

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089
		2015
		This Form is Open to Public Inspection

Part I	Annual Report Identification Information
For calendar plan year 2015 or fiscal plan year beginning <u>01/01/2015</u> and ending <u>12/31/2015</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>THE LINCOLN ELECTRIC COMPANY RETIREMENT ANNUITY PROGRAM</u>	1b Three-digit plan number (PN) ▶ <u>001</u> 1c Effective date of plan <u>12/28/1936</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>THE LINCOLN ELECTRIC COMPANY</u> <u>22801 ST. CLAIR AVENUE</u> <u>CLEVELAND, OH 44117-2524</u>	2b Employer Identification Number (EIN) <u>34-0359955</u> 2c Plan Sponsor's telephone number <u>216-481-8100</u> 2d Business code (see instructions) <u>335900</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>10/12/2016</u>	<u>GABRIEL BRUNO</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 4003
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).	
a(1) Total number of active participants at the beginning of the plan year.....	6a(1) 1595
a(2) Total number of active participants at the end of the plan year	6a(2) 1465
b Retired or separated participants receiving benefits.....	6b 70
c Other retired or separated participants entitled to future benefits.....	6c 497
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 2032
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e 10
f Total. Add lines 6d and 6e	6f 2042
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A	
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III	Form M-1 Compliance Information (to be completed by welfare benefit plans)
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11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2015 Form M-1 annual report. If the plan was not required to file the 2015 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015	
▶ Round off amounts to nearest dollar.	
▶ Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.	
A Name of plan THE LINCOLN ELECTRIC COMPANY RETIREMENT ANNUITY PROGRAM	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF THE LINCOLN ELECTRIC COMPANY	D Employer Identification Number (EIN) 34-0359955
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information			
1	Enter the valuation date: Month 01 Day 01 Year 2015			
2	Assets:			
a	Market value	2a	965175455	
b	Actuarial value	2b	925021059	
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a	For retired participants and beneficiaries receiving payment	1919	371481928	371481928
b	For terminated vested participants	489	28094130	28094130
c	For active participants	1595	264966153	265059855
d	Total	4003	664542211	664635913
4	If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐			
a	Funding target disregarding prescribed at-risk assumptions	4a		
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate	5	6.28%	
6	Target normal cost	6	13985267	

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	Signature of actuary SAMANTHA S. TELLJOHANN Type or print name of actuary TOWERS WATSON DELAWARE INC. Firm name 1001 LAKESIDE AVENUE, SUITE 1500 CLEVELAND, OH 44114 Address of the firm	09/14/2016 Date 14-07891 Most recent enrollment number 216-937-4000 Telephone number (including area code)
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Part II Beginning of Year Carryover and Prefunding Balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	166340304
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	166340304
10 Interest on line 9 using prior year's actual return of <u>11.87</u> %	0	19744594
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		41644751
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.48</u> %		2698580
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		44343331
d Portion of (c) to be added to prefunding balance		44343331
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	230428229

Part III Funding Percentages		
14 Funding target attainment percentage	14	104.50 %
15 Adjusted funding target attainment percentage	15	139.17 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	104.49 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
02/05/2016	6000000	0			
02/29/2016	7000000	0			
03/31/2016	7000000	0			
12/22/2015	123882	0			
			Totals ►	18(b)	20123882
				18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	18739829
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No		
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No		
c If line 20a is "Yes," see instructions and complete the following table as applicable:		
Liquidity shortfall as of end of quarter of this plan year		
(1) 1st	(2) 2nd	(3) 3rd

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.72 %	2nd segment: 6.11 %	3rd segment: 6.81 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 61
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):												
a Target normal cost (line 6)	31a	13985267										
b Excess assets, if applicable, but not greater than line 31a	31b	13985267										
32 Amortization installments:	<table border="1"> <thead> <tr> <th></th> <th>Outstanding Balance</th> <th>Installment</th> </tr> </thead> <tbody> <tr> <td>a Net shortfall amortization installment</td> <td>0</td> <td>0</td> </tr> <tr> <td>b Waiver amortization installment</td> <td>0</td> <td>0</td> </tr> </tbody> </table>				Outstanding Balance	Installment	a Net shortfall amortization installment	0	0	b Waiver amortization installment	0	0
	Outstanding Balance	Installment										
a Net shortfall amortization installment	0	0										
b Waiver amortization installment	0	0										
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	0										
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	0										
		Carryover balance	Prefunding balance									
35 Balances elected for use to offset funding requirement.....	0	0	0									
36 Additional cash requirement (line 34 minus line 35)	36	0										
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	18739829										
38 Present value of excess contributions for current year (see instructions)												
a Total (excess, if any, of line 37 over line 36)	38a	18739829										
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0										
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0										
40 Unpaid minimum required contributions for all years.....	40	0										

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection.
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan <u>THE LINCOLN ELECTRIC COMPANY RETIREMENT ANNUITY PROGRAM</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>THE LINCOLN ELECTRIC COMPANY</u>	D Employer Identification Number (EIN) <u>34-0359955</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LINCOLN ELECTRIC MASTER RET. TRUST</u>		
b Name of sponsor of entity listed in (a): <u>THE LINCOLN ELECTRIC COMPANY</u>		
c EIN-PN <u>34-0359955-002</u>	d Entity code <u>M</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>COLLECTIVE SHORT-TERM INVEST FUND</u>		
b Name of sponsor of entity listed in (a): <u>NORTHERN TRUST INVESTMENTS, NA</u>		
c EIN-PN <u>45-6138589-084</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>5840962</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>COLTV DAILY S&P500 EQUITY INDEX FND</u>		
b Name of sponsor of entity listed in (a): <u>NORTHERN TRUST INVESTMENTS, NA</u>		
c EIN-PN <u>45-6138589-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>100658654</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>COLLECTIVE MSCI EMERGING MKTS FUND</u>		
b Name of sponsor of entity listed in (a): <u>NORTHERN TRUST INVESTMENTS, NA</u>		
c EIN-PN <u>45-6138589-101</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>27116709</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>COLLECTIVE EAFE INDEX FUND</u>		
b Name of sponsor of entity listed in (a): <u>NORTHERN TRUST INVESTMENTS, NA</u>		
c EIN-PN <u>45-6138589-024</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>40326896</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>CUSTOMIZED LIAB DRIVE INVEST OPP FX</u>		
b Name of sponsor of entity listed in (a): <u>ABERDEEN</u>		
c EIN-PN <u>30-6110945-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>146451695</u>
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection
For calendar plan year 2015 or fiscal plan year beginning <u>01/01/2015</u> and ending <u>12/31/2015</u>		
A Name of plan <u>THE LINCOLN ELECTRIC COMPANY RETIREMENT ANNUITY PROGRAM</u>		B Three-digit plan number (PN) ► <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>THE LINCOLN ELECTRIC COMPANY</u>		D Employer Identification Number (EIN) <u>34-0359955</u>

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	-36209
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	45000000	20086304
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	0	1621178
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	0	2717161
(2) U.S. Government securities.....	1c(2)	0	12067031
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	15134729
(B) All other.....	1c(3)(B)	0	100948330
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)	0	40401445
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)	0	320394916
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	921011115	0
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)	0	3455438

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	966011115	516790323

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities.....	1j	0	183685
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	183685

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	966011115	516606638
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers.....	2a(1)(A)	20210186	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		20210186
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		6629741
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		1323980
d Total income. Add all income amounts in column (b) and enter total	2d		28163907

Expenses**e** Benefit payment and payments to provide benefits:

(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	65778003	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)	424630785	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		490408788
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	228171	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		228171
j Total expenses. Add all expense amounts in column (b) and enter total	2j		490636959

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-462473052
l Transfers of assets:			
(1) To this plan	2l(1)		13068575
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: PLANTE MORAN, PLLC

(2) EIN: 38-1357951

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

	Yes	No	N/A	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		☒		
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		☒		

	Yes	No	N/A	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X		
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X		
e Was this plan covered by a fidelity bond?	X			30000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X		
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	X			40401445
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X			
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X		
l Has the plan failed to provide any benefit when due under the plan?		X		
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)				
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.				
o Did the plan trust incur unrelated business taxable income?				
p Were in-service distributions made during the plan year?				

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
 If "Yes," enter the amount of any plan assets that reverted to the employer this year. ☐ Yes ☒ No Amount:

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☒ Yes ☐ No ☐ Not determined

Part V Trust Information

6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection.
For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015		
A Name of plan THE LINCOLN ELECTRIC COMPANY RETIREMENT ANNUITY PROGRAM		B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 THE LINCOLN ELECTRIC COMPANY		D Employer Identification Number (EIN) 34-0359955
Part I Distributions		
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 36-1561860		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3 128
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)		
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☒ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?..... ☐ Yes ☐ No ☒ N/A		
Part III Amendments		
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☒ No		
Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.		
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☐ Yes ☐ No		
For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.		
Schedule R (Form 5500) 2015 v. 150123		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:		
	a The current year	14a	
	b The plan year immediately preceding the current plan year	14b	
	c The second preceding plan year	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
	a The corresponding number for the plan year immediately preceding the current plan year	15a	
	b The corresponding number for the second preceding plan year	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	a Enter the number of employers who withdrew during the preceding plan year	16a	
	b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
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18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c)
	a Enter the percentage of plan assets held as: Stock: <u>43.0%</u> Investment-Grade Debt: <u>52.0%</u> High-Yield Debt: <u>1.0%</u> Real Estate: <u>0.0%</u> Other: <u>4.0%</u>
	b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☒ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more
	c What duration measure was used to calculate line 19(b)? ☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan?	☐ Yes	☐ No
20b If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?	☐ Design-based safe harbor method	☐ ADP/ACP test
20c If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))?	☐ Yes	☐ No
21a Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b):	☐ Ratio percentage test	☐ Average benefit test
21b Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?	☐ Yes	☐ No
22a Has the plan been timely amended for all required tax law changes?	☐ Yes	☐ No ☐ N/A
22b Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____. (See instructions for tax law changes and codes).		
22c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter ____/____/____ and the letter's serial number _____.		
22d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter ____/____/____.		
23 Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)?	☐ Yes	☐ No

FINANCIAL STATEMENTS

The Lincoln Electric Company Retirement Annuity Program
December 31, 2015 and 2014, and
Year Ended December 31, 2015
With Report of Independent Auditors

Plan Sponsor and Administrator

The Lincoln Electric Company
22801 St. Clair Avenue
Cleveland, Ohio 44117
(216) 481-8100

Plan Number: 001

Employer Identification Number: 34-0359955

The Lincoln Electric Company Retirement Annuity Program

**Financial Report
December 31, 2015**

The Lincoln Electric Company Retirement Annuity Program

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Independent Auditor's Report

To the Plan Administrator
The Lincoln Electric Company
Retirement Annuity Program

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of The Lincoln Electric Company Retirement Annuity Program (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2015 and 2014 and the related statement of changes in net assets available for benefits for the year ended December 31, 2015, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by The Northern Trust Company (the "Trustee"), except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the Trustee holds the Plan's investment assets and executes related transactions. The plan administrator has obtained a certification from the Trustee as of December 31, 2015 and 2014, and for the year ended December 31, 2015 that the information provided to the plan administrator by the Trustee is complete and accurate.

