

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2015 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2015 or fiscal plan year beginning <u>10/01/2015</u> and ending <u>09/30/2016</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>PENSION PLAN FOR KATO ENGINEERING INC. EMPLOYEE MEMBERS OF INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL 1999</u>	1b Three-digit plan number (PN) ▶	<div style="border: 1px solid black; padding: 2px; display: inline-block;">018</div>	
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>KATO ENGINEERING, INC</u> <u>EMERSON ELECTRIC COMPANY</u> <u>EMERSON ELECTRIC COMPANY</u> <u>8000 WEST FLORISSANT AVENUE</u> <u>ST. LOUIS, MO 63136</u>		1c Effective date of plan <u>04/08/1998</u>	
		2b Employer Identification Number (EIN) <u>41-1911427</u>	
		2c Plan Sponsor's telephone number <u>314-553-2000</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	Filed with authorized/valid electronic signature.	07/17/2017	LARRY BRUNNER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	07/17/2017	LARRY BRUNNER
	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 VICE-PRESIDENT BENEFITS EMERSON ELECTRIC COMPANY 8000 WEST FLORISSANT AVENUE ST. LOUIS, MO 63136	3b Administrator's EIN 43-1209261
	3c Administrator's telephone number 314-553-2000
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	5 484
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) 264
a(2) Total number of active participants at the end of the plan year	6a(2) 223
b Retired or separated participants receiving benefits.....	6b 110
c Other retired or separated participants entitled to future benefits.....	6c 143
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 476
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e 4
f Total. Add lines 6d and 6e	6f 480
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 25
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: 1B	
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 _____

<div>SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Single-Employer Defined Benefit Plan Actuarial Information</div> <div>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).</div> <div>▶ File as an attachment to Form 5500 or 5500-SF.</div>	<div>OMB No. 1210-0110</div> <div>2015</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2015 or fiscal plan year beginning 10/01/2015 and ending 09/30/2016

▶ 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 PENSION PLAN FOR KATO ENGINEERING INC. EMPLOYEE MEMBERS OF INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL 1999	B Three-digit plan number (PN) ▶ 018
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF KATO ENGINEERING, INC	D Employer Identification Number (EIN) 41-1911427

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 10 Day 01 Year 2015			
2 Assets:			
a Market value	2a	20002860	
b Actuarial value	2b	21147310	
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	104	5577946	5577946
b For terminated vested participants	116	2218515	2218515
c For active participants	264	10397897	10734216
d Total	484	18194358	18530677
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	6.31 %	
6 Target normal cost	6	624687	

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		06/29/2017
Signature of actuary		Date
RANDALL K LYNN		17-03145
Type or print name of actuary		Most recent enrollment number
TOWERS WATSON DELAWARE INC.		314-719-5900
Firm name		Telephone number (including area code)
101 SOUTH HANLEY, SUITE 900 ST. LOUIS, MO 63105-3411		
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 ☐

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)	622882	0
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)	622882	0
10	Interest on line 9 using prior year's actual return of <u>-3.15%</u>	-19621	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		0
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>6.52%</u>		0
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		0
d	Portion of (c) to be added to prefunding balance		0
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)	603261	0

Part III Funding Percentages			
14	Funding target attainment percentage	14	110.86 %
15	Adjusted funding target attainment percentage	15	114.12 %
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	121.60 %
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
			Totals ►	18(b)	0
				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	0
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 62
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	624687	
b Excess assets, if applicable, but not greater than line 31a	31b	624687	
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		
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	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
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	0	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2015
		This Form is Open to Public Inspection.

For calendar plan year 2015 or fiscal plan year beginning 10/01/2015 and ending 09/30/2016		
<div>A</div> Name of plan PENSION PLAN FOR KATO ENGINEERING INC. EMPLOYEE MEMBERS OF INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL 1999	<div>B</div> Three-digit plan number (PN) ▶	018
<div>C</div> Plan sponsor's name as shown on line 2a of Form 5500 KATO ENGINEERING, INC	<div>D</div> Employer Identification Number (EIN) 41-1911427	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

<div>(b)</div> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation	
NORTHERN TRUST INVESTMENTS INC	50 SOUTH LASALLE STREET CHICAGO, IL 60603
36-3608252	

<div>(b)</div> Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

TOWERS WATSON

23-1159360

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	NONE	11600	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

GRANT THORNTON LLP

36-6055558

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	NONE	10400	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

BRYAN CAVE LLP

43-0602162

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29	NONE	5111	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

<p style="text-align: center;">SCHEDULE D (Form 5500)</p> <p style="text-align: center; font-size: small;">Department of the Treasury Internal Revenue Service</p> <hr/> <p style="text-align: center; font-size: small;">Department of Labor Employee Benefits Security Administration</p>	<p style="text-align: center;">DFE/Participating Plan Information</p> <p style="text-align: center; font-size: small;">This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</p> <p style="text-align: center;">▶ File as an attachment to Form 5500.</p>	<p style="text-align: center; font-size: small;">OMB No. 1210-0110</p> <hr/> <p style="text-align: center; font-size: large;">2015</p> <hr/> <p style="text-align: center; font-size: small;">This Form is Open to Public Inspection.</p>
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For calendar plan year 2015 or fiscal plan year beginning 10/01/2015 and ending 09/30/2016

