

Form 5500-SF Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Short Form Annual Return/Report of Small Employee Benefit Plan This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500-SF.	OMB Nos. 1210-0110 1210-0089 2016 This Form is Open to Public Inspection
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Part I Annual Report Identification Information	
For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>	
A This return/report is for:	☒ a single-employer plan ☐ a multiple-employer plan (not multiemployer) (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☐ a one-participant plan ☐ a foreign plan
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 Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ DFVC program ☐ special extension (enter description)

Part II Basic Plan Information—enter all requested information													
1a Name of plan <u>THE FREMONT COMPANY EMPLOYEES' PENSION PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">1b Three-digit plan number (PN) ►</td> <td style="width: 40%; text-align: center;"><u>002</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>07/01/1966</u></td> </tr> </table>	1b Three-digit plan number (PN) ►	<u>002</u>	1c Effective date of plan <u>07/01/1966</u>									
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2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>THE FREMONT COMPANY</u> <u>802 N. FRONT STREET</u> <u>P.O. BOX 845</u> <u>FREMONT, OH 43420</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">2b Employer Identification Number (EIN) <u>34-4237920</u></td> <td style="width: 40%;"></td> </tr> <tr> <td>2c Sponsor's telephone number <u>419-410-5381</u></td> <td></td> </tr> <tr> <td>2d Business code (see instructions) <u>311400</u></td> <td></td> </tr> </table>	2b Employer Identification Number (EIN) <u>34-4237920</u>		2c Sponsor's telephone number <u>419-410-5381</u>		2d Business code (see instructions) <u>311400</u>							
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3a Plan administrator's name and address ☒ Same as Plan Sponsor.	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">3b Administrator's EIN</td> <td style="width: 40%;"></td> </tr> <tr> <td>3c Administrator's telephone number</td> <td></td> </tr> </table>	3b Administrator's EIN		3c Administrator's telephone number									
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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	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">4b EIN</td> <td style="width: 40%;"></td> </tr> <tr> <td>4c PN</td> <td></td> </tr> </table>	4b EIN		4c PN									
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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, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, 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.	10/09/2017	DAVE STARK
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) ☒ Yes ☐ No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) ☒ Yes ☐ No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**
- c** 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 III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a	2745075	3004227
b Total plan liabilities	7b		
c Net plan assets (subtract line 7b from line 7a)	7c	2745075	3004227
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers	8a(1)	393596	
(2) Participants	8a(2)		
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b	126875	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		520471
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	240758	
e Certain deemed and/or corrective distributions (see instructions) ..	8e		
f Administrative service providers (salaries, fees, commissions)	8f	20561	
g Other expenses	8g		
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		261319
i Net income (loss) (subtract line 8h from line 8c)	8i		259152
j Transfers to (from) the plan (see instructions)	8j		

Part IV Plan Characteristics

- 9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1A 1I
- b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions

10 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? (See instructions and DOL's Voluntary Fiduciary Correction Program)	10a		X		
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)	10b		X		
c Was the plan covered by a fidelity bond?	10c	X			600000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d		X		
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.)	10e		X		
f Has the plan failed to provide any benefit when due under the plan?	10f		X		
g Did the plan have any participant loans? (If "Yes," enter amount as of year-end.)	10g		X		
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h				
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	10i				

Part VI Pension Funding Compliance

11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and line 11a below)	☒ Yes ☐ No
11a Enter the unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40	11a 0
12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA?	☐ Yes ☒ No
(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.)	
a 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 letter ruling granting the waiver. Month _____ Day _____ Year _____	
If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.	
b Enter the minimum required contribution for this plan year	12b
c Enter the amount contributed by the employer to the plan for this plan year	12c
d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount)	12d
e Will the minimum funding amount reported on line 12d be met by the funding deadline?	☐ Yes ☐ No ☐ N/A

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted in any plan year?	☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year	13a
b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	☐ Yes ☒ No
c 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.)	
13c(1) Name of plan(s):	13c(2) EIN(s)
	13c(3) PN(s)

Part VIII Trust Information

14a Name of trust	14b Trust's EIN
14c Name of trustee or custodian	14d Trustee's or custodian's telephone number