To the Plan Administrator
The Lincoln Electric Company
Retirement Annuity Program

Disclaimer of Opinion

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Plante & Morse, PLLC

Cleveland, Ohio
October 10, 2016

The Lincoln Electric Company Retirement Annuity Program

Statement of Net Assets Available for Benefits

	December 31, 2015	December 31, 2014
Assets		
Investments, at fair value:		
Interest in the Lincoln Electric Company		
Master Retirement Trust	\$ 496,520,334	\$ 921,011,115
Contributions receivable	20,086,304	45,000,000
Net Assets Available for Benefits	\$ 516,606,638	\$ 966,011,115

The Lincoln Electric Company

Retirement Annuity Program

Statement of Changes in Net Assets Available for Benefits Year Ended December 31, 2015

Additions to Net Assets	
Contributions	\$ 20,210,186
Net investment income from the Master Trust	<u>6,629,741</u>
Total additions	26,839,927
Deductions from Net Assets	
Benefits paid directly to participants or beneficiaries	65,778,003
Administrative expenses	228,171
Purchase of annuity contract (Note 10)	<u>423,306,805</u>
Total deductions	<u>489,312,979</u>
Net Decrease Before Other Changes	(462,473,052)
Transfers In (Note 9)	<u>13,068,575</u>
Net Decrease	(449,404,477)
Net Assets Available for Benefits	
Beginning of year	<u>966,011,115</u>
End of year	<u>\$ 516,606,638</u>

The Lincoln Electric Company Retirement Annuity Program

Notes to Financial Statements December 31, 2015 and 2014

Note 1 - Plan Description

The following brief description of The Lincoln Electric Company Retirement Annuity Program (as amended, the "Plan") is provided for general information only. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

General - The Plan is a noncontributory defined benefit plan which covers all U.S. employees of the business units whose participation in the Plan has been specifically adopted by the Board of Directors of Lincoln Electric Holdings, Inc. and who meet certain requirements. Plan eligibility is limited to U.S. employees hired prior to January 1, 2006. The Plan provides benefits based on the employee's length of service and compensation.

Effective July 1, 2012, the Plan was amended and restated to allow participants, including those with deferred vested pension benefits, additional payment options. The additional options include the ability to elect to receive payments through a Lump Sum Option or a Five-Year Payment Option. Under the Lump Sum Option, participants would receive a single lump sum payment that is actuarially equivalent to the accrued pension payable to the participant in the form of a single life annuity at the participants normal retirement date. The Five-Year Payment Option would allow participants to receive five equal payments that in aggregate are actuarially equivalent to the accrued pension payable to the participant in the form of a single life annuity at the participant's normal retirement date.

As discussed in Note 9, the Harris Calorific Division Retirement Plan merged with and into the Plan. All participants continue to earn or receive benefits from prior to merger.

Contributions - All contributions to the Plan are made by the Lincoln Electric Company, Inc. (the "Company"). The Company contributes such amounts, as determined on an actuarial basis, to provide the Plan with assets sufficient to meet the projected benefits to be paid to plan participants. No participant contributions are permitted.

Plan Termination - While the Company has not expressed any intent to terminate the Plan, it is free to do so at any time subject to the provisions of ERISA. However, should the Plan terminate at some future time, net assets generally will not be available on a pro rata basis to provide participants' benefits. Whether a particular participant's accumulated plan benefit will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guarantee while other benefits may not be provided for at all.

Administrative Expenses - Administrative expenses incurred for actuarial, legal, accounting and other professional fees are paid directly out of Plan assets, unless otherwise paid by the Company on behalf of the Plan.

The Lincoln Electric Company

Retirement Annuity Program

Notes to Financial Statements December 31, 2015 and 2014

Note 1 - Plan Description (Continued)

Eligibility and Vesting - Employees become participants in the Plan following completion of the eligibility requirements as described in the Plan and are fully vested for normal retirement benefits after five years of service.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting - The accompanying financial statements of the Plan and The Lincoln Electric Company Master Retirement Trust (the "Master Trust") have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (GAAP).

Investment Valuation - The assets of the Plan are held in the Master Trust with The Northern Trust Company (the "Trustee"). The Plan's interest in the Master Trust is recorded at fair value which is based on values as determined by the Trustee in accordance with the trust agreement. The Master Trust provides a medium for investing the pooled assets of the Plan and the Harris Calorific Division Retirement Plan. Investment income, gains and losses, and trustee and management expenses relating to the Master Trust are allocated to the individual plans based upon average monthly balances invested by each plan.

The common trusts are valued at net asset value per share (or its equivalent) of the funds, which are based on the fair value of the funds' underlying net assets. The fixed income securities include U.S. government securities and corporate debt securities and are valued using quoted market prices and/or other market data for the same or comparable instruments and transactions in establishing the prices, discounted cash flow models and other pricing models. These models are primarily industry-standard models that consider various assumptions, including time value and yield curve as well as other relevant economic measures. Investments in private equity funds are valued at net asset value per share (or its equivalent) of the funds based on audited financial statements of the funds, where available, with adjustments to account for partnership activity and other applicable valuation adjustments. The interest-bearing cash is valued at fair value based on their outstanding balances. See Note 8 for additional information.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

On December 31, 2015, the Harris Calorific Division Retirement Plan merged with and into the Plan as outlined in Note 9. This merger resulted in the Plan owning 100 percent of Master Trust investments, as outlined in Note 4.

The Lincoln Electric Company

Retirement Annuity Program

Notes to Financial Statements December 31, 2015 and 2014

Note 2 - Summary of Significant Accounting Policies (Continued)

Actuarial Present Value of Accumulated Plan Benefits - Accumulated plan benefits (see Note 3) are those estimated future periodic payments that are attributable, under the Plan's provisions, to services rendered by employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to retired or terminated employees or their beneficiaries and present employees or their beneficiaries.

Benefits for retired or terminated employees or their beneficiaries are based on various plan benefit formulas, as defined in the Plan document, depending upon the date that retirement, death or termination of employment occurred. The accumulated plan benefits for active employees are based on current formulas as defined in the Plan document. Benefits payable under all types of circumstances (i.e., retirement, death, disability, and termination of employment) are included to the extent they are deemed attributable to employee service rendered to the valuation date.

Benefit Payments - Benefits are recorded by the Plan when paid.

Use of Estimates - The preparation of financial statements in conformity with GAAP requires management to make estimates that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

New Accounting Pronouncements - During 2015, the Plan adopted Accounting Standards Update (ASU) Nos. 2015-07, *Disclosures for Investments In Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent)* and 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), and Health and Welfare Benefit Plans (Topic 965) - I. Fully Benefit-Responsive Investment Contracts, II. Plan Investment Disclosures, and III. Measurement Date Practical Expedient*. ASU No. 2015-07 amended ASC 820, *Fair Value Measurements*, and removed the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share as a practical expedient. Part II of ASU No. 2015-12 was applicable to the Plan and modified the investment disclosures under ASC 820 and 960. The standards were adopted retrospectively and had no impact on the Plan's net assets or changes in net assets.

Note 3 - Accumulated Plan Benefits

The Plan's actuary, Willis Towers Watson Inc., estimates the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by participants to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as death, disability, withdrawal or retirement) between the valuation date and the expected date of payment.

The Lincoln Electric Company Retirement Annuity Program

Notes to Financial Statements December 31, 2015 and 2014

Note 3 - Accumulated Plan Benefits (Continued)

The actuarial present value of accumulated plan benefits as of December 31 is as follows:

	Year Ended December 31,	
	2015	2014
Vested benefits:		
Participants currently receiving benefit payments	\$ 43,573,376	\$ 377,624,231
Other participants	306,085,526	317,243,694
Total vested benefits	349,658,902	694,867,925
Nonvested benefits	277,195	124,576
Total actuarial present value of accumulated plan benefits	\$ 349,936,097	\$ 694,992,501

The changes in the actuarial present value of accumulated plan benefits during the year ended December 31, 2015 are as follows:

Beginning of year:	\$ 694,992,501
Increase (decrease) during the year attributable to:	
Benefits accumulated	14,831,679
Actuarial losses	79,865,000
Decrease in the discount period	34,293,306
Actual benefits paid	(65,778,003)
Purchase of annuity contract (Note 10)	(423,306,805)
Plan merger	9,682,677
Change in actuarial assumptions	5,355,742
Net increase (decrease)	(345,056,404)
Actuarial present value of accumulated plan benefits - End of year	\$ 349,936,097

Significant assumptions underlying the actuarial computations are as follows:

Assumed rate of return	6.2% per annum
Actuarial method	Present value of accumulated benefits
Mortality basis	RP-2014 mortality tables for employees and annuitants (sex-distinct), with blue collar adjustments, projected generationally with Scale MP-2015
Retirement ages	65 or five years of employment, if later

The Lincoln Electric Company Retirement Annuity Program

Notes to Financial Statements December 31, 2015 and 2014

Note 3 - Accumulated Plan Benefits (Continued)

The change in actuarial assumptions in 2015 is primarily the result of changes in the assumed rate of return and mortality basis. The interest rate was changed from 6.4% in 2014 to 6.2% in 2015. The mortality basis was changed from RP-2014 mortality tables for employees and annuitants (sex-distinct), with blue collar adjustments, projected generationally with Scale MP-2014 to the RP-2014 mortality tables for employees and annuitants (sex-distinct), with blue collar adjustments, projected generationally with Scale MP-2015.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Note 4 - Investments

Investment information disclosed in the accompanying financial statements, including the value of interest in the Master Trust held at December 31, 2015 and 2014, and net investment income from the Master Trust for the year ended December 31, 2015, was obtained or derived from information supplied to the Plan Administrator and certified as complete and accurate by the Trustee.

Information supplied by the Plan Administrator and certified as complete and accurate by the Trustee, which has not been audited by independent auditors, is summarized below:

Statement of Net Assets Available to Participating Plans - The Lincoln Electric Company Master Retirement Trust

	2015	2014
Investments - At fair value:		
Interest bearing cash	\$ 2,717,161	\$ 2,435,286
Fixed income securities	131,569,319	239,685,597
Common trusts	320,394,916	650,130,097
Private equity funds	40,401,445	38,014,550
Total investments	495,082,841	930,265,530
Unsettled trades and other	1,437,493	2,383,789
Plan's interest	496,520,334	932,649,319
Percentage of ownership	100%	98.75%

The Lincoln Electric Company Retirement Annuity Program

Notes to Financial Statements December 31, 2015 and 2014

Note 4 - Investments (Continued)

Statement of Changes in Net Assets Available to Participating Plans - The Lincoln Electric Company Master Retirement Trust

	Year Ended December 31, 2015
Net assets available to participating plans at beginning of year	\$ 932,649,319
Additions:	
Interest income	9,467,740
Sponsor contributions	47,123,882
Total additions	56,591,622
Deductions:	
Investment advisory and management fees	1,903,172
Purchase of annuity contract	423,306,805
Benefits paid to participants	66,523,842
Total deductions	491,733,819
Net realized and unrealized decrease in aggregate fair value of investments	(986,788)
Net assets available to participating plans at end of year	<u>\$ 496,520,334</u>

Note 5 - Income Tax Status

The Plan has received a determination letter from the Internal Revenue Service (IRS) dated December 21, 2012 stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the "Code") and, therefore, the related trust is exempt from taxation. Subsequent to this determination by the IRS the Plan was amended. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualified status. The Plan Administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax exempt.

