

POWER SOLUTIONS INTERNATIONAL, INC.  
Form 8-K  
March 29, 2018

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

**FORM 8-K**

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

**Date of Report (Date of earliest event reported): March 29, 2018**

**Power Solutions International, Inc.**

**(Exact name of registrant as specified in its charter)**

**Delaware**  
**(State or other jurisdiction**

**of incorporation)**

**001-35944**  
**(Commission**

**File Number)**

**201 Mittel Drive, Wood Dale, Illinois 60191**

**33-0963637**  
**(IRS Employer**

**Identification No.)**

**(Address of principal executive offices and zip code)**

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))  
Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 1.01 Entry into a Material Definitive Agreement.**

*Credit Agreement with Wells Fargo*

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

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

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

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

**Item 7.01 Regulation FD Disclosure.**

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

The information in Item 7.01 of this Current Report, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the *Exchange Act* ), or otherwise subject to the liabilities of such section. The information in Item 7.01 of this Current Report, including Exhibit 99.1 attached hereto, shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the *Exchange Act*, regardless of any incorporation by reference language in any such filing.

**Caution Regarding Forward-Looking Statements**

This Form 8-K Current Report includes information that constitutes forward-looking statements. These forward-looking statements are covered by the *Safe Harbor for Forward-Looking Statements* provided by the Private Securities Litigation Reform Act of 1995. The Company has tried to identify these forward-looking statements by using words such as *expect*, *contemplate*, *anticipate*, *estimate*, *plan*, *will*, *would*, *should*, *forecast*, *outlook*, *guidance*, *projection*, *target* or similar expressions, but these words are not the exclusive means for identifying such statements. The Company cautions that a number of risks, uncertainties and other factors could cause

the Company's actual results to differ materially from those expressed in, or implied by, the forward-looking statements, including, without limitation: the final results of the Audit Committee's independent review as it impacts the Company's accounting, accounting policies and internal control over financial reporting; management's ability to successfully implement the Audit Committee's remedial recommendations; the reasons giving rise to the prior resignation of

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

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

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

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

POWER SOLUTIONS INTERNATIONAL, INC.

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

Dated: March 29, 2018