

Must be
Postmarked
No Later Than
August 4, 2017

In re Energy Recovery, Inc. Securities Litigation
c/o GCG
P.O. Box 10358
Dublin, OH 43017-0358
(844) 634-8908
Fax: (855) 409-7129

Questions@EnergyRecoverySecuritiesLitigation.com

EGR



Claim Number:

Control Number:

Proof of Claim and Release Form

DEADLINE FOR SUBMISSION: AUGUST 4, 2017

IF YOU PURCHASED ENERGY RECOVERY, INC. ("ENERGY RECOVERY") COMMON STOCK DURING THE PERIOD OF MARCH 7, 2013 THROUGH MARCH 5, 2015, INCLUSIVE, YOU ARE A SETTLEMENT CLASS MEMBER.

Excluded from the Settlement Class are the Defendants, Energy Recovery, Thomas S. Rooney, Jr., and Audrey Bold (collectively, "Defendants"), the officers and directors of Energy Recovery at all relevant times, members of the Defendants' immediate families and their legal representatives, subsidiaries of Energy Recovery, any firm, entity, or corporation in which any Defendant and/or any member(s) of a Defendant's immediate family has or have a controlling interest, any trust of which a Defendant is the settlor or which is for the benefit of a Defendant and/or any member of a Defendant's immediate family, and the legal representatives, heirs, or successors-in-interest or assigns of Defendants.

Also excluded from the Settlement Class are those Persons who timely and validly request exclusion from the class pursuant to the Notice of Pendency and Proposed Settlement of Class Action accompanying this Proof of Claim and Release.

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Important - This form should be completed **IN CAPITAL LETTERS** using **BLACK** or **DARK BLUE** ballpoint/fountain pen. Characters and marks used should be similar in the style to the following:

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z 1 2 3 4 5 6 7 0



PART I - CLAIMANT IDENTIFICATION

Claimant or Representative Contact Information:

The Claims Administrator will use this information for all communications relevant to this Claim (including the check, if eligible for payment). If this information changes, you **MUST** notify the Claims Administrator in writing at the address above.

Claimant Name(s) (as you would like the name(s) to appear on the check, if eligible for payment):

Grid for Claimant Name(s)

Street Address:

Grid for Street Address

City: **Last 4 digits of Claimant SSN/TIN:¹**

Grid for City and Last 4 digits of Claimant SSN/TIN

State: **Zip Code:** **Country (if Other than U.S.):**

Grid for State, Zip Code, and Country

Name of the Person you would like the Claims Administrator to Contact Regarding This Claim (if different from the Claimant Name(s) listed above):

Grid for Name of the Person to Contact

Daytime Telephone Number: **Evening Telephone Number:**

Grid for Daytime and Evening Telephone Numbers

Email Address (Email address is not required, but if you provide it you authorize the Claims Administrator to use it in providing you with information relevant to this claim.)

Grid for Email Address

IDENTITY OF CLAIMANT (check only one box):

- Individual Joint Owners Estate Trust Corporation Partnership
- Private Pension Fund Legal Representative UGMA Custodian
- IRA, Keogh, or other type of individual retirement plan (indicate type of plan, mailing address, and name of current custodian) Other (specify, describe on separate sheet)

NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. To obtain the mandatory electronic filing requirements and file layout, you may visit the Settlement website at **www.EnergyRecoverySecuritiesLitigation.com** or you may email the Claims Administrator's electronic filing department at **eClaim@gardencitygroup.com**. Any file not in accordance with the required electronic filing format will be subject to rejection. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues an email after processing your file with your claim numbers and respective account information. Do not assume that your file has been received or processed until you receive this email. If you do not receive such an email within 10 days of your submission, you should contact the electronic filing department at **eClaim@gardencitygroup.com** to inquire about your file and confirm it was received and acceptable.

To view Garden City Group, LLC's Privacy Notice, please visit <http://www.gardencitygroup.com/privacy>

¹The last four digits of the taxpayer identification number (TIN), consisting of a valid Social Security Number (SSN) for individuals or Employer Identification Number (EIN) for business entities, trusts, estates, etc., and telephone number of the beneficial owner(s) may be used in verifying this claim.



PART II - GENERAL INSTRUCTIONS

A. To recover as a member of the Settlement Class based on your claims in the action entitled *In re Energy Recovery, Inc. Securities Litigation*, 3:15-cv-00265-EMC (N.D. Cal.) (the "Litigation"), you must complete and, on page 8 hereof, sign this Proof of Claim and Release. If you fail to submit a properly addressed Proof of Claim and Release (as set forth in paragraph C below), your claim may be rejected and you may be precluded from any recovery from the Settlement Fund created in connection with the proposed Settlement of the Litigation.