<p>A Name of plan <u>PENSION PLAN FOR KATO ENGINEERING INC. EMPLOYEE MEMBERS OF INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL 1999</u></p>	<p>B Three-digit plan number (PN) ▶ <u>018</u></p>	
<p>C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>KATO ENGINEERING, INC</u></p>	<p>D Employer Identification Number (EIN) <u>41-1911427</u></p>	

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: EMERSON ELECTRIC RET MASTER TRUST

b Name of sponsor of entity listed in (a): EMERSON ELECTRIC COMPANY

c EIN-PN <u>43-0259330-121</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>21756585</u>
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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)
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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)
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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)
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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)
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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)
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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)
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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
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
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
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
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)

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
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
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
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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 2015 This Form is Open to Public Inspection
For calendar plan year 2015 or fiscal plan year beginning <u>10/01/2015</u> and ending <u>09/30/2016</u>		
A Name of plan <u>PENSION PLAN FOR KATO ENGINEERING INC. EMPLOYEE MEMBERS OF INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL 1999</u>		B Three-digit plan number (PN) ► <u>018</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>KATO ENGINEERING, INC</u>		D Employer Identification Number (EIN) <u>41-1911427</u>

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	Total noninterest-bearing cash	1a		
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)		
	(2) Participant contributions	1b(2)		
	(3) Other.....	1b(3)		
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
	(2) U.S. Government securities.....	1c(2)		
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)		
	(B) All other.....	1c(3)(B)		
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)		
	(B) Common	1c(4)(B)		
	(5) Partnership/joint venture interests	1c(5)		
	(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)		
	(10) Value of interest in pooled separate accounts.....	1c(10)		
	(11) Value of interest in master trust investment accounts	1c(11)	20002860	21756585
	(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)		

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	20002860	21756585

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	20002860	21756585
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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 Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(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)		0

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)		
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(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)		2461975
(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		
d Total income. Add all income amounts in column (b) and enter total	2d		2461975

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	577394	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		577394
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)	27111	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	103745	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		130856
j Total expenses. Add all expense amounts in column (b) and enter total	2j		708250

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1753725
l Transfers of assets:			
(1) To this plan	2l(1)		
(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: GRANT THORNTON LLP

(2) EIN: 36-6055558

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.)				
4a		X		
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.)				
4b		X		

	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			25000000
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		
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.)		X		
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
 EMERSON ELECTRIC COMPANY RETIREMENT MASTER TRUST

6b Trust's EIN
 363046063

6c Name of trustee or custodian
 NORTHERN TRUST

6d Trustee's or custodian's telephone number
 312-630-6000

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.
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For calendar plan year 2015 or fiscal plan year beginning 10/01/2015 and ending 09/30/2016

A Name of plan <u>PENSION PLAN FOR KATO ENGINEERING INC. EMPLOYEE MEMBERS OF INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS LOCAL 1999</u>	B Three-digit plan number (PN) ▶ <u>018</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>KATO ENGINEERING, INC</u>	D Employer Identification Number (EIN) <u>41-1911427</u>

Part I	Distributions
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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	<u>0</u>
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): <u>36-3046063</u>		
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	<u>0</u>

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)
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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
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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
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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.
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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: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%
	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 and Report of Independent
Certified Public Accountants

**Pension Plan for Kato Engineering, Inc.
Employee Members of International Brotherhood
of Electrical Workers Local 1999**

September 30, 2016 and 2015

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Grant Thornton

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

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Plan Administrator
Pension Plan for Kato Engineering, Inc.
Employee Members of International Brotherhood
of Electrical Workers Local 1999

Report on the financial statements

We were engaged to audit the accompanying financial statements of the Pension Plan for Kato Engineering, Inc. Employee Members of International Brotherhood of Electrical Workers Local 1999 (the Plan), which comprise the statements of net assets available for benefits as of September 30, 2016 and 2015, and the related statements of changes in net assets available for benefits for the years then ended, 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 audit 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, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the certified information described in note I, except for comparing such information with the related information included in the financial statements. We have been informed by the

Plan administrator that the certifying entity meets the requirements of 29 CFR 2520.103-8. The Plan administrator obtained a certification from this entity as of and for the years ended September 30, 2016 and 2015, stating that the certified information provided to the Plan administrator is complete and accurate.

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 certified information described in note I, 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 the Employee Retirement Income Security Act of 1974.



Chicago, Illinois

July 14, 2017

**Pension Plan for Kato Engineering, Inc.
Employee Members of International Brotherhood
of Electrical Workers Local 1999
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
September 30,**

	<u>2016</u>	<u>2015</u>
Assets		
Investment, at fair value		
Plan interest in Emerson Electric Co. Master Trust (note C)	<u>\$21,756,585</u>	<u>\$20,002,860</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$21,756,585</u>	<u>\$20,002,860</u>

The accompanying notes are an integral part of these statements.

**Pension Plan for Kato Engineering, Inc.
Employee Members of International Brotherhood
of Electrical Workers Local 1999
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Years ended September 30,**

	<u>2016</u>	<u>2015</u>
Investment income (loss)		
Plan interest in Emerson Electric Co. Master Trust		
net investment income (loss) (note C)	\$ 2,461,975	\$ (660,829)
Benefits paid directly to participants	(577,394)	(488,992)
Plan expenses	<u>(130,856)</u>	<u>(55,518)</u>
NET INCREASE (DECREASE)	1,753,725	(1,205,339)
Net assets available for benefits		
Beginning of year	<u>20,002,860</u>	<u>21,208,199</u>
End of year	<u>\$21,756,585</u>	<u>\$20,002,860</u>

The accompanying notes are an integral part of these statements.

