

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 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 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 multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
	☒ a single-employer plan ☐ a DFE (specify) ____
B	This return/report is: ☐ the first return/report ☐ the final return/report
	☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here. ☐
D	Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program
	☐ special extension (enter description)

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

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	<u>10/16/2017</u>	<u>GABRIEL BRUNO</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 2042
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..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	 6a(1) 1465 6a(2) 1421 6b 227 6c 479 6d 2127 6e 23 6f 2150 6g 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 1I 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
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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) ☐ <u>0</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)
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Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

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 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 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 LINCOLN ELECTRIC COMPANY RETIREMENT ANNUITY PROGRAM</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>THE LINCOLN ELECTRIC COMPANY</u>	D Employer Identification Number (EIN) <u>34-0359955</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>516311779</u>
b Actuarial value	2b <u>531099348</u>
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.....	<u>190</u> <u>43721419</u> <u>43721419</u>
b For terminated vested participants.....	<u>494</u> <u>32077214</u> <u>32077214</u>
c For active participants.....	<u>1526</u> <u>253804687</u> <u>254105847</u>
d Total.....	<u>2210</u> <u>329603320</u> <u>329904480</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>6.22 %</u>
6 Target normal cost.....	6 <u>12861530</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	
Signature of actuary	<u>09/15/2017</u> Date
<u>SAMANTHA S. TELLJOHANN</u> Type or print name of actuary	<u>17-07891</u> Most recent enrollment number
<u>TOWERS WATSON DELAWARE INC.</u> Firm name	<u>216-937-4000</u> Telephone number (including area code)
<u>1001 LAKESIDE AVENUE, SUITE 1500</u> <u>CLEVELAND, OH 44114</u> Address of the firm	

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

For Paperwork Reduction Act Notice, 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)	0	234354638
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	82975
9	Amount remaining (line 7 minus line 8)	0	234271663
10	Interest on line 9 using prior year's actual return of 0.90%	0	2127662
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		18739829
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 6.28%		1176861
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		19916690
d	Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	48065987
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	188333338

Part III		Funding Percentages	
14	Funding target attainment percentage	14	103.89%
15	Adjusted funding target attainment percentage	15	126.48%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	104.50%
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	
09/01/2016	86304	0	
		Totals ▶	18(b) 86304 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 82901
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:	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">1st segment: 4.43%</td> <td style="width: 33%;">2nd segment: 5.91%</td> <td style="width: 33%;">3rd segment: 6.65%</td> </tr> </table>	1st segment: 4.43%	2nd segment: 5.91%	3rd segment: 6.65%	☐ N/A, full yield curve used
1st segment: 4.43%	2nd segment: 5.91%	3rd segment: 6.65%				
b	Applicable month (enter code)	21b	4			
22	Weighted average retirement age	22	61			
23	Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute					
Part VI	Miscellaneous Items					
24	Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No					
25	Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No					
26	Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No					
27	If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.	27				
Part VII	Reconciliation of Unpaid Minimum Required Contributions For Prior Years					
28	Unpaid minimum required contributions for all prior years	28	0			
29	Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0			
30	Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0			
Part VIII	Minimum Required Contribution For Current Year					
31	Target normal cost and excess assets (see instructions):					
a	Target normal cost (line 6)	31a	12861530			
b	Excess assets, if applicable, but not greater than line 31a	31b	12861530			
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			
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	82901			
38	Present value of excess contributions for current year (see instructions)					
a	Total (excess, if any, of line 37 over line 36)	38a	82901			
b	Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0			
39	Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0			
40	Unpaid minimum required contributions for all years	40	0			
Part IX	Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)					
41	If an election was made to use PRA 2010 funding relief for this plan:					
a	Schedule elected	☐ 2 plus 7 years ☐ 15 years				
b	Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011				
42	Amount of acceleration adjustment	42				
43	Excess installment acceleration amount to be carried over to future plan years	43				

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2016
		This Form is Open to Public Inspection.
For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016		
A Name of plan THE LINCOLN ELECTRIC COMPANY RETIREMENT ANNUITY PROGRAM		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 THE LINCOLN ELECTRIC COMPANY		D Employer Identification Number (EIN) 34-0359955

Part I	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).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
JP MORGAN
13-4994650

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
PANTHEON VENTURES INC. 600 MONTGOMERY STREET 23RD FLOOR SAN FRANCISCO, CA 94111

(b) Enter name and EIN or address of person who provided you disclosures 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)

ABERDEEN ASSET MANAGEMENT

51-0368279

(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?
28 51	NONE	379444	Yes ☒ No ☐	Yes ☐ No ☒	0	Yes ☒ No ☐