Part IX IRS Compliance Questions

15a Is the plan a 401(k) plan? If "No," skip b.	☐ Yes ☐ No
15b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test
	☐ "Current year" ADP test ☐ N/A
16a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
16b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No
17a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter ____/____/____ and the serial number _____.	
17b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter ____/____/____.	
18 Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	☐ Yes ☐ No
19 Was any plan participant a 5% owner who had attained at least age 70 ½ during the prior plan year?	☐ Yes ☐ No

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2016 This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

▶ **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 <u>THE FREMONT COMPANY EMPLOYEES' PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>THE FREMONT COMPANY</u>	D Employer Identification Number (EIN) <u>34-4237920</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☒ 100 or fewer ☐ 101-500 ☐ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2016</u>	
2 Assets:	
a Market value	2a <u>2745075</u>
b Actuarial value	2b <u>2884280</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment	(1) Number of participants <u>10</u> (2) Vested Funding Target <u>2185820</u> (3) Total Funding Target <u>2185820</u>
b For terminated vested participants	<u>18</u> <u>353458</u> <u>353458</u>
c For active participants	<u>41</u> <u>1429115</u> <u>1454706</u>
d Total	<u>69</u> <u>3968393</u> <u>3993984</u>
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 <u>6.06 %</u>
6 Target normal cost	6 <u>28778</u>

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		<u>09/19/2017</u>
	Signature of actuary	Date
<u>GAIL R. STEWARD</u>	Type or print name of actuary	<u>17-06835</u>
<u>FINDLEY DAVIES, INC.</u>	Firm name	Most recent enrollment number
<u>1660 WEST SECOND STREET, SUITE 900</u> <u>CLEVELAND, OH 44113-1461</u>	Address of the firm	<u>216-875-1900</u>
		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, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2016
v. 160205

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)	166288	449337
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	166288	223239
9	Amount remaining (line 7 minus line 8)	0	226098
10	Interest on line 9 using prior year's actual return of <u>-0.84</u> %	0	-1899
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>6.26</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)	0	224199

Part III		Funding Percentages	
14	Funding target attainment percentage	14	66.60%
15	Adjusted funding target attainment percentage	15	82.06%
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	66.76%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	68.73%

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	
04/15/2016	97300	0	
07/15/2016	97300	0	
10/15/2016	97300	0	
01/13/2017	97300	0	
09/15/2017	4396	0	
Totals ►		18(b)	393596
		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 378392
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
0	0	0	0

Part V	Assumptions Used to Determine Funding Target and Target Normal Cost		
21	Discount rate:		
a	Segment rates:	1st segment: 4.43% 2nd segment: 5.91% 3rd segment: 6.65%	☐ N/A, full yield curve used
b	Applicable month (enter code)	21b	4
22	Weighted average retirement age	22	65
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	28778
b	Excess assets, if applicable, but not greater than line 31a	31b	0
32	Amortization installments:	Outstanding Balance	Installment
a	Net shortfall amortization installment	1333903	349614
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	378392
		Carryover balance	Prefunding balance
35	Balances elected for use to offset funding requirement		0
36	Additional cash requirement (line 34 minus line 35)	36	378392
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	378392
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, Line 26 - Schedule of Active Participant Data

January 1, 2016 Valuation
The Fremont Company Employee's Pension Plan
(EIN: 34-4237920; PN: 002)

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 & up
Under 25	-	-	-	-	-	-	-	-	-	-
25 to 29	-	-	-	-	-	-	-	-	-	-
30 to 34	-	-	-	-	-	-	-	-	-	-
35 to 39	-	3 (*)	1 (*)	1 (*)	-	-	-	-	-	-
40 to 44	-	2 (*)	2 (*)	-	-	-	-	-	-	-
45 to 49	-	1 (*)	2 (*)	-	2 (*)	-	-	-	-	-
50 to 54	-	-	1 (*)	-	1 (*)	3 (*)	1 (*)	-	-	-
55 to 59	-	2 (*)	3 (*)	1 (*)	-	-	2 (*)	-	-	-
60 to 64	-	2 (*)	3 (*)	-	-	-	2 (*)	2 (*)	-	-
65 to 69	-	1 (*)	2 (*)	-	-	-	-	-	-	-
70 & up	-	1 (*)	-	-	-	-	-	-	-	-