**Pension Plan for Kato Engineering, Inc.
Employee Members of International Brotherhood
of Electrical Workers Local 1999
NOTES TO FINANCIAL STATEMENTS
September 30, 2016 and 2015**

NOTE A - DESCRIPTION OF THE PLAN

The following description of the Pension Plan for Kato Engineering, Inc. Employee Members of International Brotherhood of Electrical Workers Local 1999 (the Plan) is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

General

The Plan is a defined benefit plan sponsored by Emerson Electric Co. (the Company) covering substantially all bargaining unit employees of Kato Engineering, Inc. (the Employer), a subsidiary of the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan's investments are held by The Northern Trust Company (the Trustee).

Pension Benefits

Under terms of the Plan, participants are eligible for monthly benefit payments upon reaching the normal retirement age of 65. However, a participant whose employment with the Employer is terminated is eligible for early retirement benefit payments commencing at age 55, provided the credited service of the employee at separation is at least 10 years. Annual benefit payments are determined by multiplying the benefit multiplier by the participant's years of pension-credited service at retirement as follows:

<u>Termination date</u>	<u>Benefit multiplier</u>
April 8, 1998 through October 31, 1998	\$216
November 1, 1998 through September 30, 1999	252
October 1, 1999 through September 30, 2000	288
October 1, 2000 through September 30, 2001	324
October 1, 2001 through September 30, 2002	330
October 1, 2002 through September 30, 2003	336
October 1, 2003 through September 30, 2004	342
October 1, 2004 through September 30, 2005	348
October 1, 2005 through September 30, 2006	354
October 1, 2006 through September 30, 2007	360
October 1, 2007 through September 30, 2008	366
October 1, 2008 through September 30, 2009	372
October 1, 2009 through September 30, 2010	378
October 1, 2010 through September 30, 2011	384
October 1, 2011 through September 30, 2012	390
October 1, 2012 through September 30, 2013	396
October 1, 2013 through September 30, 2014	402
October 1, 2014 through September 30, 2015	408
October 1, 2015 through September 30, 2016	414

The Plan also contains provisions for disability, death and automatic survivor benefits.

**Pension Plan for Kato Engineering, Inc.
Employee Members of International Brotherhood
of Electrical Workers Local 1999
NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2016 and 2015**

Vesting

Under the terms of the Plan, a participant who terminates before becoming entitled to retirement pension benefits is eligible for a pension benefit if the participant has completed five years or more of vesting service.

Death and Disability Benefits

If an employee dies after becoming vested, the participant's surviving spouse shall be paid a survivor annuity for the life of the surviving spouse, equal to the annuity that would be payable to the surviving spouse under an automatic survivor benefit commencing at the date the employee would have become eligible for an early retirement benefit had the employee lived. Active employees who become totally disabled after attainment of age 55 and completion of 10 years of credited service receive annual disability benefits that are equal to the normal retirement benefits they have accumulated as of the time they became disabled.

Contributions and Funding

Contributions from the Company are subject to Internal Revenue Service (IRS) limitations and are based on actuarial calculations of normal cost. The Company satisfied the minimum funding requirements of ERISA.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements of the Plan are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and changes therein, disclosure of contingent assets and liabilities, the actuarial present value of accumulated Plan benefits at the date of the financial statements, and the reported amounts of additions to and deductions from net assets during the reporting period. Actual results could differ from those estimates.

New Accounting Pronouncements

In May 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*, which exempts investments measured using the net asset value (NAV) practical expedient in Accounting Standards Codification 820, *Fair Value Measurement*, from categorization within the fair value hierarchy. The guidance requires retrospective application and is effective for public business entities for fiscal years, and interim periods within those years, beginning after December 15, 2015. For all other entities, the guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2016. Early adoption is permitted. The Plan's administrator is currently evaluating the impact the updated guidance will have on the Plan's financial statement disclosures.

**Pension Plan for Kato Engineering, Inc.
Employee Members of International Brotherhood
of Electrical Workers Local 1999
NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2016 and 2015**

In July 2015, the FASB issued ASU No. 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), and Health and Welfare Benefit Plans (Topic 965): Part (I) Fully Benefit-Responsive Investment Contracts, Part (II) Plan Investment Disclosures, Part (III) Measurement Date Practical Expedient*. Part I eliminates the requirements to measure the fair value of fully benefit-responsive investment contracts and provide certain disclosures. Contract value is the only required measurement for fully benefit-responsive investment contracts. Part II eliminates the disclosure requirements of individual investments that represent 5% or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to disaggregate investments by nature, characteristics and risks. In addition, investments in the fair value hierarchy table shall only be provided by general type. Part III allows a plan with a fiscal year-end that does not coincide with the end of a calendar month to measure its investments and investment related accounts using the month end closest to its fiscal year-end. Part I and Part II are effective for fiscal years beginning after December 15, 2015, and should be applied retrospectively, with early application permitted. Part III is effective for fiscal years beginning after December 15, 2015, and should be applied prospectively, with early application permitted. Part I and III are not applicable to the plan; however, the Plan elected to early adopt Part II, which is reflected in the financial statements.