Note 6 - Transactions with Parties-in-Interest

During 2015, certain fees were paid by the Plan for accounting and other services rendered by parties-in-interest. Party-in-interest transactions also include the investment in the proprietary funds of Trustee.

The Lincoln Electric Company

Retirement Annuity Program

Notes to Financial Statements

December 31, 2015 and 2014

Note 7 - Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

Note 8 - Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). The following hierarchy is used to classify the inputs used to measure fair value:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specific (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs.

The Lincoln Electric Company

Retirement Annuity Program

Notes to Financial Statements

December 31, 2015 and 2014

Note 8 - Fair Value Measurements (Continued)

The valuation methods used may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level within the fair value hierarchy the Master Trust's assets at fair value as of December 31, 2015 and 2014:

Master Trust Assets and Liabilities at December 31, 2015

	Investments (at Fair Value)	Level 1	Level 2	Level 3
Interest bearing cash	\$ 2,717,161	\$ 2,717,161	\$ -	\$ -
Fixed income securities	131,569,319	11,602,972	119,966,347	-
Total	134,286,480	\$ 14,320,133	\$ 119,966,347	\$ -
Investments measured at NAV:				
Common trusts (1)	320,394,916			
Private equity funds	40,401,445			
Total investments at fair value	\$ 495,082,841			

Assets Measured at Fair Value on a Recurring Basis at December 31, 2014

	Investments (at Fair Value)	Level 1	Level 2	Level 3
Interest bearing cash	\$ 2,435,286	\$ 2,435,286	\$ -	\$ -
Fixed income securities	239,685,597	27,305,013	212,380,584	-
Total	242,120,883	\$ 29,740,299	\$ 212,380,584	\$ -
Investments measured at NAV:				
Common trusts (1)	650,130,097			
Private equity funds	38,014,550			
Total investments at fair value	\$ 930,265,530			

- (1) Common trusts are comprised of a number of investment funds that invest in a diverse portfolio of assets including equity securities, corporate and governmental bonds, equity and credit indexes and money markets.

The Lincoln Electric Company

Retirement Annuity Program

Notes to Financial Statements

December 31, 2015 and 2014

Note 8 - Fair Value Measurements (Continued)

There were no unfunded commitments or redemption restrictions on the investments described above.

The Master Trust's policy is to recognize fair value classification transfers as of the end of the reporting period. During the years ended December 31, 2015 and 2014, there were no transfers between Levels 1, 2, or 3.

Note 9 - Plan Merger

On December 31, 2015, the Harris Calorific Division Retirement Plan, a pension plan sponsored by J.W. Harris, a subsidiary of Lincoln Electric Holdings, Inc., merged with and into the Lincoln Electric Retirement Annuity Plan. Accordingly, assets of approximately \$13,068,575 and related accumulated plan benefits totaling approximately \$9,682,677 of the Harris Calorific Division Retirement Plan were transferred into the Plan on December 31, 2015, resulting in the complete termination of the Harris Calorific Division Retirement Plan.

Note 10 - Purchase of Group Annuity Contract

In August 2015, the Plan purchased a group annuity contract from The Principal Financial Group ("Principal"). Under the agreement, Principal assumed the obligation to pay future pension benefits, starting November 1, 2015, for specified retirees and surviving beneficiaries who retired on or before June 1, 2015 who were receiving payments from the Plan at that time. The transaction did not change the amount of the monthly pension benefit received by affected retirees and surviving beneficiaries.

The Lincoln Electric Company Retirement Annuity Program

Notes to Financial Statements December 31, 2015 and 2014

Note 10 - Purchase of Group Annuity Contract (Continued)

The purchase price of the annuity contract was \$423,306,805 and is reported in the accompanying statement of changes in net assets available for benefits for the year ended December 31, 2015. The purchase was funded by existing plan assets and is included in the statement of changes in net assets available for benefits.

The annuity contract is excluded from plan assets. The decrease in the obligation, related to the purchase of the annuity contract, is reflected in the accumulated plan benefits as of December 31, 2015 in Note 3.

Note 11 - Subsequent Events

Subsequent events were evaluated through the issuance date of the Plan's financial statements on October 10, 2016.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26 Schedule of Active Participant Data as of January 1, 2015

Attained Age	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
Under 25	0		0		0		0		0		0		0		0		0		0	
25 - 29	0		0		4		1		0		0		0		0		0		0	
30 - 34	0		0		23	53,206	37	55,493	2		0		0		0		0		0	
35 - 39	0		0		22	47,558	60	58,188	55	56,211	4		0		0		0		0	
40 - 44	0		0		32	55,019	47	60,282	117	62,085	72	58,658	6		0		0		0	
45 - 49	0		0		21	55,415	33	64,445	88	64,840	88	58,783	79	65,723	1		0		0	
50 - 54	0		1		9		33	57,524	56	62,095	50	51,277	97	70,207	36	78,915	14		0	
55 - 59	0		0		11		27	48,284	45	58,121	31	52,645	42	60,851	49	70,086	104	70,074	20	51,541
60 - 64	0		0		2		12		20	74,132	13		9		10		38	70,441	62	57,044
65 - 69	0		0		3		3		6		0		0		0		0		0	
70 & Over	0		0		0		0		0		0		0		0		0		0	

Plan Name: The Lincoln Electric Company Retirement Annuity Program
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 Plan Sponsor: The Lincoln Electric Company
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SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions and Methods

Plan sponsor

The Lincoln Electric Company

EIN/PN

34-0359955/001

Interest rates basis:

- Applicable month September
- Yield curve basis 3-Segment Rates

Interest rates:	Reflecting HATFA Corridors	Not Reflecting HATFA Corridors
■ First segment rate	4.72%	1.15%
■ Second segment rate	6.11%	4.06%
■ Third segment rate	6.81%	5.15%
■ Effective interest rate	6.28%	4.38%

Assumed cost of living adjustments

None.

Inclusion date

The valuation date coincident with or next following the date on which the employee becomes a participant.

Plan-related expenses

The amount included this year for plan-related expenses is \$330,946.

Mortality

Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amounts adjustments projected to 2030 using Scale AA) and annuitants (based on RP- 2000 "Healthy Annuitants" table without collar or amooments adjustments projected to 2022 using scale AA).

For ASC 960 purposes, the RP-2014 mortality tables for employess and annuitants (sex-distinct), with blue collar adjustments, projected generationally with Scale MP-2014.

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SCHEDULE SB ATTACHMENTS

Retirement

Age	Percent Retiring During Year
60	50%
62	70%
65	100%

For those employees who are receiving benefits while still employed (i.e. Working Annuitants) it is assumed that they will work one more year.

Deferred vested participants are assumed to commence benefits at age 60.

Disability

None.

Disabled mortality (ASC 960 only)

RP-2014 disabled mortality table (sex distinct), projected generationally with Scale MP-2014.

Compensation increases

For purposes of determining the target normal cost, compensation is assumed to increase by 2.50%. For purposes of determining the additional funding target for maximum deductible contribution purposes, compensation is assumed to increase by 2.50% per year, compounded annually.

Future increases in Social Security

Not applicable.

Future increases in maximum benefits and plan compensation limitations

Accrued benefits projected to be paid in future years are limited to the maximum presently allowed under IRC Section 415. Plan compensation is limited to the maximum presently allowed under IRC Section 401(a)(17). No provision is made for future increases in the maximum annual benefit or compensation limit.

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SCHEDULE SB ATTACHMENTS

Representative termination rates (not due to disability, retirement or mortality)

The rates at which participants are assumed to leave the company by age are shown below:

Attained Age	Percent Terminating During Year
20	18.6%
25	13.6%
30	10.1%
35	7.9%
40	6.5%
45	5.5%
50	4.5%
55 and over	0.0%

Form of payment

50% of participating employees are assumed to elect a lump sum payment upon termination and 50% are assumed to elect a single life annuity. All deferred vested participants are assumed to elect a single life annuity upon commencement.

For funding purposes, lump sums were valued using the substitution of annuity form under IRS Regulation 1.430(d) – 1(f)(4) with mortality as prescribed by IRS Notice 2013-49 for 2015 commencements.

For ASC 960 purposes, lump sums are valued with an average expected future interest rate of 5.00% and mortality as prescribed by IRS Notice 2013-49 for 2015 commencements.

Marriage

It is assumed that 85% of male and 50% of female participants are married. In addition, spouses of male participants are assumed to be three years younger and spouses of female participants are assumed to be three years older.

Employees

It was assumed that there will be no new or rehired employees.

Compensation/salary for plan participants

Compensation assumed paid in the current year beginning on the valuation date equals the actual prior year's plan compensation as provided by the Company increased according to compensation increase assumption. The compensation for the two month period prior to the valuation was estimated by prorating the prior year compensation for the annual period ending October 31, 2014.

Plan Name: The Lincoln Electric Company Retirement Annuity Program
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SCHEDULE SB ATTACHMENTS

Asset method

The valuation assets are equal to the average of three values (all determined without regard to receivable contributions), the result increased by the discounted present value of receivable contributions expected to be made after the valuation date based on the prior plan year PPA effective interest rate. This amount is then subject to a 10% corridor around the market value of assets (including the discounted present value of receivable contributions) as of the valuation date. The three values used to develop the average value are: the market value of assets as of the current valuation date, the adjusted market value of assets as of the prior valuation date and the adjusted market value of assets as of the second prior valuation date. The adjusted market value as of a relevant valuation date is equal to the market value of assets as of the prior valuation date increased by actual plan contributions and assumed return on plan assets and decreased by actual plan disbursements after that date until the current valuation date. The assumed rate of return on plan assets for the prior plan year (pursuant to IRS Notice 2009-22) was 6.99%, which is the lesser of the anticipated rate of return on assets for the plan year, equal to 7.40%, and the applicable limitation for the plan year, equal to 6.99%. The assumed rate of return on plan assets for the second prior plan year (pursuant to IRS Notice 2009-22) was 6.76%, which is the lesser of the anticipated rate of return on assets for the plan year, equal to 7.50%, and the applicable limitation for the plan year, equal to 6.76%. The algebraically equivalent development of this method (pursuant to IRS Notice 2009-22) is shown in Section 2.3. Because expected investment returns under this method are limited under WRERA, over time it is more likely to produce an actuarial value that is expected to be less than the market value of assets.

Participant data

Employee data were provided by the Company as of the valuation date and includes compensation for the annual period ending October 31 preceding the valuation date. Data on persons receiving benefits were supplied by the plan trustee.

Tax policy

The actuarial valuation performed for the plan year ending December 31, 2015 is used to determine the maximum deductible contribution for the tax year ending December 31, 2015.

Benefits not included in valuation

All benefits described in the Plan Provisions section of this report were valued including based on discussions with The Lincoln Electric Company regarding the likelihood that these benefits will be paid. Towers Watson has reviewed the plan provisions with The Lincoln Electric Company and, based on that review, is not aware of any significant benefits required to be valued that were not.

