn Street, Chicago, IL 60604. Additionally, copies of the Stipulation and any related orders entered by the Court will be posted on the website maintained by the Claims Administrator, www.PowerSolutionsSecuritiesLitigation.com.

All inquiries concerning this detailed Internet Notice and the Claim Form should be directed to the Claims Administrator or Lead Counsel at:

In re Power Solutions Securities Litigation
c/o Claims Administrator
P.O. Box 3747
Portland, OR 97208-3747
888-457-6703
www.PowerSolutionsSecuritiesLitigation.com

and/or

Jason Krajcer, Esq.
GLANCY PRONGAY & MURRAY LLP
1925 Century Park East, Suite 2100
Los Angeles, CA 90067
888-773-9224
settlements@glancylaw.com

**DO NOT CALL OR WRITE THE COURT, THE OFFICE OF THE CLERK OF THE COURT,
DEFENDANTS OR THEIR COUNSEL REGARDING THIS NOTICE.**

Dated: January 24, 2019

By Order of the Court
United States District Court
Northern District of Illinois