In February 2017, the FASB issued ASU No. 2017-06, *Plan Accounting: Defined Benefit Pension Plans (Topic 960); Defined Contribution Pension Plans (Topic 962); Health and Welfare Benefit Plans (Topic 965): Employee Benefit Plan Master Trust Reporting*. This Update changes reporting and disclosure requirements for plans with a master trusts and eliminates redundant disclosures for plans with 401(h) accounts. This Update is effective for the fiscal periods beginning after December 15, 2018. Early adoption is permitted. Upon adoption, the amendments shall be applied retrospectively to all periods presented. Plan management is currently evaluating the impact this Update will have on the Plan's financial statements.

Investment Valuation

The Plan's investments in the Emerson Electric Co. Master Trust (the Master Trust) are stated at fair value as determined based on the fair value of the underlying investments of the Master Trust. See note D for discussion on fair value measurement.

The Plan's interest in the Master Trust is based on an allocation of the Plan's assets compared to total assets in the Master Trust. Purchases and sales of investments are recorded on a trade-date basis. Investment income is recorded as earned. Dividends are recorded on the ex-dividend date.

Investors may use various financial instruments, particularly forward foreign currency contracts, options and futures, commonly referred to as derivatives, to manage risk. No investments are engaged in market making or other speculative activities. Established practices require that derivative financial instruments relate to specific asset, liability or equity transactions, or to currency exposure.

Expenses

Investment management and certain administrative expenses are paid by the Plan. Expenses include Pension Benefit Guaranty Corporation (PBGC) premiums and professional fees.

**Pension Plan for Kato Engineering, Inc.
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of Electrical Workers Local 1999
NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2016 and 2015**

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

NOTE C - INTEREST IN MASTER TRUST

The Plan's investments are in the Master Trust that was established for the investment of assets of the Plan and several other Company-sponsored retirement plans. Each plan in the Master Trust has an undivided interest in the Master Trust. At September 30, 2016 and 2015, the Plan's interest in the net assets of the Master Trust was approximately 0.53% and 0.51%, respectively. Investment income and investment expenses relating to the Master Trust are allocated to the individual plans based on average monthly balances invested by each plan. The net assets of the Master Trust at September 30, 2016 and 2015, are summarized as follows (in thousands):

	2016	2015
Assets		
Investments, at fair value		
Cash and cash equivalents	\$ 140,695	\$ 109,225
U.S. government securities	610,381	544,284
Corporate debt instruments	539,346	536,528
Equity securities	2,468,719	2,430,729
Limited partnerships	340,638	257,311
Other investments	<u>5,634</u>	<u>19,367</u>
Total investments	4,105,413	3,897,444
Accrued income	12,279	14,274
Pending sales	<u>56,831</u>	<u>126,459</u>
Total assets	4,174,523	4,038,177
Liabilities		
Pending purchases	<u>77,102</u>	<u>119,548</u>
Total liabilities	<u>77,102</u>	<u>119,548</u>
Total net assets in Master Trust	<u>\$4,097,421</u>	<u>\$3,918,629</u>

**Pension Plan for Kato Engineering, Inc.
Employee Members of International Brotherhood
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NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2016 and 2015**

The net investment income (loss) of the Master Trust for the years ended September 30, 2016 and 2015, is summarized below (in thousands):

	2016	2015
Income		
Dividend and interest income	\$ 68,362	\$ 81,415
Other investment income	<u>12,175</u>	<u>10,204</u>
Total income	80,537	91,619
Total net appreciation (depreciation) in fair value of investments	434,292	(199,657)
Less investment expenses	<u>(17,389)</u>	<u>(17,559)</u>
Net investment income (loss)	<u>\$497,440</u>	<u>\$(125,597)</u>

NOTE D - FAIR VALUE MEASUREMENTS

The FASB has issued guidance regarding the disclosure of fair value measurements. The guidance establishes a formal hierarchy and framework for measuring fair value and provides guidance on the disclosure of fair value measurements and the reliability of valuation inputs. Under the guidance, measurement assumes the transaction to sell an asset or transfer a liability occurs in the principal or at least the most advantageous market for that asset or liability. Within the hierarchy, Level 1 instruments use observable market prices for the identical item in active markets and have the most reliable valuations. Level 2 instruments are valued through broker/dealer quotations or through market-observable inputs for similar items in active markets, including forward and spot prices, interest rates and volatilities. Level 3 instruments are valued using inputs that are not observable in an active market, such as company-developed future cash flow estimates, and are considered the least reliable. The following tables are in thousands:

	2016			
	Level 1	Level 2	Level 3	Total
Equities	\$1,701,699	\$ 707,778	\$ -	\$2,409,477
Limited partnerships	-	-	292,589	292,589
Bonds	-	1,188,978	-	1,188,978
Other	<u>142,205</u>	<u>68,804</u>	<u>3,359</u>	<u>214,369</u>
Total	<u>\$1,843,904</u>	<u>\$1,965,561</u>	<u>\$295,948</u>	<u>\$4,105,413</u>

**Pension Plan for Kato Engineering, Inc.
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NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2016 and 2015**

	2015			
	Level 1	Level 2	Level 3	Total
Equities	\$1,451,755	\$ 833,791	\$ -	\$2,285,546
Limited partnerships	-	-	257,311	257,311
Bonds	-	1,179,934	-	1,179,934
Other	<u>109,225</u>	<u>61,778</u>	<u>3,650</u>	<u>174,653</u>
Total	<u>\$1,560,980</u>	<u>\$2,075,503</u>	<u>\$260,961</u>	<u>\$3,897,444</u>