Plan Name:	The Lincoln Electric Company Retirement Annuity Program
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Plan Sponsor:	The Lincoln Electric Company
Valuation Date:	January 1, 2015

SCHEDULE SB ATTACHMENTS

Methods

Valuation date	First day of plan year
Funding target	Present value of accrued benefits as required by regulations under IRC §430.
Target normal cost	Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year as required by regulations under IRC §430.
Timing of benefit payments	Annuity payments are payable monthly at the beginning of the month and lump sum payments are payable on date of decrement.

Assumptions Rationale - Significant Economic Assumptions

Discount rate	The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.
Lump sum conversion rate	As required by IRC 430, lump sum benefits are valued using "annuity substitution", so that the interest rates assumed are effectively the same as described above for the discount rate.
Rates of increase in:	
■ Compensation	Assumed compensation increases are based on a combination of assumed future (i) cost-of-living increases (CPI), (ii) productivity increases and (iii) promotional increases. Productivity increases are consistent with the assumed real increases in NAW (i.e., increases in assumed NAW less increases in assumed CPI). Promotional increases were based on plan sponsor expectations and a study of increases received by plan participants in the years 2011-2013.

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h). Assumptions used for ASC 960 purposes were selected by the plan sponsor and represent a best estimate of future experience.
Disabled Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h). Assumptions used for ASC 960 purposes were selected by the plan sponsor and represent a best estimate of future experience.

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SCHEDULE SB ATTACHMENTS

Retirement

Retirement rates were based on an experience study conducted in 2012, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.

Retirement rates are based on plan sponsor expectations for the future reflecting current economic conditions with periodic monitoring of observed gains and losses caused by retirement patterns different than assumed.

Termination

Termination rates were based on a published table for pension participants believed to have similar characteristics to the plan population. No significant plan gains and losses would be caused by termination patterns different than assumed.

Assumed termination rates differ by age because of expected differences in termination rates by age.

Benefit commencement date for deferred benefits:

Deferred vested benefit

Deferred vested participants' assumed commencement age is a single age intended to capture the average age at commencement. Deferred vested early commencement factors are not subsidized so that the difference between this approach and using assumed commencement rates at multiple ages is not expected to be significant.

Form of payment

The percentage of retiring participants assumed to take lump sums is based on the plan sponsor's best estimate of future experience. Actual experiences is monitored on an annual basis.

Source of Prescribed Methods

Funding methods

The methods used for funding purposes as described in Appendix A, including the method of determining plan assets, are "prescribed methods set by law", as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by the plan sponsor from a range of methods permitted by IRC §430.

Changes in assumptions and methods since last actuarial valuation

Other than the prescribed change in interest rate and mortality, the following changes in assumptions and/or methods were made as part of this valuation:

A fixed compensation increase of 2.50% per year (changed from prior year assumption of 4.0% per year).

For ASC 960 purposes only:

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A discount rate of 6.40%. For the prior valuation, a discount rate of 7.40% was used;

RP-2014 mortality tables for employees and annuitants (sex-distinct), with blue collar adjustments, projected generationally with Scale MP-2014 were used (changed from prior year assumption of PPA 2014 mortality tables for annuitants and non-annuitants (sex-distinct));

RP-2014 disabled mortality table (sex-distinct), projected generationally with Scale MP-2014 was used (changed from prior year assumption of 1985 Wyatt Pension Disability mortality table (sex-distinct));

For lump sums, an interest rate of 5.0% and the 2015 PPA Optional Combined Unisex mortality table for lump sum mortality (changed from prior year assumption of 6.0% and 2014 PPA Optional Combined Unisex mortality table);

Plan Name: The Lincoln Electric Company Retirement Annuity Program
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SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan The Lincoln Electric Company Retirement Annuity Program	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF The Lincoln Electric Company	D Employer Identification Number (EIN) 34-0359955	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500	

Part I Basic Information

1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2015</u>			
2 Assets:			
a Market value	2a		965,175,455
b Actuarial value	2b		925,021,059
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	1,919	371,481,928	371,481,928
b For terminated vested participants	489	28,094,130	28,094,130
c For active participants	1,595	264,966,153	265,059,855
d Total	4,003	664,542,211	664,635,913
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	6.28%	
6 Target normal cost	6	13,985,267	

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	Samantha S. Telljohann <i>SST 9/14/2014</i> Signature of actuary	09/14/2016 Date
Samantha S. Telljohann Type or print name of actuary		1407891 Most recent enrollment number
Towers Watson Delaware Inc. Firm name		216-937-4000 Telephone number (including area code)
1001 Lakeside Avenue, Suite 1500 Cleveland, OH 44114 Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2015
v. 150123

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	166,340,304
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	166,340,304
10 Interest on line 9 using prior year's actual return of <u>11.87%</u>	0	19,744,594
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		41,644,751
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.48%</u>		2,698,580
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		44,343,331
d Portion of (c) to be added to prefunding balance		44,343,331
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	230,428,229

Part III Funding Percentages

14 Funding target attainment percentage	14	104.50%
15 Adjusted funding target attainment percentage	15	139.17%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	104.49%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
02/05/2016	6,000,000				
02/29/2016	7,000,000				
03/31/2016	7,000,000				
12/22/2015	123,882				
Totals ▶			18(b)	20,123,882	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	18,739,829

20 Quarterly contributions and liquidity shortfalls:**a** Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No**b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No**c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:			
a Segment rates:	1st segment: 4.72%	2nd segment: 6.11%	3rd segment: 6.81%
			☐ N/A, full yield curve used
b Applicable month (enter code)	21b		4
22 Weighted average retirement age	22		61
23 Mortality table(s) (see instructions)	☐ Prescribed - combined	☒ Prescribed - separate	☐ Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes	☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes	☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes	☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	13,985,267	
b Excess assets, if applicable, but not greater than line 31a	31b	13,985,267	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	0	0	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	0	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	18,739,829	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	18,739,829	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22
Description of Weighted Average Retirement Age
as of January 1, 2015

See Statement of Actuarial Assumptions and Methods for retirement rates. The average retirement age for Line 22 was calculated by creating a hypothetical life table with retirement as the only decrement, and then computing the average age at retirement for the table, as illustrated below:

Age of Retirement	Rates of Retirement	% Retiring	Weighted Ages
(A)	(B)	(C)	(A)*(C)
60	50%	50%	30.00
61	0%	0%	0.00
62	70%	35%	21.70
63	0%	0%	0.00
64	0%	0%	0.00
65	100%	15%	9.75
Retirement Age			61

Plan Name: The Lincoln Electric Company Retirement Annuity Program
EIN / PN: 34-0359955 / 001
Plan Sponsor: The Lincoln Electric Company
Valuation Date: January 1, 2015

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	The Lincoln Electric Company
EIN/PN	34-0359955/001
Plan Name	The Lincoln Electric Company Retirement Annuity Program
Valuation Date	January 1, 2015
Enrolled Actuary	Samantha S. Telljohann
Enrollment Number	14-07891

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

Plan Name:	The Lincoln Electric Company Retirement Annuity Program
EIN / PN:	34-0359955 / 001
Plan Sponsor:	The Lincoln Electric Company
Valuation Date:	January 1, 2015

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Principal Plan Provisions

Plan sponsor

The Lincoln Electric Company

Plan

The Lincoln Electric Company Retirement Annuity Program

Effective date and most recent amendment

December 28, 1936 (most recently amended effective May 1, 2013).

Plan year

The twelve-month period ending December 31st.

Eligibility

First day of the Plan Year following employment (provided 1,000 hours are attained in the first year of employment). Prior to April 1, 1990, employees at Lincoln Global, Inc. (formerly the Seal Seat Division) were not eligible for this plan. Certain other divisions of the Company are not eligible to participate in this Plan. Employees, other than employees of Lincoln Global, Inc., initially hired after January 1, 2006 are not eligible to participate. Employees of Lincoln Global, Inc. are not eligible if hired on or after May 1, 2013.

Normal retirement benefit

Eligibility: Eligibility is age 60 or fifth anniversary of hire, if later.

Benefit: A monthly annuity for the life of the retiree equal to 1/12 times 2-1/2% of the aggregate base compensation during participation, plus supplemental benefits granted in 1968, 1975, 1978, 1980, 1981, 1985, 1991 and 1997. Effective July 16, 2006, the accrual rate is reduced to 1-1/4% for those participants who elected to participate in the FSP Plus program. The annual base compensation shall include base salary and/or wages plus overtime (excluding bonuses) limited to the IRC Section 401(a)(17) maximum. The maximum normal annuity shall be subject to the IRC Section 415 Benefit Limitation.

Early retirement benefit

Eligibility: Eligibility is age 55 with 5 years of vesting service.

Benefit: The accrued pension as determined in the normal retirement section, actuarially reduced (based on the UP-1984 Mortality Table and a 6% interest rate) for early commencement prior to normal retirement. The portion of the benefit available starting at age 55 is 64%.

Plan Name:	The Lincoln Electric Company Retirement Annuity Program
EIN / PN:	34-0359955 / 001
Plan Sponsor:	The Lincoln Electric Company
Valuation Date:	January 1, 2015

SCHEDULE SB ATTACHMENTS

Disability benefit

Eligibility: Eligibility is any age with 10 years of vesting service, and disabled prior to March 1, 1997.

Benefit: The accrued pension as determined in the normal retirement section, without actuarial reduction for early commencement. Benefit is payable to age 60 at which time the Normal retirement benefit is available.

Vested benefits upon termination of service

Vesting: Eligibility is any age with 5 years of vesting service.

Termination Benefit: The same benefits as indicated in the early retirement section apply. A participant also has the option to receive an immediate lump sum, five-year payment or select annuity payments based on 417(e)(3) assumptions if the participant elects to receive their benefit within 6 months of termination.

Death benefits for participants in active service

Eligibility: Eligibility is any age with 5 years of vesting service.

Benefit: A monthly pension, payable to the spouse upon the death of a vested participant before commencement, equal to the amount of the benefit which the eligible spouse would have received if the employee had commenced benefits under a 100% Joint and Survivor option. Benefits are reduced for both Early Commencement and the Joint & Survivor Option. Effective August 1, 1994 employees with a vested benefit receive a minimum preretirement death benefit of \$20,000, or 100 times monthly accrued benefit, if smaller.

FSP benefits

Effective for accruals after November 1, 1997, certain employees elected to waive the actuarial increase on future accruals in exchange for an annual 2% contribution into the 401(k) plan. If electing the 2% contribution, the benefits accruing after November 1, 1997 under this plan are called FSP benefits and are not available for in service payments or actuarial increase.

FSP plus benefits

Effective for accruals after July 15, 2006, certain employees elected to reduce their future accrual rate by one-half and waive the actuarial increase on future accruals in exchange for an annual service based defined contribution into the 401(k) plan. If electing the service based defined contribution, the benefits accruing after July 15, 2006 under this plan are called FSP Plus benefits and are not available for in service payments or actuarial increase.

Postponed commencement

Commencement of benefits (except FSP and FSP Plus benefits) may be postponed with an actuarial increase beyond age 60, but not later than age 65 or 2 months after termination, if earlier. Accruals after age 60 will normally commence the January 1st following the compensation period of accrual. Non FSP (Plus) accruals after age 60 are also subject to actuarial increase. Alternatively, non FSP (Plus) benefits may be paid during employment after Normal Retirement.

