

**UNITED STATES DISTRICT COURT
DISTRICT OF RHODE ISLAND**

SECURITIES AND EXCHANGE COMMISSION

Plaintiff,

v.

EVOQUA WATER TECHNOLOGIES CORP. AND
IMRAN PAREKH,

Defendants.

Case No. 1:23-cv-00105-MSM-PAS

Evoqua Water Technologies Corp. Fair Fund Plan Notice

TO: Persons who purchased or acquired Evoqua Water Technologies Corp. (“Evoqua”) common stock, traded under the trading symbol AQUA (the “Security”), during the Relevant Period (November 1, 2017 through October 29, 2018, inclusive).

If you purchased or acquired the Security during the Relevant Period, you must submit a completed Claim Form with the necessary documentation so that it is postmarked (or if not sent by U.S. Mail, received) by MARCH 9, 2025 (the “Claims Bar Date”) to be considered for eligibility to recover from the Evoqua Water Technologies Corp. Fair Fund (the “Evoqua Fair Fund”). Claim Forms may also be submitted online on the Evoqua Fair Fund’s website at www.EvoquaFairFund.com. If you choose to file your Claim Form online, you must file on or before 11:59 p.m. Eastern Standard Time on MARCH 9, 2025.

1. Purpose of this Plan Notice

The purpose of this Plan Notice is to inform you that you may be eligible for a distribution from the Evoqua Fair Fund. To be potentially eligible to share in the Evoqua Fair Fund, you must file a Claim Form in accordance with the steps set forth in this Plan Notice and in the Court-approved Distribution Plan (the “Plan”). Claim Forms together with this Plan Notice are being mailed to all known Potential Claimants who purchased the Security during the Relevant Period, including all Potential Claimants¹ identified by the Court-appointed Distribution Agent (“Distribution Agent”), Analytics Consulting LLC (“Analytics”). Copies of the Plan, this Plan Notice, and the Claim Form are also available on the Evoqua Fair Fund website at www.EvoquaFairFund.com and through the Securities and Exchange Commission’s (“SEC” or the “Commission”) website at <https://www.sec.gov/enforcement-litigation/distributions-harmed-investors/evoqua-water-technologies-corp>. Certain persons and entities are excluded from eligibility under paragraph 19 of the Plan; these exclusions are set forth in Section III below.

PLEASE NOTE: Receipt of this Plan Notice does not mean you are an Eligible Claimant; eligibility will be determined by the Distribution Agent pursuant to the Plan.

NOTICE TO INSTITUTIONAL FILERS: Claims with 100 or more transactions or on behalf of 20 or more different accounts must be submitted electronically and in the required format specified by the Distribution Agent.

If you fall within this category and wish to file your Claim Form electronically, you must send an e-mail to info@EvoquaFairFund.com or visit www.EvoquaFairFund.com to obtain the required electronic filing template.

¹ Capitalized terms used in this Claim Form but not defined are defined in the approved distribution plan, which you can access on the Evoqua Fair Fund website: www.EvoquaFairFund.com, and through the Securities and Exchange Commission’s website at <https://www.sec.gov/enforcement-litigation/distributions-harmed-investors/evoqua-water-technologies-corp>.

Files that do not comply with the template and format provided by the Distribution Agent may be rejected. Electronic files will NOT be considered properly submitted unless the Distribution Agent issues to the Potential Claimant a written acknowledgment of receipt and acceptance of the electronically submitted data. If you do not receive such an acknowledgement, please contact the Distribution Agent.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY BECAUSE YOU MAY BE ENTITLED TO A RECOVERY FROM THE FAIR FUND. THIS NOTICE CONTAINS IMPORTANT INFORMATION REGARDING YOUR ABILITY TO SHARE IN THE EVOQUA FAIR FUND.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES: If you purchased or acquired Evoqua common stock as nominee for a beneficial owner, then within fourteen (14) calendar days after you receive this Claims Packet, you must either: (a) notify the respective beneficial owners of receipt of the Claims Packet so that beneficial owners may timely file a claim; or (b) provide to the Distribution Agent a list of last known names and addresses for all beneficial owners for whom the record holders purchased or acquired the Security during the Relevant Period so that the Distribution Agent can send them a Claims Packet directly. If you choose to follow procedure (a), an unlimited number of Plan Notices and Claim Forms are available for download and print by the Nominees or Custodians at www.EvoquaFairFund.com. In the event paper copies are needed, the Distribution Agent may provide no more than 50 additional copies of the materials relevant to submitting a claim to any Nominee or Custodian requesting it for the purpose of distribution to beneficial owners.