The primary objective for the investment of Plan assets is to secure participant retirement benefits while earning a reasonable rate of return. Plan assets are invested consistent with the provisions of the prudence and diversification rules of ERISA and with a long-term investment horizon. The Company continuously monitors the value of assets by class and routinely rebalances to remain within target allocations. The strategy for equity assets is to minimize concentrations of risk by investing primarily in companies in a diversified mix of industries worldwide, while targeting neutrality in exposure to market capitalization levels, growth versus value profile, global versus regional markets, fund types and fund managers. The approach for bonds emphasizes investment-grade corporate and government debt with maturities matching a portion of the longer-duration pension liabilities. The bonds strategy also includes a high-yield element, which is generally shorter in duration. A small portion of the U.S. Plan assets is allocated to private equity partnerships and real assets fund investments for diversification, providing opportunities for above-market returns. Leveraging techniques are not used and the use of derivatives in any fund is limited to exchange-traded futures contracts and is inconsequential.

U.S. equities reflect companies domiciled in the United States, including multi-national companies. International equities are composed of companies domiciled in developed nations outside the United States. Emerging market equities are composed of companies domiciled in portions of Asia, Africa, Eastern Europe and Latin America.

Government bonds include investment-grade instruments issued by federal, state and local governments, primarily in the United States. Corporate bonds represent investment-grade debt of issuers primarily from the United States. High-yield bonds include non-investment-grade debt from a diverse group of developed market issuers.

Other assets include cash, interests in mixed asset funds investing in commodities, natural resources, agriculture and exchange-traded real estate funds, life insurance contracts (United States), and shares in certain general investment funds of financial institutions or insure arrangements (non-United States) that typically ensure no market losses or provide for small minimum return guarantee.

Valuations of Level 1 assets for all classes shown above are based on quoted closing market prices from the principal exchanges where the individual securities are traded. Cash is valued at cost, which approximates fair value.

Equity securities categorized as Level 2 assets are primarily non-exchange-traded commingled or collective funds in which the underlying securities have observable prices available from active markets. Valuation is based on the NAV of fund units held as derived from the fair value of the underlying assets. Funds based on

**Pension Plan for Kato Engineering, Inc.
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NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2016 and 2015**

NAV are valued daily and have no redemption restrictions. The NAV is used a practical expedient to estimate fair value.

Debt securities categorized as Level 2 assets are generally valued based on independent broker/dealer bids or by comparison to other debt securities having similar durations, yields and credit ratings. Other Level 2 assets are valued based on an NAV of fund units held, which is derived from either broker/dealer quotations or market-observed pricing for the underlying assets. Funds based on NAV are valued daily and have no redemption restrictions. The NAV is used a practical expedient to estimate fair value.

Limited partnerships are valued at NAV based on units/shares held at year-end, which are obtained from a third-party pricing source obtained by fund manager. Insurance contracts are valued by the applicable insurance company. These are Level 3 investments. The NAV is used a practical expedient to estimate fair value.

A reconciliation of the change in value for Level 3 assets, primarily limited partnerships, is as follows as of September 30 (in thousands):

	<u>2016</u>	<u>2015</u>
Beginning balance	\$260,961	\$188,124
Realized (gain)	(20,169)	(20,639)
Unrealized gain	14,478	13,904
Purchases	56,199	98,128
Sales	<u>(15,521)</u>	<u>(18,556)</u>
Ending balance	<u>\$295,948</u>	<u>\$260,961</u>

NOTE E - PLAN TERMINATION AND PBGC MATTERS

The Company has not expressed any intention to terminate the Plan. However, in the event that the Plan is terminated, the net assets of the Plan will be allocated for payment of Plan benefits to the participants in an order of priority determined in accordance with ERISA, applicable regulations thereunder and the Plan document.

Should the Plan be terminated at some future time, all participants become 100% vested in benefits earned as of the termination date.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivors' pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations.

Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination, subject to a statutory ceiling on the amount of an individual's monthly benefit.

**Pension Plan for Kato Engineering, Inc.
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NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2016 and 2015**

Whether all participants receive their benefits should the Plan be terminated at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits, the priority of those benefits to be paid, and the level and type 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 guaranty, while other benefits may not be provided for at all.

NOTE F - ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

Accumulated Plan benefits are those future periodic payments that are attributable under the Plan's provisions to the service employees have rendered. Accumulated Plan benefits include benefits expected to be paid to (1) retired or terminated employees or their beneficiaries, (2) beneficiaries of employees who have died and (3) present employees of their beneficiaries.

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

The significant actuarial assumptions used in the valuations as of September 30, 2015 and 2014, are as follows:

Discount rate	4.37% in 2015; 4.25% in 2014
Mortality	RP-2014 Mortality Table, projected back to 2007, using Scale MP-2014
Retirement age	Varies by age between 55 and 69 with 100% retired by age 70

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

The actuarial present value of accumulated Plan benefits as of September 30, 2015, is as follows:

Actuarial present value of accumulated Plan benefits	
Vested benefits	
Participants and/or beneficiaries currently receiving benefits	\$ 6,638,399
Other participants	<u>17,928,433</u>
Total vested benefits	24,566,832
Non-vested benefits	<u>409,607</u>
Total actuarial present value of accumulated Plan benefits	<u>\$24,976,439</u>

**Pension Plan for Kato Engineering, Inc.
Employee Members of International Brotherhood
of Electrical Workers Local 1999
NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2016 and 2015**