Plan Name:	The Lincoln Electric Company Retirement Annuity Program
EIN / PN:	34-0359955 / 001
Plan Sponsor:	The Lincoln Electric Company
Valuation Date:	January 1, 2015

SCHEDULE SB ATTACHMENTS

Postretirement death benefit

For postponed commencements, there is a residual death benefit equal to the benefits not paid due to delayed commencement less the benefits received prior to death.

Normal form of payment

The Normal, Early and Vested Terminated benefits will be payable to the participant for his/her lifetime; however, if such participant is married on his/her benefit starting date, the benefit will be payable under the actuarially equivalent 100% Joint & Survivor form.

Optional forms of retirement income in lieu of normal form

Benefits are available under actuarially equivalent optional forms. These include 50% and 100% Joint and Survivor options and 5, 10, 15 and 20 year certain and continuous options. A lump sum and five-year payment option are also available but are not available beyond six months following termination. Former employees that terminated prior to June 30, 2012, were offered a lump sum option during the three month period ending August 31, 2012. The payment was made November 1, 2012.

Changes in plan provisions since last actuarial valuation

None

Plan Name: The Lincoln Electric Company Retirement Annuity Program
EIN / PN: 34-0359955 / 001
Plan Sponsor: The Lincoln Electric Company
Valuation Date: January 1, 2015

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◆ **Schedule of Assets Held for Investment Purposes**

Security Description / Asset ID	Shares/Par Value	Historical Cost	Current Value
<i>Non-Interest Bearing Cash - USD</i>			
USD - United States dollar	-36,208.74	-36,208.74	-36,208.74
Total - all currencies		-36,208.74	-36,208.74
Total Non-Interest Bearing Cash - USD		-36,208.74	-36,208.74
<i>Receivables - Other - USD</i>			
Pending trade sales: United States dollar	0.00	57,885.97	57,885.97
Total - all currencies		57,885.97	57,885.97
Total Receivables - Other - USD		57,885.97	57,885.97
<i>Interest Bearing Cash - USD</i>			
USD - United States dollar	2,717,161.19	2,717,161.19	2,717,161.19
Total - all currencies		2,717,161.19	2,717,161.19
Total Interest Bearing Cash - USD		2,717,161.19	2,717,161.19
<i>U.S. Government Securities</i>			
United States - USD			
TENNESSEE VALLEY AUTH GLOBAL PWR BD SER A 4.25% DUE 09-15-2065 REG SEDOL: BYTX2R8	475,000.00	462,241.50	464,059.33
UNITED STATES TREAS BDS 00245 2.875% DUE 08-15-2045 REG SEDOL: BYSJ1Z8	6,110,000.00	5,951,486.42	5,934,099.21
UNITED STATES TREAS NTS DTD 11/15/2015 2.25% DUE 11-15-2025 REG SEDOL: BYQ26R6	2,345,000.00	2,349,411.23	2,339,777.69
UNITED STATES TREAS NTS DTD 11/30/2015 .875% DUE 11-30-2017 REG SEDOL: BZ4BYG7	770,000.00	769,608.98	767,773.93
UNITED STATES TREAS NTS 1.625% DUE 11-30-2020 REG SEDOL: BYVX7L5	2,025,000.00	2,017,672.66	2,012,975.55

** All or a portion of this security participates in Securities Lending.

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◆ **Schedule of Assets Held for Investment Purposes**

Security Description / Asset ID	Shares/Par Value	Historical Cost	Current Value
U.S. Government Securities			
United States - USD			
US TREASURY N/B 3.0% 11-15-2045 REG SEDOL: BYQP1M5	550,000.00	552,585.74	548,345.60
Total United States - USD		12,103,006.53	12,067,031.31
Total U.S. Government Securities		12,103,006.53	12,067,031.31
Corporate Debt Instruments - Preferred			
Australia - USD			
BHP BILLITON FIN USA LTD 3.85 DUE 09-30-2023 REG SEDOL: BFD3PC7	100,000.00	105,392.00	94,681.70
Total Australia - USD		105,392.00	94,681.70
France - USD			
TOTAL CAP CDA LTD 2.75% DUE 07-15-2023 SEDOL: B7W7PM4	440,000.00	431,992.00	422,203.76
TOTAL CAP INTL 2.75% DUE 06-19-2021 SEDOL: BNH7YS0	380,000.00	387,562.00	378,535.10
Total France - USD		819,554.00	800,738.86
Switzerland - USD			
CR SUISSE AG FIXED 3.625% DUE 09-09-2024 SEDOL: BQR7XJ5	540,000.00	541,669.68	544,246.56
Total Switzerland - USD		541,669.68	544,246.56
United Kingdom - USD			
GLAXOSMITHKLINE 6.375% DUE 05-15-2038 SEDOL: B88GFC2	1,045,000.00	1,369,425.40	1,334,474.41
SHELL INTERNATIONAL FIN 4.375% DUE 05-11-2045 SEDOL: BXQ9DY6	400,000.00	400,499.98	377,626.80
Total United Kingdom - USD		1,769,925.38	1,712,101.21

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◆ **Schedule of Assets Held for Investment Purposes**

Security Description / Asset ID	Shares/Par Value	Historical Cost	Current Value
Corporate Debt Instruments - Preferred			
United States - USD			
BANK NEW YORK INC MEDIUM TERM SR NTS BOOK ENTRY 3.55 DUE 09-23-2021 BEO SEDOL: B5VNTL6	600,000.00	631,081.13	629,397.60
BOEING CO FIXED 3.5% DUE 03-01-2045 SEDOL: BVZ6WM5	220,000.00	211,829.20	202,848.36
CHEVRON CORP NEW 2.411% DUE 03-03-2022 SEDOL: BW15MG7	285,000.00	285,000.00	277,393.07
CIGNA CORP 7.875 DEB DUE 05-15-2027 SEDOL: 2250267	150,000.00	210,939.00	197,068.80
COCA COLA CO 2.875% DUE 10-27-2025 SEDOL: BZCFDT7	610,000.00	609,054.50	601,370.33
DUKE ENERGY 4.375% DUE 03-30-2044 SEDOL: BJZD6S6	690,000.00	735,470.49	700,872.33
GEN ELEC CAP CORP MEDIUM TERM NTS BO 6.875 DUE 01-10-2039 SEDOL: B7XWZ20 TRANCHE # TR 00818	240,000.00	328,259.10	327,137.28
GENERAL ELEC CO 4.125% DUE 10-09-2042 SEDOL: B7T4807	485,000.00	500,526.49	473,741.70
GENERAL ELEC CO 4.5% DUE 03-11-2044 SEDOL: BKRVDH7	130,000.00	138,756.41	133,787.16
HOME DEPOT INC 3.35% DUE 09-15-2025 SEDOL: BZ0V2D4	325,000.00	324,535.25	332,105.48
MEDTRONIC INC 4.375% DUE 03-15-2035 SEDOL: BYMLDT8	640,000.00	636,948.14	646,938.88
MERCK & CO INC NEW FIXED 2.75% DUE 02-10-2025 SEDOL: BVG7BT7	660,000.00	655,704.64	642,515.28
NIKE INC 3.625% DUE 05-01-2043 SEDOL: B75MXV1	395,000.00	391,599.95	366,098.25
ORACLE CORP 4.375% DUE 05-15-2055 SEDOL: BWTM356	255,000.00	253,849.95	233,282.67
ORACLE CORP 5.375 DUE 07-15-2040 SEDOL: B7FNML7	370,000.00	450,859.80	411,606.13
ORACLE CORP 6.125% DUE 07-08-2039 SEDOL: B3LR141	340,000.00	437,070.90	411,129.36
SIMON PPTY GROUP L 6.75% DUE 02-01-2040 SEDOL: B3PROY0	640,000.00	881,044.80	844,238.72
SOUTHN CAL GAS CO 3.2% DUE 06-15-2025 SEDOL: BYNRK05	250,000.00	249,407.50	250,095.00

** All or a portion of this security participates in Securities Lending.

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◆ **Schedule of Assets Held for Investment Purposes**

Security Description / Asset ID	Shares/Par Value	Historical Cost	Current Value
Corporate Debt Instruments - Preferred			
United States - USD			
SPCL1 GEN ELEC CAP CORP 5.875% DUE 01-14-2038 SEDOL: B2NJ7Z1	209,000.00	256,454.67	255,724.25
TARGET CORP 6.5% DUE 10-15-2037 SEDOL: BFZDDV0	550,000.00	720,454.53	709,414.20
UNITEDHEALTH GROUP 3.875% DUE 10-15-2020 SEDOL: B57ZR67	270,000.00	288,362.70	285,734.79
UNITEDHEALTH GROUP 4.75% DUE 07-15-2045 SEDOL: BYTRVP1	380,000.00	378,438.20	400,250.20
UNITEDHEALTH GROUP 6.625% DUE 11-15-2037 SEDOL: B2PPW63	1,100,000.00	1,438,971.74	1,402,244.80
WAL-MART STORES 6.5% DUE 08-15-2037 SEDOL: BJ0K1P4	777,000.00	1,038,476.04	1,003,608.94
WELLS FARGO & CO 3.9% DUE 05-01-2045 SEDOL: BX2H0V0	265,000.00	264,114.90	244,357.30
Total United States - USD		12,317,210.03	11,982,960.88
Total Corporate Debt Instruments - Preferred		15,553,751.09	15,134,729.21
Corporate Debt Instruments - Other			
Australia - USD			
PVTPL BHP BILLITON FIN USA LTD 6.75% DUE 10-19-2075 CUSIP: 055451AX6	480,000.00	480,000.00	463,200.00
Total Australia - USD		480,000.00	463,200.00
Belgium - USD			
ANHEUSER BUSCH GTD NT 5.375 DUE 01-15-2020 SEDOL: B967TY4	790,000.00	906,011.50	874,179.24
ANHEUSER BUSCH 8% DUE 11-15-2039 SEDOL: B3RQGZ8	653,000.00	1,004,183.40	909,494.48
Total Belgium - USD		1,910,194.90	1,783,673.72
Brazil - USD			
BRASKEM FIN LTD GTD NT 6.45 DUE 02-03-2024 REG SEDOL: BJ4QPZ6	225,000.00	211,437.50	193,500.00

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◆ Schedule of Assets Held for Investment Purposes