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

LOGAN CIRCLE PARTNERS, LP

20-8262386

(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?
51	NONE	340953	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

TOWERS WATSON DELAWARE, INC

53-0181291

(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	243645	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)

NORTHERN TRUST COMPANY

36-1561860

(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?
19 21 28 60 62 99	TRUSTEE	151888	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

HIGHLAND CONSULTING ASSOCIATES, INC

34-1753575

(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?
17 27 50	NONE	65667	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
ABERDEEN ASSET MANAGEMENT, INC.	28	0
(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.	
THE LINCOLN ELECTRIC COMPANY 34-0359955	MANAGEMENT FEES: 0.24% OF 1% ON THE FIRST \$150 MILLION; 0.18% OF 1% ON THE BALANCE.	
(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:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 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

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

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>COLLECTIVE EAFE INDEX FUND</u>			
b Name of sponsor of entity listed in (a): <u>NORTHERN TRUST INVESTMENTS, NA</u>			
c EIN-PN <u>45-6138589-024</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>40878193</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>COLLECTIVE SHORT-TERM INVEST FUND</u>			
b Name of sponsor of entity listed in (a): <u>NORTHERN TRUST INVESTMENTS, NA</u>			
c EIN-PN <u>45-6138589-084</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>6921495</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>COLTV DAILY S&P500 EQUITY INDEX FND</u>			
b Name of sponsor of entity listed in (a): <u>NORTHERN TRUST INVESTMENTS, NA</u>			
c EIN-PN <u>45-6138589-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>85884874</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>COLLECTIVE MSCI EMERGING MKTS FUND</u>			
b Name of sponsor of entity listed in (a): <u>NORTHERN TRUST INVESTMENTS, NA</u>			
c EIN-PN <u>45-6138589-101</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>30112520</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity 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)**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) Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2016
		This Form is Open to Public Inspection

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016		
A Name of plan THE LINCOLN ELECTRIC COMPANY RETIREMENT ANNUITY PROGRAM	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 THE LINCOLN ELECTRIC COMPANY	D Employer Identification Number (EIN) 34-0359955	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	-36209	41028
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	20086304	55023
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	1621178	1950450
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	2717161	1147668
(2) U.S. Government securities	1c(2)	12067031	20036028
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	15134729	17128803
(B) All other.....	1c(3)(B)	100948330	110720314
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)	40401445	42259471
(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)	320394916	163797082
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(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)	3455438	169028259

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	516790323	526164126

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	516606638	526164126
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	124520	
(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)		124520
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	14434	
(B) U.S. Government securities	2b(1)(B)	349200	
(C) Corporate debt instruments	2b(1)(C)	6024971	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	0	
(F) Other	2b(1)(F)	245401	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		6634006
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	233225392	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	225734480	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		7490912
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	9585640	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		9585640

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		13823354
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(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		806815
d Total income. Add all income amounts in column (b) and enter total.....	2d		38465247

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	27584722	
(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)		27584722
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)	461200	
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)	720397	
(4) Other	2i(4)	141440	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		1323037
j Total expenses. Add all expense amounts in column (b) and enter total	2j		28907759

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		9557488
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: PLANTE MORAN, PLLC

(2) EIN: 38-1357951

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

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

Part IV Compliance Questions

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

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

		Yes	No	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.)	4c		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.)	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		30000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		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?	4g	X		42259471
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?	4h		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.)	4i	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.)	4j	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?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
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.	4n			
o 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?	4o			

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
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 3998397. (See instructions.)

Part V Trust Information

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 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 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

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

Part I	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>36-1561860</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>58</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, see the Instructions for Form 5500.

Schedule R (Form 5500) 2016
v. 160205

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
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18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☒
19	If the total number of participants is 1,000 or more, complete lines (a) through (c) a Enter the percentage of plan assets held as: Stock: <u>34.0</u> % Investment-Grade Debt: <u>56.0</u> % High-Yield Debt: <u>1.0</u> % Real Estate: <u>0.0</u> % Other: <u>9.0</u> % b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☒ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more c What duration measure was used to calculate line 19(b)? ☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan? If "No," skip b	☐ Yes ☐ No
20b 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
21a 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
21b 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
22a 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 .	
22b 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 / / .	