B. Submission of this Proof of Claim and Release, however, does not assure that you will share in the proceeds of Settlement in the Litigation.

C. YOU MUST MAIL YOUR COMPLETED AND SIGNED PROOF OF CLAIM AND RELEASE **POSTMARKED ON OR BEFORE AUGUST 4, 2017**, ADDRESSED TO THE CLAIMS ADMINISTRATOR AS FOLLOWS:

In re Energy Recovery, Inc. Securities Litigation
c/o GCG
P.O. Box 10358
Dublin, OH 43017-0358

You can also fax or e-mail the Proof of Claim and Release form to (855) 409-7129 or Questions@EnergyRecoverySecuritiesLitigation.com; provided the Proof of Claim and Release form is submitted no later than August 4, 2017.

You will bear all risks of delay or non-delivery of your claim. If you are NOT a member of the Settlement Class (as defined in the "Notice of Pendency and Proposed Settlement of Class Action") DO NOT submit a Proof of Claim and Release form.

D. If you are a member of the Settlement Class, and you do not timely and validly request exclusion from the Settlement Class pursuant to the Notice of Pendency and Proposed Settlement of Class Action, you will be bound by the terms of any judgment entered in the litigation, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM AND RELEASE.

PART III - CLAIMANT IDENTIFICATION INSTRUCTIONS

A. If you purchased Energy Recovery common stock and held the certificate(s) in your name, you are the beneficial owner as well as the record owner. If, however, the certificate(s) were registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial owner and the third party is the record owner.

B. Use Part I of this form entitled "Claimant Identification" to identify each beneficial owner of Energy Recovery common stock which forms the basis of this claim.

C. THIS CLAIM MUST BE SUBMITTED BY THE ACTUAL BENEFICIAL OWNER(S), OR THE LEGAL REPRESENTATIVE OF SUCH OWNER(S), OF THE ENERGY RECOVERY COMMON STOCK UPON WHICH THIS CLAIM IS BASED.

D. A separate claim must be submitted for each type of account or ownership (i.e., individual account, IRA account, joint account, custodial account, etc.). Joint tenants or UGMA custodians should file a single claim.

E. All joint owners must sign this claim. Executors, administrators, guardians, conservators and trustees must complete and sign this claim on behalf of persons represented by them. Documentation establishing their authority must accompany this claim and their titles or capacities must be stated.

F. The taxpayer identification number (TIN), consisting of the last four (4) digits of a valid Social Security Number (SSN) for individuals or employer identification number (EIN) for business entities, trusts, estates, etc., and a telephone number of the beneficial owner(s) may be used in verifying this claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of the claim.



PART IV - TRANSACTION SCHEDULE INSTRUCTIONS

- A. Use Part V of this form entitled "Schedule of Transactions in Energy Recovery Common Stock" to supply all required details of your transaction(s) in Energy Recovery common stock. If you need more space or additional schedules, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name and Social Security or Taxpayer Identification number on each additional sheet.
- B. List each transaction in the Settlement Class Period separately and in chronological order, by trade date (not the "settlement" date), beginning with the earliest. You must accurately provide the month, day and year of each transaction you list.
- C. **Copies of broker confirmation slips or monthly statements of your transactions in Energy Recovery common stock must be attached to your claim.** If such documents are not in your possession, please obtain equivalent contemporaneous documents from your broker or financial advisor. A complete list of acceptable supporting documentation can be found at the Claims Administrator's website: www.EnergyRecoverySecuritiesLitigation.com. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim.
- D. If your trading activity during the Settlement Class Period exceeds 50 transactions, you must provide, in electronic file, all purchase and sale information required in the Schedule of Transactions. For a copy of instructions and parameters concerning such a submission, contact the Claims Administrator by toll-free phone at (844) 634-8908, by fax: (855) 409-7129, or via the website at www.EnergyRecoverySecuritiesLitigation.com.
- E. The price per share, paid or received, should be exclusive of all commissions, taxes, fees and other charges.