The changes in the actuarial present value of accumulated Plan benefits for the year ended September 30, 2015, consist of the following:

Actuarial present value of accumulated Plan benefits, September 30, 2014	\$24,181,487
Increase during the year attributable to	
Benefits accumulated	914,795
Actuarial (gain)	(259,587)
Increase for interest due to the decrease in discount period	1,056,309
Benefits paid	(488,992)
Assumption changes	<u>(427,573)</u>
Net increase	<u>794,952</u>
Actuarial present value of accumulated Plan benefits, September 30, 2015	<u>\$24,976,439</u>

NOTE G - INCOME TAX STATUS

The IRS has determined and informed the Company by a letter dated September 20, 2016, that the Plan and related Master Trust were designed in accordance with the applicable regulations of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter; however, the Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC and that the Plan and related Master Trust continue to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS or other applicable taxing authorities. The Plan administrator has analyzed the tax positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any periods in progress.

NOTE H - RISKS AND UNCERTAINTIES

The Plan's investment in the Master Trust is exposed to various risks, such as interest rate, credit and overall market volatility risks. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investments 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 and may impact the funded position of the Plan. As a result, the Plan may require additional funding in subsequent years.

Plan contributions are made and the actuarial present value of accumulated Plan benefits is reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are

**Pension Plan for Kato Engineering, Inc.
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NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2016 and 2015**

subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

NOTE I - INFORMATION CERTIFIED BY THE TRUSTEE

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the Trustee has certified that the following data included in the accompanying financial statements is complete and accurate:

- Plan interest in Emerson Electric Co. Master Trust, as shown in the statements of net assets available for benefits as of September 30, 2016 and 2015.
- Plan interest in Emerson Electric Co. Master Trust net investment income (loss), as shown in the statements of changes in net assets available for benefits for the years ended September 30, 2016 and 2015.
- Master Trust net assets and net investment income (loss) as of and for the years ended September 30, 2016 and 2015, as shown in note C.

The Plan's independent accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements.

NOTE J - PARTIES-IN-INTEREST

The Plan's investments are held in the Master Trust at the Trustee. The Trustee charges fees for the management of the account. Fees charged to the Master Trust are ordinary and customary. These fees qualify as permitted party-in-interest transactions under ERISA.

Certain of the Plan's assets are invested in funds managed by the Trustee of the Plan. These transaction qualify as party-in-interest transactions; however, they are exempt from the prohibited transactions rules under ERISA.

NOTE K - SUBSEQUENT EVENTS

Plan management evaluated the Plan's September 30, 2016, financial statements for subsequent events through July 14, 2017, the date the financial statements were available to be issued. On January 1, 2017, the Employer was sold to Nidec Corporation, accordingly, the Plan's sponsorship was changed to the new employer. Plan management is not aware of any other subsequent events that would require recognition or disclosure in the accompanying financial statements.

Schedule SB, Part V – Summary of Plan Provisions

Pension Plan for KATO Engineering Inc. Employee Members of International Brotherhood of Electrical Workers Local 1999

EIN: 41-1911427

Plan Number: 018

Plan Provisions

Plan Name	Kato Local #1999	Plan Effective	04/08/98
Appendix Number	N/A	Last Change Effective	10/01/14
Type of Plan	Flat Dollar		
Normal Form	Life Annuity		
Plan Eligibility	First of Month Following 1 Year of Service		
Credited Service	From Date of Employment		
Pension Earnings	N/A		
EE Contributions	None		
Class	Union Employees		
Accumulated Benefit	(A) minus (B):		

- (A) \$390 times Credited Service for terminations on or after 09/26/11 and before 09/26/12
\$396 times Credited Service for terminations on or after 09/26/12 and before 09/26/13
\$402 times Credited Service for terminations on or after 09/26/13 and before 10/01/14
\$408 times Credited Service for terminations on or after 10/01/14 and before 10/01/15
\$414 times Credited Service for terminations on or after 10/01/15 and before 10/01/16
\$420 times Credited Service for terminations on or after 10/01/16 and before 10/01/17
\$426 times Credited Service for terminations on or after 10/01/17
- (B) Reliance Benefit effective 04/07/98

Benefit	Age	Cont Svc	Age + Memb Svc	Description
Normal Retirement	65	--		AB, payable immediately
	62	10		
Early	55	10		AB, reduced actuarially for early payment
Postponed	>65	--		AB, including service to actual retirement
Vesting	--	5		AB, payable at NRD
Disability				
Immediate	--	--		Not provided
Deferred	--	--		If eligible for SS, service accrual continues to NRD

Changes in Plan Provision Since Prior Year

In addition to the reflection of the current year changes in the Internal Revenue Code maximums on benefits and pay, any benefit multiplier increases scheduled to occur (during the plan year for purposes of determining contribution requirements in accordance with ERISA and the Internal Revenue Code) have been reflected.

Attachment to Schedule SB - Part V

Summary of Plan Provisions

Pension Plan for KATO Engineering Inc. Employee Members of International Brotherhood of Electrical Workers Local 1999

EIN: 41-1911427

Plan Number: 018

Optional Forms of Payment

In addition to the normal form of payment, based on the plan provisions, participants are eligible to elect the following optional forms of payment:

Joint and Survivor Annuity

Annuity payable for the participant's lifetime and upon participant's death, an annuity payable to the beneficiary based on the percentage elected.