Security Description / Asset ID	Shares/Par Value	Historical Cost	Current Value
Corporate Debt Instruments - Other			
Brazil - USD			
VALE OVERSEAS LTD 6.875% DUE 11-21-2036 SEDOL: B1HMKF0	1,150,000.00	950,517.00	803,896.00
Total Brazil - USD		1,161,954.50	997,396.00
British Virgin Islands - USD			
SINOPEC GROUP 2.5% DUE 04-28-2020 CUSIP: 82938BAB6	510,000.00	507,837.60	501,712.50
Total British Virgin Islands - USD		507,837.60	501,712.50
Canada - USD			
ALCAN INC FORMERLY ALCAN ALUM LTD TO 3/1/01 ALCAN INC 7.25 DUE 3-15-31 BE SEDOL: BG492T7	940,000.00	1,215,128.85	1,057,551.70
BARRICK GOLD CORP 4.1% DUE 05-01-2023 SEDOL: BLSP7G8	96,000.00	95,375.89	82,354.56
BARRICK GOLD CORP 5.25% DUE 04-01-2042 SEDOL: B8L1XS6	75,000.00	53,780.75	50,512.50
BARRICK N AMER FIN 5.75% DUE 05-01-2043 SEDOL: BCRWZ96	260,000.00	268,702.20	188,048.90
PVTPL CDP FINL INC SR NT 144A 3C7 5.6% DUE 11-25-2039 BEO CUSIP: 125094AC6	150,000.00	189,421.50	176,935.05
SUNCOR ENERGY INC 5.95 DUE12-01-2034 BEO SEDOL: B01YRG5	620,000.00	691,275.20	621,206.52
Total Canada - USD		2,513,684.39	2,176,609.23
Cayman Islands - USD			
#REORG/SEAGATE HDD MANDATORY EXCHANGE CB SEAGATE HDD 441RAT0 02-19-2016 SEDOL: BSTCPD0	235,000.00	231,509.07	164,446.66
PVTPL HUTCHISON WHAMPOA INTL 11 LTD 4.625 DUE 01-13-2022 CUSIP: 44841CAB0	350,000.00	381,602.57	375,326.00
Total Cayman Islands - USD		613,111.64	539,772.66
China - USD			
PVTPL CNOOC FIN 2012 LTD GTD NT 144A 3.875% DUE 05-02-2022 BEO SEDOL: B8CY7Q0	500,000.00	510,984.19	505,069.00

** All or a portion of this security participates in Securities Lending.

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◆ **Schedule of Assets Held for Investment Purposes**

Security Description / Asset ID	Shares/Par Value	Historical Cost	Current Value
Corporate Debt Instruments - Other			
China - USD			
Total China - USD		510,984.19	505,069.00
France - USD			
ARCELORMITTAL SA STEP CPN 7.5% DUE 03-01-2041 SEDOL: B9B9WZ7	220,000.00	229,900.00	148,775.00
Total France - USD		229,900.00	148,775.00
Germany - USD			
DAIMLERCHRYSLER N 8.5% DUE 01-18-2031 SEDOL: B065ZJ2	190,000.00	290,301.00	275,594.24
Total Germany - USD		290,301.00	275,594.24
Luxembourg - USD			
ARCELORMITTAL SA LUXEMBOURG 6.125% DUE 06-01-2025 SEDOL: BYNTS74	325,000.00	325,893.75	236,437.50
Total Luxembourg - USD		325,893.75	236,437.50
Mexico - USD			
AMERICA MOVIL SAB DE CV 3.125 DUE 07-16-2022 REG SEDOL: B8GJW66	290,000.00	285,650.00	284,959.22
BBVA BANCOMER S A 4.375% DUE 04-10-2024 SEDOL: BLF76K4	340,000.00	346,630.00	335,750.00
COCA-COLA FEMSA S A B DE C V 5.25 DUE 11-26-2043 SEDOL: BJ4G4H1	260,000.00	294,977.80	270,720.58
PETROLEOS MEXICANOS 6.375% 01-23-2045 CUSIP: 71654QBR2	45,000.00	52,537.50	38,087.15
PVTPL PETROLEOS MEXICANOS 5.625% DUE 01-23-2046 BEO CUSIP: 71656LBE0	55,000.00	56,783.10	42,086.00
Total Mexico - USD		1,036,578.40	971,602.95
Netherlands - USD			
MDC GMTN B V 3.25% DUE 04-28-2022 CUSIP: 55276VAE2	590,000.00	595,900.00	590,000.00

** All or a portion of this security participates in Securities Lending.

◆ Schedule of Assets Held for Investment Purposes

Security Description / Asset ID	Shares/Par Value	Historical Cost	Current Value
<i>Corporate Debt Instruments - Other</i>			
Netherlands - USD			
RABOBANK NEDERLAND NV VAR RATE PERPETUAL DUE 12-29-2049/06-30-2019 BEO SEDOL: B51XMQ2	570,000.00	766,650.00	703,665.00
RABOBANK NEDERLAND TRANCHE # TR 00078 3.95% BD DUE 11-09-2022 REG CUSIP: 21685WDF1	810,000.00	826,583.67	819,901.44
RABOBANK NEDERLAND 5.25% DUE 08-04-2045 CUSIP: 21684AAD8	675,000.00	672,964.78	707,325.75
SHELL INTL FIN B V 2.375% DUE 08-21-2022 SEDOL: B57ZCF1	300,000.00	291,072.00	287,318.70
Total Netherlands - USD		3,153,170.45	3,108,210.89
Switzerland - USD			
PVTPL CR SUISSE GROUP FDG GUERNSEY LTD GTD SR NT 144A 3.125% DUE 12-10-2020 SEDOL: BZ02G13	500,000.00	499,060.00	497,729.00
Total Switzerland - USD		499,060.00	497,729.00
United Kingdom - USD			
ASTRAZENECA PLC 3.375% DUE 11-16-2025 SEDOL: BYQKXG8	510,000.00	505,257.00	506,306.58
ASTRAZENECA PLC 6.45% DUE 09-15-2037 SEDOL: B7FFL50	546,000.00	728,600.90	690,471.05
BRITISH TELECOMMUNICATIONS P L C NT STEPUP 12-15-2030 12-12-2000 SEDOL: B23XQ67	135,000.00	216,415.39	196,985.93
MIDLAND BK PLC 7.65% DUE 05-01-2025 SEDOL: BG5H9M2	285,000.00	366,834.58	361,556.13
PVTPL SABMILLER HLDGS INC 3.75 DUE 01-15-2022 CUSIP: 78573AAA8	840,000.00	871,385.12	863,926.56
RIO TINTO FIN USA 3.5 DUE 03-22-2022 SEDOL: B5B6SX0	315,000.00	325,080.24	296,908.92
RIO TINTO FIN USA 3.75% DUE 06-15-2025 SEDOL: BWVF3Y2	441,000.00	438,685.37	400,318.19
Total United Kingdom - USD		3,452,258.60	3,316,473.36
United States - USD			
ABBVIE INC FIXED 4.5% DUE 05-14-2035 SEDOL: BXC32C3	1,400,000.00	1,374,778.48	1,371,435.80

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Corporate Debt Instruments - Other			
United States - USD			
ACE INA HLDGS INC 3.35% DUE 05-03-2026 SEDOL: BYRZVC4	330,000.00	328,986.90	328,988.88
ALLY FINL INC 4.125% DUE 02-13-2022 SEDOL: BVGBM30	305,000.00	300,443.30	301,950.00
ALTRIA GROUP INC 10.2% DUE 02-06-2039 SEDOL: B9L63Z5	390,000.00	650,402.85	639,542.67
AMAZON COM INC 4.95% DUE 12-05-2044 SEDOL: BTC0KW2	225,000.00	232,809.75	239,610.83
AMERICAN EXPRESS CREDIT 2.6% 09-14-2020 SEDOL: BYZ5J44	475,000.00	474,624.75	476,097.25
AMERN INTL GROUP 4.875% DUE 06-01-2022 SEDOL: B7V7HB8	195,000.00	214,022.25	210,588.30
ANADARKO PETE CORP 6.45% DUE 09-15-2036 SEDOL: B1FGZM6	725,000.00	881,263.68	698,797.78
APPLE INC 3.45% DUE 05-06-2024 SEDOL: BM6NV92	800,000.00	818,346.29	828,755.20
APPLE INC 4.375% DUE 05-13-2045 SEDOL: BXC5WP2	760,000.00	751,218.87	767,380.36
AT&T WIRELESS SVCS 8.75% DUE 03-01-2031 SEDOL: BG49413	380,000.00	574,818.40	523,738.80
AUTO DATA 3.375% DUE 09-15-2025 SEDOL: BZ0V2C3	650,000.00	656,514.00	662,624.30
BANK AMER CORP 4.75% DUE 04-21-2045 SEDOL: BWX8CG4	60,000.00	56,679.60	57,669.84
BANK OF AMERICA CORP BNDS 4.2 DUE 08-26-2024 SEDOL: BQK7V65	1,160,000.00	1,171,202.06	1,150,926.48
BANK ONE CAP III 8.75% DUE 09-01-2030 SEDOL: 2839837	360,000.00	500,702.40	515,585.16
BELLSOUTH CAP FDG 7.875% DUE 02-15-2030 SEDOL: 2556147	485,000.00	651,014.96	576,060.69
BIOGEN INC 5.2% DUE 09-15-2045 SEDOL: BYNPNY4	1,005,000.00	1,008,120.10	1,005,379.89
BRASKEM AMERICA FINANCE 7.125 DUE 07-22-2041 BEO CUSIP: 10554CAA0	205,000.00	209,929.32	152,725.00
BROADCOM CORP 4.5% DUE 08-01-2034 CUSIP: 111320AJ6	535,000.00	544,000.93	534,774.77

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Corporate Debt Instruments - Other			
United States - USD			
BROWN FORMAN CORP 4.5% DUE 07-15-2045 SEDOL: BYX0316	255,000.00	250,211.10	263,714.63
BURL NORTHN SANTA 6.15% DUE 05-01-2037 SEDOL: B1W13G4	380,000.00	482,774.80	445,469.82
CISCO SYS INC 3% DUE 06-15-2022 SEDOL: BZ0Y976	500,000.00	497,315.00	508,521.00
CITIGROUP INC 4.45% DUE 09-29-2027 SEDOL: BY7RB31	1,185,000.00	1,182,543.00	1,177,154.12
CITIGROUP INC 4.65% DUE 07-30-2045 SEDOL: BYTHPH1	355,000.00	354,515.34	360,253.29
CNH INDL CAP LLC 3.875% DUE 07-16-2018 SEDOL: BZ6CFL0	520,000.00	518,138.40	503,100.00
COMCAST CORP NEW 4.4% DUE 08-15-2035 SEDOL: BY58YR1	365,000.00	364,777.35	367,174.67
COMCAST CORP NEW 6.95% DUE 08-15-2037 SEDOL: B2444H6	1,775,000.00	2,431,312.89	2,316,165.55
COMMONWEALTH EDISON CO 4.7 DUE 01-15-2044 SEDOL: BHZ7X72	700,000.00	781,947.63	736,297.10
CONS EDISON CO N Y 4.625% DUE 12-01-2054 SEDOL: BSQC9Q4	290,000.00	289,260.50	285,345.79
CORNING INC 7.25 DUE 08-15-2036 BEO SEDOL: BFZDDJ8	735,000.00	958,138.48	848,639.82
CROWN CASTLE 3.663% DUE 05-15-2025 SEDOL: BY2ZQ80	325,000.00	325,228.21	315,400.48
CVS HEALTH CORP 3.875% DUE 07-20-2025 SEDOL: BYPFB82	290,000.00	290,687.30	295,968.20
CVS HEALTH CORP 4.875% DUE 07-20-2035 SEDOL: BYPFC8	595,000.00	585,735.85	614,332.15
CVS HEALTH CORP 5.125% DUE 07-20-2045 SEDOL: BYPFC45	670,000.00	672,960.39	705,798.77
DEVON ENERGY CORP 3.25% DUE 05-15-2022 SEDOL: B76V362	280,000.00	280,963.20	238,010.36
DEVON FING CORP U 7.875% DUE 09-30-2031 SEDOL: 2864925	680,000.00	958,452.52	697,450.16
DIRECTV HLDGS LLC 6.35% DUE 03-15-2040 SEDOL: B3WNBC6	1,020,000.00	1,221,203.82	1,095,267.84