* Average compensation is not shown since there are fewer than 1,000 active participants in this plan

Appendix B

Statement of Actuarial Assumptions and Methods

Interest Rates

Funding: 24-month segment rates averaged through the end of August 2015 and published in September 2015:

	Before MAP-21/ HATFA	Reflecting MAP-21/ HATFA
a. First Rate, Years 1-5	1.34%	4.43%
b. Second Rate, Years 5-20	4.03%	5.91%
c. Third Rate, Years 20+	5.06%	6.65%
d. Effective Interest Rate using the above rates	4.29%	6.06%
e. Interest rate for developing expected value of assets, (before applying statutory cap)		7.75%

Salary Scale

Frozen benefits as of 4/30/2006 were calculated using actual individual pay histories.

Mortality

RP-2000 static, non-generational Mortality Table as described in Regulation 1.430(h)(3) projected by Scale AA, to between 7 and 15 years beyond the year of the obligation, male and female, with combined rates for annuitants and nonannuitants.

Rates of Retirement

<u>Age(s)</u>	<u>Rate</u>
55	2%
56-59	1
60	8
61	9
62	23
63	5
64	3
65	71
66	26
67	50
68-71	26
72	100

Weighted Average Retirement Age is 65. This is the average retirement age for someone eligible to retire at all ages using the assumed retirement rates and no other decrements.

Appendix B (Continued)

Rates of Disability

100% of Table S-10 of the 11th Railroad Retirement Board Valuation (modified). Sample rates and ages are as follows.

<u>Age(s)</u>	<u>Rate</u>
25	0.06%
40	0.12
55	1.07

Rates of Turnover

Based on age as follows (because all participants have at least 5 years of service):

<u>Age</u>	<u>Rate</u>
25	13.40%
35	7.80
40	7.80
45	7.80
55	7.80

Assumptions Made In Valuing Spouse's Benefit

Sixty percent of the male and fifty percent of the female employees included in the valuation are assumed to be married. These percentages are used as the probabilities that survivor benefits will be payable due to preretirement deaths. The wife is assumed to be three years younger than the husband.

Optional Form Election

All employees are assumed to elect the life annuity benefit.

Annual Increases to Maximum Benefits and Plan Compensation Limits

None.

Provision for Expenses

The expected administrative (i.e. non-investment) expenses that will be paid from plan assets, which were assumed to equal actual administrative expenses during the prior year plus PBGC premiums for the current year, were included in the Target Normal Cost for minimum contribution purposes.

Standing Elections

The sponsor has not signed an election that provides for the automatic use of the Carryover and/or Prefunding Balance if necessary at the end of the plan year to meet the minimum funding requirement.

Appendix B (Continued)

Asset Method

Funding: Market Value of Assets plus interest adjusted accrued but unpaid contributions as of the valuation date plus an adjustment to defer full recognition of investment losses and gains over a two-year period. The investment (gain)/loss for every year equals the market value at the beginning of the year projected to the end of the year using the interest rate above, but no greater than the third segment rate for the plan year, minus the end of the year actual market value. The actuarial value of assets will be no less than 90% and no more than 110% of the market value (including interest-adjusted accrued but unpaid contributions). Note that due to the regulatory constraint on the interest rate, a characteristic of this asset valuation method is that, over time, it may be more likely to produce an actuarial value of assets that is less than the market value of assets.

ASC 960-20: Market Value of Assets plus, any contributions for prior plan years that will be made in this plan year.

Employees Valued

Only participants as of the valuation date were valued.

Changes in Assumptions and Methods since the Last Actuarial Valuation

The segmented interest rates used for determining the funding target were 4.72%, 6.11% and 6.81%. These rates were updated to the rates required for the current plan year.

The mortality table for the funding target was changed as required under PPA '06.

Justification for Changes in Actuarial Assumptions

The only assumption changes were to prescribed actuarial assumptions or as a result of At-Risk status. Therefore, the plan did not need IRS approval to change assumptions and there is no need to disclose any "Change in Actuarial Assumptions."