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment 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**For calendar plan year 2015 or fiscal plan year beginning 10/01/2015 and ending 09/30/2016▶ **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 Pension Plan for KATO Engineering Inc. Employee Members of International Brotherhood of Electrical Workers Local 1999	B Three-digit plan number (PN) ▶ 018
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Kato Engineering, Inc., Emerson Electric Co.	D Employer Identification Number (EIN) 41-1911427
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>10</u> Day <u>01</u> Year <u>2015</u>			
2 Assets:			
a Market value	2a	20,002,860	
b Actuarial value	2b	21,147,310	
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.....	104	5,577,946	5,577,946
b For terminated vested participants.....	116	2,218,515	2,218,515
c For active participants.....	264	10,397,897	10,734,216
d Total.....	484	18,194,358	18,530,677
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	6.31%	
6 Target normal cost.....	6	624,687	

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**

RANDALL K. LYNN

Signature of actuary

Randall K Lynn

Type or print name of actuary

Towers Watson Delaware Inc.

Firm name

101 South Hanley, Suite 900

St. Louis MO 63105-3411

Address of the firm

06/29/2017

Date

1703145

Most recent enrollment number

314-719-5900

Telephone number (including area code)

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)	622,882	0
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)	622,882	0
10 Interest on line 9 using prior year's actual return of <u>-3.15%</u>	-19,621	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
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>6.52%</u>		0
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		0
d Portion of (c) to be added to prefunding balance		0
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)	603,261	0

Part III Funding Percentages

14 Funding target attainment percentage	14	110.86%
15 Adjusted funding target attainment percentage	15	114.12%
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	121.60%
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
Totals ▶			18(b)	0	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	0

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 62
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	624,687	
b Excess assets, if applicable, but not greater than line 31a	31b	624,687	
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		
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	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
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	0	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Kato Engineering, Inc., Emerson Electric Co.
EIN/PN	41-1911427/018
Plan Name	Pension Plan for KATO Engineering Inc. Employee Members of International Brotherhood of Electrical Workers Local 1999
Valuation Date	October 1, 2015
Enrolled Actuary	Randall K. Lynn
Enrollment Number	17-03145

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.

SCHEDULE SB ATTACHMENTS

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

The average retirement age for Line 22 was calculated by determining the average age at retirement for those current active participants expected to reach retirement, based on all current decrements assumed.

For illustration purposes only, below is a hypothetical determination of the average retirement age based on retirement as the only decrement.

Age	Retirement Rate	Assumed Number Eligible	Assumed Number Retiring	Age * Number Retiring
55	7%	1,000	70	3,850
56	7%	930	65	3,640
57	7%	865	61	3,477
58	7%	804	56	3,248
59	7%	748	52	3,068
60	11%	696	77	4,620
61	11%	619	68	4,148
62	30%	551	165	10,230
63	21%	386	81	5,103
64	21%	305	64	4,096
65	30%	241	72	4,680
66	30%	169	51	3,366
67	30%	118	35	2,345
68	30%	83	25	1,700
69	30%	58	17	1,173
70	100%	41	41	2,870
			1,000	61,614
				/ 1,000
			Weighted Average Retirement Age	62

Plan Name: Pension Plan for KATO Engineering Inc. Employee Members of International Brotherhood of Electrical Workers Local 1999
EIN / PN: 41-1911427 / 018

SCHEDULE SB ATTACHMENTS

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

Aspect of Valuation	Old Assumptions	New Assumptions
Expenses	Assumed plan-related expenses added to normal cost were \$52,000 in 2014	Assumed plan-related expenses added to normal cost were \$130,000 in 2015

Plan Name: Pension Plan for KATO Engineering Inc. Employee Members of International Brotherhood of Electrical Workers Local 1999
EIN / PN: 41-1911427 / 018

Schedule SB, Line 26
Schedule of Active Participant Data as of October 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.
<25	0		5		0		0		0		0		0		0		0		0	
25 to 29	0		5		19		0		0		0		0		0		0		0	
30 to 34	0		6		25		4		0		0		0		0		0		0	
35 to 39	0		4		7		1		2		0		0		0		0		0	
40 to 44	0		3		6		1		1		0		0		0		0		0	
45 to 49	0		4		7		1		1		0		5		0		0		0	
50 to 54	0		3		12		2		2		1		5		2		3		0	
55 to 59	0		2		11		1		1		1		8		1		47		2	
60 to 64	0		2		11		1		1		1		0		4		18		13	
65 to 69	0		0		0		0		0		0		0		0		0		0	
70 & up	0		0		1		0		0		0		0		0		0		1	

Average Age: 49.0
Average Service: 19.4

Plan Name: Pension Plan for KATO Engineering Inc. Employee Members of International Brotherhood of Electrical Workers Local 1999
EIN / PN: 41-1911427 / 018

Statement of Actuarial Assumptions and Methods

1. Assumptions and Methods for Contribution Purposes

Actuarial Assumptions and Methods -- Contributions

Economic Assumptions

Interest rate basis:

- | | |
|-----------------------|-----------------|
| ▶ Applicable month | June 2015 |
| ▶ Interest rate basis | 3-Segment Rates |

Interest rates:

	Reflecting Corridors	Not Reflecting Corridors
▶ First segment rate	4.72%	1.30%
▶ Second segment rate	6.11%	4.07%
▶ Third segment rate	6.81%	5.11%
▶ Effective interest rate		
- Emerson Retirement Plan	6.27%	
- Bristol Union	6.14%	
- Copeland Hourly	6.22%	
- EGS Bargaining	6.32%	
- ENP – ES	6.04%	
- Fisher Bargaining	6.10%	
- Kato Local #1999	6.31%	
- Power & Water Solutions	6.29%	
- Urick Hourly	6.40%	

Annual rates of increase

- | | |
|-------------------------------------|-------|
| ▶ Compensation: | 3.25% |
| ▶ Future Social Security wage bases | 3.00% |

Demographic Assumptions

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

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

Mortality:

► Healthy Separate rates for non-annuitants based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2030 using Scale AA and annuitants based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2022 using Scale AA.