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Corporate Debt Instruments - Other			
United States - USD			
EATON CORP OHIO 4.15 DUE 11-02-2042 REG SEDOL: BGLPFR7	1,370,000.00	1,333,136.40	1,263,311.25
ENERGY TRANSFER 6.05% DUE 06-01-2041 SEDOL: B4LTG94	844,000.00	938,298.65	658,576.58
ENTERPRISE PRODS FIXED 4.9% DUE 05-15-2046 SEDOL: BWWC4X8	530,000.00	528,065.50	433,109.64
FEDEX CORP 4.75% DUE 11-15-2045 SEDOL: BYPJYG3	440,000.00	435,947.60	435,936.16
GENERAL MTRS CO 5.2% DUE 04-01-2045 SEDOL: BSKDLG7	655,000.00	643,779.70	614,211.84
GEORGIA PAC CORP 8.875% DUE 05-15-2031 SEDOL: 2755159	1,650,000.00	2,503,247.00	2,310,937.20
GILEAD SCIENCES 4.6% DUE 09-01-2035 SEDOL: BYMYP24	545,000.00	544,260.80	554,173.99
GILEAD SCIENCES 4.75% DUE 03-01-2046 SEDOL: BYMYP35	570,000.00	568,480.29	576,854.82
GILEAD SCIENCES 4.8% DUE 04-01-2044 SEDOL: BKHDRD3	515,000.00	560,695.95	517,028.07
GOLDMAN SACHS CAP I 6.345 DUE 02-15-2034 BEO SEDOL: BG48W61	425,000.00	512,966.39	497,201.55
GOLDMAN SACHS 2.6% DUE 04-23-2020 SEDOL: BV0L8F0	375,000.00	376,207.50	372,152.25
GOLDMAN SACHS 3.85% DUE 07-08-2024 SEDOL: BP4W4K4	280,000.00	280,420.00	285,728.80
GOLDMAN SACHS 4.25% DUE 10-21-2025 SEDOL: BYNMJP8	290,000.00	287,970.00	287,783.53
GOLDMAN SACHS 4.75% DUE 10-21-2045 SEDOL: BYNZDD3	545,000.00	541,610.43	541,390.47
GOLDMAN SACHS 5.15% DUE 05-22-2045 SEDOL: BY58YT3	170,000.00	167,850.06	165,135.62
GOLDMAN SACHS 5.75% DUE 01-24-2022 SEDOL: B94Q103	250,000.00	288,820.00	284,305.25
GOLDMAN SACHS 6.75% DUE 10-01-2037 SEDOL: B9CMD63	490,000.00	589,498.02	572,778.64
HALLIBURTON CO 4.85% DUE 11-15-2035 SEDOL: BYNR6K7	560,000.00	559,854.40	550,122.16

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United States - USD			
HALLIBURTON CO 5% DUE 11-15-2045 SEDOL: BYNR4N6	590,000.00	589,817.10	583,240.37
HEWLETT PACKARD CO 6% DUE 09-15-2041 SEDOL: B6YB851	370,000.00	422,442.83	323,059.58
HSBC BK USA 5.875% DUE 11-01-2034 SEDOL: BFN0JH1	1,545,000.00	1,914,652.99	1,790,276.48
HUMANA INC 8.15% DUE 06-15-2038 SEDOL: B6TR0Y7	700,000.00	1,039,871.00	951,282.50
INTEL CORP 3.7% DUE 07-29-2025 SEDOL: BWVFJP5	235,000.00	234,649.85	243,073.43
INTEL CORP 4.9% DUE 07-29-2045 SEDOL: BWVFJQ6	1,390,000.00	1,410,596.30	1,469,177.18
INTL PAPER CO 8.7% DUE 06-15-2038 SEDOL: B39NZP0	500,000.00	758,865.00	643,135.50
JPMORGAN CHASE & CO FORMERLY J P MORGAN NT 6.4 DUE 05-15-2038 BEO SEDOL: B90J106	1,570,000.00	2,020,197.50	2,001,063.91
JPMORGAN CHASE & CO 4.25% DUE 10-01-2027 SEDOL: BYZ0SY2	225,000.00	225,958.50	224,462.25
JPMORGAN CHASE & 3.2% DUE 01-25-2023 SEDOL: B95L798	410,000.00	407,855.70	408,661.35
JPMORGAN CHASE & 4.95% DUE 06-01-2045 SEDOL: BY8L4X3	425,000.00	421,774.44	424,918.40
KINDER MORGAN INC 5.55% DUE 06-01-2045 SEDOL: BSXNP73	310,000.00	313,720.00	241,995.30
KINDER MORGAN 3.95% DUE 09-01-2022 SEDOL: B76YC20	600,000.00	606,396.00	522,312.00
LOCKHEED MARTIN 4.5% DUE 05-15-2036 SEDOL: BDB6BN7	385,000.00	378,970.17	389,772.46
LOWES COS INC 3.375% DUE 09-15-2025 SEDOL: BYMYMY5	355,000.00	352,944.55	360,428.66
LOWES COS INC 6.65% DUE 09-15-2037 SEDOL: B6TR3V5	605,000.00	799,865.97	784,675.32
MCDONALDS CORP 4.7% DUE 12-09-2035 SEDOL: BYWKWC1	210,000.00	209,325.90	209,222.79
MCDONALDS CORP 4.875% DUE 12-09-2045 SEDOL: BYWKW98	385,000.00	385,000.00	387,345.04

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Corporate Debt Instruments - Other			
United States - USD			
MEDTRONIC INC 4.625% DUE 03-15-2045 SEDOL: BYZYSL1	390,000.00	402,772.34	402,267.06
MERRILL LYNCH & CO 6.11% DUE 01-29-2037 SEDOL: B83ZNK8	555,000.00	650,982.05	629,758.50
MET LIFE GLOBAL 3.875% DUE 04-11-2022 SEDOL: B6QBVV6	1,360,000.00	1,448,862.20	1,418,663.60
METLIFE INC FLTG RT 10.75% DUE 08-01-2039 SEDOL: B3Q5R19	905,000.00	1,473,850.74	1,417,456.25
METLIFE INC 5.7% DUE 06-15-2035 SEDOL: B0BXDC0	740,000.00	900,602.20	855,276.46
MICROSOFT CORP 4.2% DUE 11-03-2035 SEDOL: BYV2S20	525,000.00	523,519.50	536,107.95
MICROSOFT CORP 4.45% DUE 11-03-2045 SEDOL: BYV2RR8	820,000.00	827,383.75	845,602.86
MICROSOFT CORP 4.5 DUE 10-01-2040 CUSIP: 594918AJ3	70,000.00	73,614.10	72,786.77
MONSANTO CO NEW 4.4% DUE 07-15-2044 SEDOL: BP4W589	150,000.00	152,518.56	124,189.95
MONSANTO CO NEW 4.7% DUE 07-15-2064 SEDOL: BP4W578	90,000.00	91,602.90	68,338.35
MORGAN STANLEY 4.3% DUE 01-27-2045 SEDOL: BVJXZY5	970,000.00	972,775.92	925,484.76
MORGAN STANLEY 7.25% DUE 04-01-2032 SEDOL: B4021X3	570,000.00	773,569.80	747,015.21
MUT OMAHA INS CO FLTG RT 4.297% DUE 07-15-2054 SEDOL: BP8RXK8	465,000.00	468,668.85	458,685.30
NATIONAL OILWELL VARCO I 3.95 12/1/42 SEDOL: B91PBL4	630,000.00	610,318.80	479,895.57
OGLETHORPE PWR 5.25% DUE 09-01-2050 SEDOL: B677P66	900,000.00	1,037,673.00	937,882.80
OHIO EDISON CO 8.25% DUE 10-15-2038 SEDOL: B3F3YS0	840,000.00	1,308,459.60	1,165,061.52
PAC LIFE INS CO - 9.25% DUE 06-15-2039 SEDOL: B5ZN343	410,000.00	642,511.60	595,590.19
PACIFICORP 3.35% DUE 07-01-2025 CUSIP: 695114CS5	755,000.00	754,033.60	761,130.60

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Corporate Debt Instruments - Other			
United States - USD			
PACIFICORP 6.25% DUE 10-15-2037 SEDOL: B2853J0	620,000.00	827,161.29	766,918.92
PHARMACIA CORP DEB 6.6 DUE 12-01-2028 BEO SEDOL: 2578657	175,000.00	227,404.64	224,077.35
PHILIP MORRIS INTL 4.25% DUE 11-10-2044 SEDOL: BSHZYC3	315,000.00	315,554.04	304,205.90
PUBLIC SERVICE COLORADO 05-15-2025 SEDOL: BXC2TZ2	590,000.00	588,117.90	579,931.06
PVTPL AMERICAN TOWER TR I 144A 3.07 DUE 03-15-2023 BEO SEDOL: B84XM37	920,000.00	902,092.74	900,853.88
PVTPL APOLLO MGMT HLDGS L P GTD SR NT 144A 4% DUE 05-30-2024 BEO SEDOL: BN33WB1	505,000.00	510,837.55	498,705.68
PVTPL CARLYLE HLDGS II FIN L L C SR NT 144A 5.625% DUE 03-30-2043 BEO SEDOL: B9M2Z34	160,000.00	183,025.60	169,941.92
PVTPL CROWN CASTLE TOWERS 2010-3 SR SECDREV NT 2020 144A 6.113 DUE 1-15-2040 SEDOL: B5MY5R6	590,000.00	666,915.95	643,486.45
PVTPL FRONTIER COMMUNICATIONS CORP SR NT144A 11% DUE 09-15-2025/09-25-2015 BEO SEDOL: BYP60N3	345,000.00	343,275.00	341,550.00
PVTPL GE CAP INTL FDG CO MEDIUM TERM NTSBOOK TR #00128 4.418 11-15-2035 BEO SEDOL: BZ16HN3	445,000.00	423,197.44	454,114.49
PVTPL HEWLETT PACKARD ENTERPRISE CO NT 144A 4.9% DUE 10-15-2025/10-09-2015 BEO SEDOL: BYZFG32	345,000.00	344,051.25	338,311.83
PVTPL HEWLETT PACKARD ENTERPRISE CO NT 144A 6.35% DUE 10-15-2045/10-09-2015 BEO SEDOL: BYZFGD2	245,000.00	244,833.40	232,588.79
PVTPL HEWLETT PACKARD ENTERPRISE CO 144A6.2% DUE 10-15-2035/10-09-2015 BEO SEDOL: BYMFYZ3	1,595,000.00	1,587,763.85	1,536,978.69
PVTPL KKR GROUP FIN CO III LLC SR NT 144A 5.125 DUE 06-01-2044/05-29-2014 BEO SEDOL: BMSSMK3	935,000.00	969,941.15	915,695.06
PVTPL KKR GROUP FIN CO LLC SR NT 144A 6.375% DUE 09-29-2020/09-29-2010 BEO SEDOL: B41QZN2	375,000.00	443,516.25	431,866.50
PVTPL L BRANDS INC SR NT 144A 6.875% DUE11-01-2035 BEO SEDOL: BYRZVG8	230,000.00	230,000.00	236,325.00
PVTPL MONONGAHELA PWR 5.4 DUE 12-15-2043 BEO SEDOL: BGMTTQ5	710,000.00	850,601.30	790,385.49
PVTPL NATIONWIDE MUT INS CO SURPLUS NT 144A 9.375% DUE 08-15-2039 REG SEDOL: B3YCMZ1	285,000.00	450,981.15	413,659.83