2. Background

On March 13, 2023, the SEC filed its complaint against Evoqua and Imran Parekh (collectively, “Defendants”). According to the Complaint, from at least the fourth quarter of 2016 through August 2018, Parekh, as the Finance Director of one of Evoqua’s divisions, engaged in fraudulent accounting practices that resulted in Evoqua improperly reporting materially false revenue amounts in its financial statements filed with the Commission. The SEC’s complaint alleged that Parekh inflated the revenue Evoqua reported quarterly and at year-end by counting revenue from sales much earlier than accounting principles permitted. The complaint alleged that Parekh improperly accounted for so-called “bill-and-hold” transactions, for which Evoqua recognized revenue from the sale of filtration products earlier than permitted and without meeting the criteria found in accounting principles to be able to immediately recognize the revenue.

The Complaint further alleged that negligent conduct at Evoqua’s corporate level in managing the financial reporting and accounting controls processes facilitated Parekh’s improper accounting practices. As a result of the fraudulent scheme, the Complaint alleges, Evoqua improperly reported nearly \$12 million of additional expected revenue for its fiscal year 2017 in its registration statement and its initial public offering prospectus filed with the Commission; that the misconduct continued through Evoqua’s first year as a public company, resulting in inaccurate books and records and material misstatements of Evoqua’s financial condition in subsequent filings with the Commission; and that by failing to disclose to investors or in filings with the Commission that Evoqua reported uncompleted sales as revenue by misapplying bill-and-hold accounting criteria, Evoqua misled investors and potential investors about the true financial picture of the company.

To date, the Defendants have paid a total of \$8,546,831.00, and any additional funds collected from the Defendants pursuant to the Final Judgments will be added to the Fair Fund. The Fair Fund has been deposited in an SEC-designated account at the United States Department of the Treasury, and any accrued interest will be added to the Fair Fund.

On May 20, 2024, the Court established a Fair Fund so that the penalties, disgorgement, and prejudgment interest collected can be distributed to harmed investors. On the same day, the Court appointed Miller Kaplan Arase LLP as Tax Administrator for the Fair Fund (“Tax Administrator”).

On June 25, 2024, the Court appointed Analytics Consulting LLP as Distribution Agent for the Fair Fund (“Distribution Agent”) and authorized the payment of fees and expenses of the Distribution Agent without further Court order.

On October 25, 2024, the Court issued an order approving the Plan.

3. Eligibility Criteria and the Distribution Formula

To be eligible for a payment from the Evoqua Fair Fund, you must satisfy certain eligibility criteria that are described in detail in the Plan. The Plan is available on the Evoqua Fair Fund's website at www.EvoquaFairFund.com and on the Commission's public website at <https://www.sec.gov/enforcement-litigation/distributions-harmed-investors/evoqua-water-technologies-corp>. You can also request a copy of the Plan by calling the Distribution Agent at 1-888-776-1641 or by sending an email to info@EvoquaFairFund.com. Those criteria include the following:

1. You must have purchased or acquired Evoqua common stock, traded under the symbol AQUA, during the Relevant Period.
2. Your approved transactions must calculate to a Recognized Loss as calculated under the Plan, and the Distribution Payment must equal or exceed \$20.00.
3. You are excluded from participation in the Evoqua Fair Fund if you are an Excluded Party as defined in the Plan, including:
 - a. The Defendants;
 - b. Present or former officers or directors of Defendants or any assigns, creditors, heirs, distributees, spouses, parents, children, or controlled entities of any of the foregoing Persons or entities;
 - c. Any employee or former employee of the Defendants or any of its affiliates who has been terminated for cause or has otherwise resigned, in connection with the conduct alleged in the Complaint;
 - d. Any Person who, as of the Claims Bar Date, has been the subject of criminal charges related to the conduct alleged in the Complaint or any related Commission action;
 - e. Any firm, trust, corporation, officer, or other entity in which Defendants has or had a controlling interest;
 - f. The Distribution Agent, its employees, and those Persons assisting the Distribution Agent in its role as the Distribution Agent; or
 - g. Any purchaser or assignee of another Person's right to obtain a recovery from the Fair Fund for value; provided, however, that this provision will not be construed to exclude those Persons who obtained such a right by gift, inheritance, or devise.