► Disabled RP-2000 "Employees" table without collar or amount adjustments, projected to 2030 using Scale AA.

Termination Rates varying by age and service, per 1,000 participants as follows:

Representative Termination Rates

Percentage leaving during the year			
Attained Age	Years of Service		
	0-3	3-5	5+
20	200	150	150
25	200	150	150
30	200	150	120
35	200	150	100
40	200	150	90
45	200	150	80
50	200	150	70
55	200	150	60
60	200	150	50
65	0	0	0

Disability

Rates at which participants become disabled varying by age and gender, per 1,000 participants as follows:

Percentage becoming disabled during the year		
Age	Males	Females
39 or less	0.68	0.82
40-44	1.41	2.38
45-49	2.70	3.29
50-54	5.11	4.72
55-59	9.28	7.18
60-64	12.42	8.14

Retirement

Rates varying by age, per 1,000 participant as follows:

Percentage retiring during the year		
Age	Rate ¹	Alternate Rate ²
55-59	70	100
60-61	110	150
62	300	250
63-64	210	250
65-69	300	1,000
70	1,000	1,000

¹ Participants in Appendix 34 (Branson Ultrasonics) of the Emerson Retirement Plan that have attained age 44, 10 years of service, and 55 points are assumed to retire at a rate of 50 for ages 45 to 54.

² Alternate rates apply to participants in the Fisher Bargaining plan that have attained age 55 with 85 points.

Benefit commencement date:

- ▶ Preretirement death benefit The later of the death of the active participant or the date the participant would have attained age 55.
- ▶ Deferred vested benefit Age 65 for all plans except for those eligible for unreduced retirement in appendices 34, 81 and 82 of the Emerson Retirement Plan. Those eligible are assumed to retire at age 62.
- ▶ Disability benefit Upon disablement.
- ▶ Retirement benefit Upon termination of employment.

Form of payment

Normal form of payment as described in plan provisions. For ENP – ES plan, employees are assumed to take a lump sum distribution.

Percent married

80%

Spouse age	Wife three years younger than husband.	
Covered pay	In general, reported 2014 W-2 pay, this pay is projected by the Salary Increase Rate assumption to approximate pay for the October 1, 2015 plan year.	
Plan related expenses:	Emerson Retirement Plan	\$4,677,000
	Bristol Union	46,000
	Copeland Hourly	156,000
	EGS Bargaining	88,000
	ENP – ES	55,000
	Fisher Bargaining	127,000
	Kato Local #1999	130,000
	Power & Water Solutions	119,000
	Urick Hourly	0
Timing of benefit payments	Annuity payments are payable mid-year.	

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 plan year plus plan-related expenses expected to be paid from plan assets during plan year as required by regulations under IRC §430.
Actuarial value of assets for determining minimum required contributions	<p>Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable.</p> <p>The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.</p>
Benefits not valued	All benefits described in the Plan Provisions section of this report were valued.

Assumptions Rationale - Significant Economic Assumptions for Contributions

Interest 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.
Cash Balance Interest crediting rate	The plan (ENP – ES) credits interest to cash balance accounts using the 30-year Treasury rate for the preceding November. Our long term estimate of the 30-year Treasury rate is 4.75% based on a combination of current conditions and future economic expectations.
Plan-related Expenses	Assumed plan related expenses are set based on a combination of recent plan experiences and expectations for the current year.
Rates of increase in:	
▶ Compensation	Assumed compensation increases are based on a combination of assumed future (i) inflation, (ii) merit increases and (iii) promotional increases. As part of a review of assumptions in 2012, Towers Watson reviewed Emerson's historical compensation increase experience, considered future expectations of inflation, as well as merit and promotional processes, and changing demographics of the U.S. plans.

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Termination	<p>Termination 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.</p> <p>Assumed termination rates differ by age and service because of observed differences in termination rates by service.</p>
Retirement	<p>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.</p> <p>Retirement rates differ by eligibility for enhanced early retirement benefits because of the observed effects the availability of these benefits has on retirement rates.</p>
Commencement Dates	Commencement dates were based on an annual high-level review of experience, including considerations of whether any conditions have changed that would be expected to produce different results in the future.

Schedule SB, Part V – Statement of Actuarial Assumptions and Methods

Pension Plan for KATO Engineering Inc. Employee Members of International Brotherhood of Electrical Workers Local 1999

EIN: 41-1911427

Plan Number: 018

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

Change in assumptions since prior valuation

The segment interest rates used to calculate the funding target and target normal cost were updated to the current valuation date as required by IRC 430 (including the impact of the Highway and Transportation Funding Act of 2014).

The mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvement, as required by IRC 430.

The assumed plan-related expenses added to the target normal cost were updated to reflect the amounts expected to be paid from the trust.

Change in methods since prior valuation

There have been no significant changes in methods from the prior valuation.