PART V - SCHEDULE OF TRANSACTIONS IN ENERGY RECOVERY COMMON STOCK

A. BEGINNING HOLDINGS: List the number of shares of Energy Recovery common stock owned at the close of trading on **March 6, 2013**. If none, write "zero" or "0". (Must be documented)

Shares									

B. PURCHASES: List (in chronological order) all purchases of Energy Recovery common stock made between **March 7, 2013** through **March 5, 2015**, inclusive. (Must be documented)

Date(s) of Purchase List Chronologically (Month/Day/Year)	Number of Shares of Common Stock Purchased	Purchase Price Per Share of Common Stock	Net Amount Paid (Excluding taxes, fees, other commissions)
/ /			
/ /			
/ /			
/ /			

C. SALES: List (in chronological order) all sales of Energy Recovery common stock made between **March 7, 2013** through **March 5, 2015**, inclusive. (Must be documented)

Date(s) of Sale List Chronologically (Month/Day/Year)	Number of Shares of Common Stock Sold	Sale Price Per Share of Common Stock	Net Amount Received (Excluding taxes, fees, other commissions)
/ /			
/ /			
/ /			
/ /			

D. ENDING HOLDINGS: List the number of shares of Energy Recovery common stock owned at the close of trading on **March 5, 2015**. If none, write "zero" or "0". (Must be documented)

Shares									

E. Please check applicable box:

- I certify that the submitting party is **not** an ERISA plan
- I/We certify that the submitting party is an ERISA plan and has complied with the applicable ERISA exemption

IF YOU NEED ADDITIONAL SPACE TO LIST YOUR TRANSACTIONS YOU **MUST**
PHOTOCOPY THIS PAGE AND CHECK THIS BOX
IF YOU DO NOT CHECK THIS BOX THESE ADDITIONAL PAGES WILL **NOT** BE REVIEWED



PART VI – SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGMENTS

I/We submit this Proof of Claim and Release under the terms of the Amended Stipulation of Settlement dated April 3, 2017, described in the Notice (hereinafter the “Stipulation”). I/We also submit to the jurisdiction of the United States District Court for the Northern District of California with respect to my/our claim as a Class Member and for purposes of enforcing the release set forth herein. I/We further acknowledge that I/we am/are bound by and subject to the terms of any judgment that may be entered in the Litigation. I agree to furnish additional information to Lead Counsel to support this claim if required to do so. I/we have not submitted any other claim covering the same purchases or sales of Energy Recovery common stock during the Settlement Class Period and know of no other person having done so on my/our behalf.

PART VII – RELEASE

A. I/We hereby acknowledge full and complete satisfaction of, and do hereby fully, finally and forever settle, release and discharge from the Released Claims (defined below) each and all of the Defendants and their Related Persons, defined as each of including, whether or not each or all of the following Persons or entities were named, served with process, or appeared in the Litigation: (a) any Person that is or was related to or affiliated or associated with any or all of the Defendants or in which any or all of them has or had a controlling interest; and (b) with respect to the Defendants, and the individuals and entities set forth or described in (a), each of their respective spouses, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, distributees, agents, employees, fiduciaries, partners, control persons, partnerships, general or limited partners or partnerships, joint ventures, member firms, limited liability companies, corporations, parents, subsidiaries, divisions, affiliates, associated entities, principals, officers, managers, directors, managing directors, members, managing members, managing agents, predecessors, predecessors-in-interest, successors, successors-in-interest, assigns, underwriters, brokers, dealers, attorneys, personal or legal representatives, accountants, insurers, co-insurers, reinsurers, and associates, of each and all of the foregoing (the Related Parties collectively with the Defendants, the “Released Persons”).

B. “Released Claims” means any and all manner of claims, demands, rights, liabilities, losses, obligations, potential actions, causes of action, issues and controversies of any kind, nature or description whatsoever, whether known or unknown, disclosed or undisclosed, accrued or unaccrued, apparent or not apparent, foreseen or unforeseen, matured or not matured, suspected or unsuspected, liquidated or not liquidated, fixed or contingent (including Unknown Claims), that Plaintiffs or any or all other members of the Settlement Class ever had, now have, or may have, whether direct, individual, class, derivative, representative, legal, equitable or of any other type, or in any other capacity, based on his, her, or its purchase, sale or ownership of Energy Recovery common stock during the Settlement Class Period, against any of the Released Persons, which, now or hereafter, are based upon, arise out of, relate in any way to, or involve, directly or indirectly any of the statements, representations, misrepresentations, omissions, allegations, facts, or any other matters, alleged in, or that could have been alleged in, the Second Amended Class Action Consolidated Complaint for Violation of Federal Securities Laws dated May 26, 2016; provided, however, that (i) the released claims shall not include the right to enforce the Stipulation; and (ii) Defendants and Insurer shall provide a release of Plaintiff and Plaintiff’s Counsel of all claims arising from the institution, prosecution, assertion, settlement, or resolution of this action.