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2016 This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

► **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 THE FREMONT COMPANY EMPLOYEES' PENSION PLAN	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">B Three-digit plan number (PN) ►</td> <td style="width: 30%; text-align: center;">002</td> </tr> </table>	B Three-digit plan number (PN) ►	002
B Three-digit plan number (PN) ►	002		
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF The Fremont Company	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>D Employer Identification Number (EIN) 34-4237920</td> </tr> </table>	D Employer Identification Number (EIN) 34-4237920	
D Employer Identification Number (EIN) 34-4237920			
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B			
F Prior year plan size: ☒ 100 or fewer ☐ 101-500 ☐ More than 500			

Part I Basic Information				
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2016</u>				
2 Assets:				
a Market value.....	2a	2,745,075		
b Actuarial value	2b	2,884,280		
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	10	2,185,820	2,185,820	
b For terminated vested participants	18	353,458	353,458	
c For active participants	41	1,429,115	1,454,706	
d Total	69	3,968,393	3,993,984	
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	6.06%		
6 Target normal cost	6	28,778		

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

SIGN HERE	 Signature of actuary	<u>9-19-2017</u> Date 1706835 Most recent enrollment number 216-875-1900 Telephone number (including area code)
GAIL R. STEWARD Type or print name of actuary		
FINDLEY DAVIES, INC. Firm name		
1660 West Second Street, Suite 900 CLEVELAND OH 44113-1461 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).....	166,288	449,337
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	166,288	223,239
9	Amount remaining (line 7 minus line 8).....	0	226,098
10	Interest on line 9 using prior year's actual return of <u> -0.84% </u>	0	-1,899
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> 6.26% </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).....	0	224,199

Part III Funding Percentages			
14	Funding target attainment percentage	14	66.60%
15	Adjusted funding target attainment percentage.....	15	82.06%
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	66.76%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	68.73%

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
04/15/2016	97,300	0			
07/15/2016	97,300	0			
10/15/2016	97,300	0			
01/13/2017	97,300	0			
09/15/2017	4,396	0			
Totals ►			18(b)	393,596	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	378,392

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
0	0	0	0

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

21 Discount rate:				
a Segment rates:	1st segment: 4.43 %	2nd segment: 5.91 %	3rd segment: 6.65 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 65
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	28,778	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	1,333,903	349,614	
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	378,392	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....			0
36 Additional cash requirement (line 34 minus line 35).....	36	378,392	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	378,392	
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, Line 22 – Description of Weighted Average Retirement Age
The Fremont Company Employees' Pension Plan
January 1, 2016 Valuation
EIN/PN: 34-4237920 / 002

Rates of Retirement

<u>Age(s)</u>	<u>Rate</u>
55	2%
56-59	1
60	8
61	9
62	23
63	5
64	3
65	71
66	26
67	50
68-71	26
72	100

Weighted Average Retirement Age is 65. This is the average retirement age for someone eligible to retire at all ages using the assumed retirement rates and no other decrements

Appendix A

Summary of Principal Plan Provisions

<i>Plan Sponsor</i>	The Fremont Company
<i>EIN/PN</i>	34-4237920/002
<i>Effective Date</i>	Original - July 1, 1966; Supplemental – July 1, 1975; Most recent document signed January 20, 2016 generally effective January 1, 2015.
<i>Plan Year</i>	July 1 through 1994; short year July 1, 1994 – December 31, 1994; then calendar year.
<i>Participation</i>	Each employee becomes a participant of the Plan on the January 1 next following attainment of age 20 1/2 and completion of six months of service. Participation was frozen effective April 30, 2006.
<i>Compensation</i>	Total remuneration including amounts deferred under a “401(k)” plan but limited per IRC 401(a)(17). 1994 Compensation is used as the compensation for all Plan Years prior to 1994. Compensation earned after April 30, 2006 will not be recognized.
<i>Social Security Covered Compensation</i>	The average of the Social Security Maximum Taxable Wage Bases for the 35-year period ending with the year in which Social Security Retirement Age is attained. Social Security Retirement Age is 65 for employees born before 1938, 67 for those born after 1954, and 66 for those born in between. Covered Compensation was frozen effective April 30, 2006.
<i>Accrued Benefit</i>	For each Plan Year in which 1,000 hours of service is performed, the accrual is 1.35% of Compensation plus 0.65% of Compensation in excess of Social Security Covered Compensation, with the accrual of the latter benefits limited to the best 35 years. The Compensation and Social Security Covered Compensation applicable to the short plan year in 1994 were each multiplied by ½. The Accrued Benefit was frozen effective April 30, 2006.
<i>Normal Retirement Benefit</i>	<u>Eligibility:</u> Age 65. <u>Monthly Benefit:</u> The Accrued Benefit.