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Corporate Debt Instruments - Other			
United States - USD			
PVTPL SBA TOWER TR 3.869%10-15-2049 SEDOL: BRJ6JK0	540,000.00	540,000.00	533,548.62
PVTPL SCHLUMBERGER HLDGS CORP SR NT 144A4% DUE 12-21-2025/12-21-2015 BEO SEDOL: BYQ1SC2	290,000.00	289,811.50	286,165.91
PVTPL TEACHERS INS & 4.9% DUE 09-15-2044 SEDOL: BQVC9R6	295,000.00	294,725.65	297,975.37
PVTPL ZFS FIN USA TR V 6.5% DUE 05-09-2067/05-09-2007 BEO SEDOL: B1X2XS8	375,000.00	403,125.00	382,500.00
QVC INC 4.375% DUE 03-15-2023 SEDOL: BD1NKQ4	1,000,000.00	1,014,610.00	949,149.00
QVC INC 5.45% DUE 08-15-2034 SEDOL: BXRTNR8	1,250,000.00	1,244,152.50	1,081,287.50
REYNOLDS AMERN INC FIXED 5.7% DUE 08-15-2035 SEDOL: BZ0W055	585,000.00	615,334.53	641,053.53
REYNOLDS AMERN INC FIXED 5.85% DUE 08-15-2045 SEDOL: BZ0HGG3	145,000.00	146,837.74	161,202.30
SAN DIEGO GAS & ELEC CO 1ST MTG BD SER MMM 4.3 DUE 04-01-2042 SEDOL: B52NTT3	820,000.00	872,427.02	829,058.54
SBC COMMUNICATIONS 6.45% DUE 06-15-2034 SEDOL: BG49446	860,000.00	1,050,498.60	963,395.22
SC ELEC & GAS CO SC ELEC & GAS CO 99.807KDJ2 X7-9446 5.3 05-15-2033 BEO SEDOL: B01RNJ9	430,000.00	500,954.30	468,277.31
SOUTHERN PWR CO 5.15% DUE 09-15-2041 SEDOL: B6ST6C4	1,280,000.00	1,435,635.40	1,184,293.12
SOUTHERN PWR CO 5.25% DUE 07-15-2043 SEDOL: BCB8385	300,000.00	348,408.00	286,257.60
SPRINT CAP CORP 8.75% DUE 03-15-2032 SEDOL: BG49327	650,000.00	715,883.77	487,500.00
STRYKER CORP 3.375% DUE 11-01-2025 SEDOL: BYQGY29	440,000.00	439,960.40	434,287.92
SYSCO CORP 4.85% DUE 10-01-2045 SEDOL: BYZ0ST7	895,000.00	908,926.20	931,147.26
TOYOTA MTR CR CORP MEDIUM TERM NTS BOOK TRANCHE # TR 00858 3.3 DUE 01-12-2022 SEDOL: B4ZT0G5	420,000.00	435,829.80	433,698.30
TYCO INTL FIN S A 3.9% DUE 02-14-2026 SEDOL: BYMYNV9	500,000.00	497,511.85	501,114.50

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UNITED TECHNOLOGIES CORP 4.15% 05-15-2045 SEDOL: BWTZ6W3	210,000.00	209,710.20	200,649.33
UTD TECHNOLOGIES 4.5% DUE 06-01-2042 SEDOL: B8J6DZ0	990,000.00	1,051,457.71	996,967.62
VALIDUS HLDGS LTD 8.875% DUE 01-26-2040 SEDOL: B3PFNL2	345,000.00	495,901.99	431,343.84
VERIZON COMMUNICATIONS 6.55 BDS DUE 09-15-2043 USD2000 BEO SEDOL: BF320B8	555,000.00	674,319.75	658,901.55
VERIZON 4.672% DUE 03-15-2055 SEDOL: BYM0W21	235,000.00	233,243.77	204,027.24
VERIZON 7.35% DUE 04-01-2039 SEDOL: BG496F1	775,000.00	1,059,913.34	960,605.53
VODAFONE AIRTOUCH PLC FORMERLY VODAFONE GRP PLC 6/28/1999 7.875 DUE 2-15-30 BEO CUSIP: 92857TAH0	555,000.00	725,903.39	676,810.85
WEATHERFORD INTL 9.875 DUE 03-01-2039 SEDOL: B3KY7P6	180,000.00	283,770.00	155,700.00
WELLS FARGO & CO NEW MEDIUM TERM SR NTS TRANCHE # TR 00155 4.3% DUE 07-22-2027 SEDOL: BYQXN34	360,000.00	358,723.29	367,752.24
WELLS FARGO & CO 2.55% DUE 12-07-2020 SEDOL: BZ5ZBL2	500,000.00	499,465.00	497,542.00
WELLS FARGO & CO 5.375% DUE 11-02-2043 SEDOL: BG48MR2	215,000.00	240,864.98	230,103.54
21ST CENTY FOX 6.2% DUE 12-15-2034 SEDOL: BWXSBP6	480,000.00	575,923.20	545,013.12
21ST CENTY FOX 6.4% DUE 12-15-2035 SEDOL: BWWYN04	290,000.00	371,037.60	334,029.54
5TH 3RD BK CIN OH 2.875% DUE 10-01-2021 SEDOL: BQR9WX8	400,000.00	397,940.00	398,389.20
Total United States - USD		90,155,853.65	85,426,074.23
Total Corporate Debt Instruments - Other		106,840,783.07	100,948,330.28

** All or a portion of this security participates in Securities Lending.

5500 Supplemental Schedules

31 DEC 15

EIN: 34-0359955

PN: 001

2015

Account Name FAMILY CODE FAM8630
Account number 8630

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◆ Schedule of Assets Held for Investment Purposes

Security Description / Asset ID	Shares/Par Value	Historical Cost	Current Value
<i>Partnership/Joint Venture Interests</i>			
United States - USD			
PANTHEON USA FUND VIII, LP CUSIP: 000584870	14,070,973.00	14,070,973.00	20,823,053.00
PEG EUROPEAN CORP FIN IV CUSIP: 000605717	4,325,965.00	4,325,965.00	4,390,268.00
PEG U.S. CORPORATE FINANCE INSTITUTIONALINVESTORS IV CUSIP: 9911FE995	8,558,347.00	8,558,347.00	9,905,332.00
PEG VC INSTL INV IV, LLC CUSIP: 000605501	4,152,900.00	4,152,900.00	5,282,792.00
Total United States - USD		31,108,185.00	40,401,445.00
Total Partnership/Joint Venture Interests		31,108,185.00	40,401,445.00
<i>Value of Interest in Common/Collective Trusts</i>			
Emerging Markets Region - USD			
MFB NT COLLECTIVE MSCI EMERGING MARKETS FUND-NON LENDING CUSIP: 003999331	213,864.29	32,297,390.08	27,116,708.78
Total Emerging Markets Region - USD		32,297,390.08	27,116,708.78
International Region - USD			
MFB NT COLLECTIVE EAFE INDEX FUND-NON LENDING CUSIP: 658991526	157,199.03	42,391,553.17	40,326,895.96
Total International Region - USD		42,391,553.17	40,326,895.96
United States - USD			
CF ABERDEEN CUSTOMIZED LIABILITY DRIVEN INVESTING OPP FXD INCOME PORTFOLIO CUSIP: 00301P944	6,973,890.25	95,919,462.69	146,451,695.25
COLTV SHORT TERM INVT FD CUSIP: 195998AD1	5,840,962.14	5,840,962.14	5,840,962.14
MFB NT COLLECTIVE S&P500 INDEX FUND-NON LENDING CUSIP: 658991310	15,000.97	84,356,413.52	100,658,653.83
Total United States - USD		186,116,838.35	252,951,311.22
Total Value of Interest in Common/Collective Trusts		260,805,781.60	320,394,915.96

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5500 Supplemental Schedules

31 DEC 15

EIN: 34-0359955

PN: 001

2015

Account Name FAMILY CODE FAM8630
Account number 8630

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◆ Schedule of Assets Held for Investment Purposes

Security Description / Asset ID	Shares/Par Value	Historical Cost	Current Value
<i>Other</i>			
KOREA, REPUBLIC OF - USD			
KOREA FINANCE CORP 2.875 NT 08-22-2018 USD1000 CUSIP: 50065TAE3	420,000.00	432,201.00	427,358.40
Total KOREA, REPUBLIC OF - USD		432,201.00	427,358.40
Mexico - USD			
PEMEX PROJ FDG MASTER TR GTD NT 5.75% DUE 03-01-2018 REG CUSIP: 706451BS9	390,000.00	437,342.10	405,990.00
Total Mexico - USD		437,342.10	405,990.00
United States - USD			
FUT MAR 16 CBT UL T-BONDS CUSIP: 999599GH0	-70.00	-11,049,062.50	-11,108,125.00
FUT MAR 16 CBT UL T-BONDS CUSIP: 999599GH0	70.00	11,049,062.50	11,108,125.00
FUT MAR 16 10 YR T-NOTES CUSIP: 999599GH0	-129.00	-16,300,359.38	-16,241,906.25
FUT MAR 16 10 YR T-NOTES CUSIP: 999599GH0	129.00	16,300,359.38	16,241,906.25
FUT MAR 16 5 YR T NOTE CUSIP: 999599GH0	-32.00	-3,797,500.00	-3,786,250.00
FUT MAR 16 5 YR T NOTE CUSIP: 999599GH0	32.00	3,797,500.00	3,786,250.00
MUNICIPAL ELEC AUTH GA 6.637% 04-01-2057BEO TAXABLE SEDOL: B65K4T3	460,000.00	586,900.20	547,855.40
MUNICIPAL ELEC AUTH GA 7.055% 04-01-2057BEO TAXABLE SEDOL: B63V971	1,330,000.00	1,526,352.60	1,454,434.80
NEW JERSEY ST TPK AUTH TPK REV 7.102% 01-01-2041 BEO TAXABLE SEDOL: B4WN3T4	450,000.00	659,817.00	619,798.50
Total United States - USD		2,773,069.80	2,622,088.70
Total Other		3,642,612.90	3,455,437.10

** All or a portion of this security participates in Securities Lending.

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◆ **Schedule of Assets Held for Investment Purposes**

Security Description / Asset ID	Shares/Par Value	Historical Cost	Current Value
<i>Other Liabilities</i>			
Pending trade purchases: United States dollar	0.00	-183,685.32	-183,685.32
Total - all currencies		-183,685.32	-183,685.32
Total Other Liabilities		-183,685.32	-183,685.32
Total		432,609,273.29	494,957,041.96

** All or a portion of this security participates in Securities Lending.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 24 Change in Actuarial Assumptions as of January 1, 2015

Other than the prescribed change in interest rate and mortality, the following assumption change was made as part of this valuation:

- A fixed compensation increase of 2.50% per year (changed from prior year assumption of 4.0% per year)

Plan Name: The Lincoln Electric Company Retirement Annuity Program
EIN / PN: 34-0359955 / 001
Plan Sponsor: The Lincoln Electric Company
Valuation Date: January 1, 2015