C. “Unknown Claims” means any claims that the Plaintiff or any Settlement Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Persons which, if known by him, her or it, would or might have affected his, her or its settlement with and release of the Released Persons, or would or might have affected his, her or its decisions with respect to this Settlement. Plaintiff and Settlement Class Members 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 Plaintiff upon the Effective Date shall expressly, fully, finally and forever settle and release, and each Settlement Class Member, upon the Effective Date, shall be deemed to have, and by operation of the 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 that 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. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Plaintiff shall expressly waive, and each of the Settlement Class Members shall be deemed to have waived, and by operation of the Judgment shall have waived, the provisions, rights, and benefits of California Civil Code Section 1542, which provides:



PART VII – RELEASE (Continued)

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

Plaintiff shall expressly waive and relinquish, and each of the Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived and relinquished 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, which is similar, comparable or equivalent to California Civil Code Section 1542. Plaintiff acknowledges, and the Settlement Class Members shall be deemed by operation of the Judgment to have acknowledged, that the inclusion of Unknown Claims in the definition of Released Claims and the foregoing waiver were separately bargained for and a key element of the Settlement of which this release is a material and essential part.

D. This release shall be of no force or effect unless and until the Court approves the Stipulation and the Stipulation becomes effective on the Effective Date (as defined in the Stipulation).

E. I/We hereby warrant and represent that I/we have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this release or any other part or portion thereof.

F. I/We hereby warrant and represent that I/we have included information about all of my/our transactions in Energy Recovery common stock which occurred during the Settlement Class Period as well as the number of shares of Energy Recovery common stock held at the close of trading on March 6, 2013 and at the close of trading on March 5, 2015.



PART VIII – CERTIFICATION

UNDER THE PENALTY OF PERJURY, I/WE CERTIFY THAT:

- A. The last four (4) digits of the SSN or EIN, as shown on this form, is correct.
- B. I/We certify that I am/we are NOT subject to backup withholding under the provisions of Section 3406 (a)(1)(C) of the Internal Revenue Code.

NOTE: If you have been notified by the Internal Revenue Service that you are subject to backup withholding, you must cross out the word "NOT" in the sentence above.

C. I (We) declare under penalty of perjury under the laws of the United States of America that all of the foregoing information supplied on this Proof of Claim form by the undersigned is true and correct and that the documents submitted herewith are true and genuine.

Executed this _____ day of _____ in _____
(Month) (Year) (City, State, Country)

Signature of Claimant

Print Name of Claimant

Date

Signature of Joint Claimant, if any

Print Name of Joint Claimant, if any

Date

If Claimant is other than an individual, or is not the person completing this form, the following also must be provided:

Signature of Person Completing Form

Print Name of Person Completing Form

Date

Capacity of person signing on behalf of Claimant, if other than an individual, e.g., executor, president, custodian, etc.

THIS CLAIM FORM MUST BE MAILED, POSTAGE PRE-PAID, TO THE CLAIMS ADMINISTRATOR, POSTMARKED NO LATER THAN AUGUST 4, 2017, ADDRESSED AS FOLLOWS:

**In re Energy Recovery, Inc. Securities Litigation
c/o GCG
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**REMINDER CHECKLIST****ACCURATE CLAIMS PROCESSING TAKE A SIGNIFICANT AMOUNT OF TIME. THANK YOU FOR YOUR PATIENCE**

1. Remember to sign the Proof of Claim and Release form.
2. Remember to attach only copies of acceptable supporting documentation. A complete list of which can be found on the Claims Administrator's website.
3. Do not send originals of securities certificates.
4. Keep copies of the completed claim form and documentation for your own records.
5. If you desire an acknowledgment of receipt of your claim form, please send it Certified Mail, Return Receipt Requested, or its equivalent. You will bear all risks of delay or non-delivery of your claim. The Claims Administrator will acknowledge receipt of your Claim Form by mail, within 60 days. Your claim is not deemed submitted until you receive an acknowledgment postcard. If you do not receive an acknowledgment postcard within 60 days, please call the Claims Administrator toll free at (844) 634-8908.
6. If your address changes in the future, or if these documents were sent to an old or incorrect address, you must provide the Claims Administrator with written notification of your new address.
7. If you have any questions or concerns regarding your claim, please contact the Claims Administrator at:

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