The Plan of Allocation that will be used to calculate Distribution Payments is set forth in Attachment A of the Plan.

The Plan of Allocation is designed to compensate Eligible Claimants based on their losses from purchases of the Security during the Relevant Period due to conduct of the Defendant. If the Net Available Fair Fund has sufficient funds, each Eligible Claimant will receive a Distribution Payment equal to the amount of his, her, or its Recognized Loss. If the Net Fair Fund is not sufficient to pay the full Recognized Loss for all Eligible Claimants, then each Eligible Claimant's distribution amount will equal his, her, or its "Pro Rata Share" of the Net Available Fair Fund. In either case, the distribution amount will be subject to the "Minimum Distribution Amount."

4. Claim Forms

A CLAIM FORM IS BEING MAILED TOGETHER WITH THIS PLAN NOTICE TO ALL POTENTIAL CLAIMANTS KNOWN TO, OR IDENTIFIED BY, THE DISTRIBUTION AGENT. IF YOU DO NOT RECEIVE A CLAIM FORM IN THE MAIL OR REQUIRE ADDITIONAL CLAIM FORMS, SEE THE INSTRUCTIONS BELOW UNDER "ADDITIONAL INFORMATION."

THE DEADLINE TO SUBMIT A CLAIM FORM AT THE ADDRESS BELOW IS MARCH 9, 2025 (PLEASE NOTE: THIS IS A POSTMARK DEADLINE). IF YOU CHOOSE TO FILE YOUR CLAIM FORM ONLINE, YOU MUST FILE ON OR BEFORE 11:59 P.M. EASTERN STANDARD TIME ON MARCH 9, 2025. IF YOU FAIL TO TIMELY SUBMIT A COMPLETED CLAIM FORM, YOU WILL BE BARRED FROM RECEIVING A PAYMENT FROM THE EVOQUA FAIR FUND. THE CLAIM FORM MUST BE ACCOMPANIED BY APPROPRIATE SUPPORTING DOCUMENTS FOR EACH TRANSACTION LISTED IN PART II OF THE CLAIM FORM.

If you submit a Claim Form that fails to provide all required information, or is otherwise deficient, you may receive a Determination Notice advising you of the reason(s) why the claim is deficient and of the opportunity to cure such deficiencies.

5. Claim Determinations

The Distribution Agent will mail a Final Determination Notice advising each Potential Claimant that submitted a Claim Form of the determination concerning such claim. If a claim is denied in whole or in part, the Distribution Agent will state the reason for such denial.

All determinations of the Distribution Agent that are made in accordance with the Plan shall be final and not subject to appeal.

6. Instructions for Submitting a Claim Form

YOU MUST COMPLETE AND SIGN THE CLAIM FORM AND SUBMIT IT TO THE DISTRIBUTION AGENT SO THAT IT IS POSTMARKED (OR IF NOT SENT BY U.S. MAIL, RECEIVED) NO LATER THAN **MARCH 9, 2025**, AT THE ADDRESS LISTED BELOW IN ORDER TO BE CONSIDERED FOR ELIGIBILITY TO RECOVER FROM THE EVOQUA FAIR FUND:

Evoqua Fair Fund
c/o Analytics Consulting LLC
Distribution Agent
P.O. Box 2007
Chanhassen, MN 55317-2007

Claim Forms may also be submitted online on the Evoqua Fair Fund's website at www.EvoquaFairFund.com. If you choose to file your Claim Form online, you must file on or before 11:59 p.m. Eastern Standard Time on **MARCH 9, 2025**.

7. Other Claims

Upon receipt and acceptance of a distribution from the Evoqua Fair Fund, you shall be deemed to have released any claims you may have against the Distribution Agent and its agents. You are not required to release any rights or claims you may have against, among others, the Defendants, and Defendants' past or present directors, officers, employees, advisers and agents in order to participate in the distribution of the Evoqua Fair Fund.

8. Additional Information

Additional information regarding the Evoqua Fair Fund may be found at www.EvoquaFairFund.com. Additional Claim Forms and Plan Notices may also be downloaded at the Evoqua Fair Fund's website. You may obtain additional information or request copies of Claim Forms and Plan Notices by calling the Evoqua Fair Fund's toll-free helpline at 1-888-776-1641 in the United States, or by emailing info@EvoquaFairFund.com.

PLEASE CHECK THE WEBSITE WWW.EVOQUAFAIRFUND.COM FREQUENTLY FOR UPDATES