Appendix A (Continued)

Normal Retirement Benefit

Eligibility:

Age 65.

Monthly Benefit:

The Accrued Benefit.

Delayed Retirement Benefit

Eligibility:

After age 65.

Monthly Benefit:

The greater of the Accrued Benefit at delayed retirement and the Accrued Benefit at age 65 with actuarial increase.

Early Retirement Benefit

Eligibility:

Age 55 and 20 years of service.

Monthly Benefit:

The Accrued Benefit at early retirement actuarially reduced. Sample factors are: 33.36% at age 55, 56.25% at age 60 and 100% at age 65.

Disability Retirement Benefit

Eligibility:

Total disability after age 55 and 10 years of service.

Monthly Benefit:

The Accrued Benefit at disability actuarially reduced as under the early retirement section.

Termination Benefit

Eligibility:

Upon termination of employment prior to retirement a participant with 5 years of service is 100% vested in his Accrued Benefit.

Monthly Benefit:

The vested benefit commences in full at age 65 or, for a participant with 20 years of service, in a reduced amount under the early retirement provisions.



Appendix A (Continued)

Death Benefit

Eligibility:

Vested active or former participant and married for at least one year.

Monthly Benefit:

A monthly benefit for life commencing at the time the participant would have been eligible for retirement. The benefit is equal to 50% of the benefit vested on the date of death, adjusted as appropriate for early commencement and the 50% Joint and Survivor Annuity form of payment.

Optional Forms of Benefits (all actuarially equivalent)

Life Annuity – monthly payments for the life of the participant.

Joint and 50%, 75% or 100% Annuity – monthly payments for the life of the participant with the chosen percentage of such amount continuing to the beneficiary.

10-Year or 15-Year Certain and Continuous – monthly payments for the life of the participant with a minimum of 120 or 180 payments made.

The conversion factors used to convert the annuity benefits are based on 7% interest and the RP-2000 Mortality “static” Table “combined” healthy males projected to 2010 by Scale AA and setback 1 year for participants and 4 years for beneficiaries.

Benefits Available as Lump Sums

This plan pays only small benefit amounts (lump sums less than \$1,000). The conversion factors to calculate the lump sums are based on the applicable mortality table and the applicable interest rate as defined in §IRC 417(e). A one-time lump sum was made available to terminated vested participants in December, 2014.

Maximum Benefit Limit

The Internal Revenue Code Section 415 Maximum Benefit payable as a life annuity at Social Security Normal Retirement Age.

Plan Compensation Limit

The Section 401(a)(17) Maximum Compensation that can be recognized for benefit calculation purposes.

Funding Plan

The employer pays the entire cost of the Plan.

Changes in Plan Provision

The automatic changes, if any, maximum benefit limit were recognized.

Schedule SB, Line 32 – Schedule of Amortization Bases
The Fremont Company Employees' Pension Plan
January 1, 2016 Valuation
EIN/PN: 34-4237920 / 002

Exhibit VII

Schedule of Amortization Bases

	Plan Year Beginning			1/01/2016
	Date Established	Present Value of Payments	Remaining Years	Amortization Installment
Shortfall Amortization Bases	1/01/2016	\$ 127,234	7	\$ 21,022
	1/01/2015	889,136	6	166,385
	1/01/2014	0	5	0
	1/01/2013	0	4	0
	1/01/2012	0	3	0
	1/01/2011	317,533	2	162,207
	1/01/2010	<u>0</u>	1	<u>0</u>
	Total	\$ 1,333,903		\$ 349,614