**The Lincoln Electric Company
Retirement Annuity Program**

**Financial Statements
December 31, 2016**

The Lincoln Electric Company Retirement Annuity Program

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Independent Auditor's Report

To the Plan Administrator
The Lincoln Electric Company
Retirement Annuity Program

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of The Lincoln Electric Company Retirement Annuity Program (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2016 and 2015 and the related statement of changes in net assets available for benefits for the year ended December 31, 2016, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by The Northern Trust Company (the "Trustee"), except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the Trustee holds the Plan's investment assets and executes related transactions. The plan administrator has obtained a certification from the Trustee as of December 31, 2016 and 2015 and for the year ended December 31, 2016 that the information provided to the plan administrator is complete and accurate.

To the Plan Administrator
The Lincoln Electric Company
Retirement Annuity Program

Disclaimer of Opinion

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

Other Matter

The supplemental schedule of assets held at end of year as of December 31, 2016 is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on this supplemental schedule.

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

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

Plante & Moran, PLLC

Cleveland, Ohio
October 13, 2017

The Lincoln Electric Company

Retirement Annuity Program

Statement of Net Assets Available for Benefits

	December 31, 2016	December 31, 2015
Assets		
Investments, at fair value	\$ 524,158,653	\$ 495,082,841
Contributions receivable	55,023	20,086,304
Pending security transactions	1,950,450	1,437,493
Net Assets Available for Benefits	\$ 526,164,126	\$ 516,606,638

The Lincoln Electric Company

Retirement Annuity Program

Statement of Changes in Net Assets Available for Benefits

Year Ended December 31, 2016

Additions to Net Assets

Contributions	\$ 124,520
Net investment income:	
Interest and dividends	6,309,249
Net realized and unrealized gains and losses	<u>30,849,881</u>
Total investment income	<u>37,159,130</u>
Total additions	37,283,650

Deductions from Net Assets

Benefits paid directly to participants or beneficiaries	27,584,722
Administrative expenses	<u>141,440</u>
Total deductions	<u>27,726,162</u>

Net Increase 9,557,488

Net Assets Available for Benefits

Beginning of year	<u>516,606,638</u>
End of year	<u><u>\$ 526,164,126</u></u>

The Lincoln Electric Company

Retirement Annuity Program

Notes to Financial Statements
December 31, 2016 and 2015

Note 1 - Plan Description

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

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

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

Effective December 31, 2016, the Plan was amended to freeze the accumulation of benefits for all active participants of the Plan.

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

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

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

The Lincoln Electric Company

Retirement Annuity Program

Notes to Financial Statements December 31, 2016 and 2015

Note 1 - Plan Description (Continued)

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

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting - The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Investment Valuation - The assets of the Plan are held by The Northern Trust Company (the "Trustee"). The Plan's investments are recorded at fair value which is based on values as determined by the Trustee in accordance with the trust agreement. Prior to December 31, 2015, the Plan participated in a master trust. Effective December 31, 2015, the Plan was the sole member of the master trust.

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

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

Actuarial Present Value of Accumulated Plan Benefits - Accumulated plan benefits (see Note 3) are those estimated future periodic payments that are attributable, under the Plan's provisions, to services rendered by employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to retired or terminated employees or their beneficiaries and present employees or their beneficiaries. Effective December 31, 2016, the accumulated benefits for all active participants were frozen.

The Lincoln Electric Company

Retirement Annuity Program

Notes to Financial Statements
December 31, 2016 and 2015

Note 2 - Summary of Significant Accounting Policies (Continued)

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

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

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

Reclassification - Certain prior year amounts have been reclassified to conform to the current year presentation.

Note 3 - Accumulated Plan Benefits

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

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

	2016	2015
Vested benefits:		
Participants currently receiving benefit payments	\$ 56,616,823	\$ 43,573,376
Other participants	310,901,088	306,085,526
Total vested benefits	367,517,911	349,658,902
Nonvested benefits	249,924	277,195
Total actuarial present value of accumulated plan benefits	<u>\$ 367,767,835</u>	<u>\$ 349,936,097</u>

The Lincoln Electric Company

Retirement Annuity Program

Notes to Financial Statements

December 31, 2016 and 2015

Note 3 - Accumulated Plan Benefits (Continued)

The changes in the actuarial present value of accumulated plan benefits during the year ended December 31, 2016 are as follows:

Beginning of year:	\$ 349,936,097
Increase (decrease) during the year attributable to:	
Benefits accumulated	13,373,599
Actuarial losses	5,543,146
Decrease in the discount period	21,670,075
Actual benefits paid	(27,584,722)
Change in actuarial assumptions	4,829,640
Net increase	17,831,738
Actuarial present value of accumulated plan benefits - End of year	\$ 367,767,835

Significant assumptions underlying the actuarial computations are as follows:

Assumed rate of return	6.0% per annum
Actuarial method	Present value of accumulated benefits
Mortality basis	RP-2014 mortality tables for employees and annuitants (sex-distinct), with blue collar adjustments, projected generationally with Scale MP-2015
Retirement ages	65 or five years of employment, if later

The change in actuarial assumptions is primarily the result of changes in assumed rate of return and mortality basis. The interest rate was changed from 6.2 percent in 2015 to 6.0 percent in 2016. The mortality basis was changed from RP-2014 mortality tables for employees and annuitants (sex-distinct), with blue collar adjustments, projected generationally with Scale MP-2016 to the RP-2014 mortality tables for employees and annuitants (sex-distinct), with blue collar adjustments, projected generationally with Scale MP-2015.

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

The Lincoln Electric Company

Retirement Annuity Program

Notes to Financial Statements
December 31, 2016 and 2015

Note 4 - Unaudited Information

The Northern Trust Company (the "Trustee") holds the Plan's investments and executes all related transactions. The investment balances and related income and losses included in the accompanying financial statements, supplemental schedule of assets held at end of year, and supplemental schedule of reportable transactions are based solely on information provided by the Trustee.

Investment information included in the accompanying financial statements was obtained or derived from information supplied to the Plan Administrator and certified as complete and accurate by the Trustee.

Note 5 - Income Tax Status

The Plan has received a determination letter from the Internal Revenue Service (IRS) dated May 8, 2017 stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the "Code") and, therefore, the related trust is exempt from taxation. Subsequent to this determination by the IRS, the Plan was amended, and the Company has applied for a new determination letter. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualified status. The Plan Administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax exempt.

Note 6 - Transactions with Parties-in-Interest

During 2016, certain fees were paid by the Plan for accounting and other services rendered by parties-in-interest. Party-in-interest transactions also include the investment in the proprietary funds of Trustee.

Note 7 - Risks and Uncertainties

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

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

The Lincoln Electric Company

Retirement Annuity Program

Notes to Financial Statements
December 31, 2016 and 2015

Note 8 - Fair Value Measurements

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

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

Level 2 - Inputs to the valuation methodology include:

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

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

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

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

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

The following tables set forth by level within the fair value hierarchy the Plan's assets at fair value as of December 31, 2016 and 2015:

The Lincoln Electric Company

Retirement Annuity Program

Notes to Financial Statements

December 31, 2016 and 2015

Note 8 - Fair Value Measurements (Continued)

Assets Measured at Fair Value on a Recurring Basis at December 31, 2016

	Investments (at Fair Value)	Level 1	Level 2	Level 3
Interest-bearing cash	\$ 1,147,668	\$ 1,147,668	\$ -	\$ -
Governmental debt securities	25,273,164	22,738,823	2,534,341	-
Corporate bonds	127,890,144	-	127,890,144	-
Total	154,310,976	\$ 23,886,491	\$ 130,424,485	\$ -
Investments measured at NAV:				
Common collective trusts	163,797,082			
Commingled fund (1)	163,791,124			
Private equity funds	42,259,471			
Total investments at fair value	\$ 524,158,653			

Assets Measured at Fair Value on a Recurring Basis at December 31, 2015

	Investments (at Fair Value)	Level 1	Level 2	Level 3
Interest-bearing cash	\$ 2,717,161	\$ 2,717,161	\$ -	\$ -
Governmental debt securities	15,522,468	14,689,120	833,348	-
Corporate bonds	116,046,851	-	116,046,851	-
Total	134,286,480	\$ 17,406,281	\$ 116,880,199	\$ -
Investments measured at NAV:				
Common collective trusts	173,943,221			
Commingled fund (1)	146,451,695			
Private equity funds	40,401,445			
Total investments at fair value	\$ 495,082,841			

(1) The commingled fund is a hedge fund that focuses on a liability-driven fixed income portfolio. The fund aims to exceed the performance of the Barclays U.S. Long Corporate A-Rated Index.

There was a total of \$6,921,970 of unfunded commitments as of December 31, 2016 on the investments listed above. Additionally, certain common collective trust investments had redemption restrictions, including restrictions from withdrawal or transfer.

The Plan's policy is to recognize fair value classification transfers as of the end of the reporting period. During the years ended December 31, 2016 and 2015, there were no transfers between Levels 1, 2, or 3.

The Lincoln Electric Company

Retirement Annuity Program

Notes to Financial Statements
December 31, 2016 and 2015

Note 9 - Subsequent Events

Subsequent events were evaluated through the issuance date of the Plan's financial statements on October 13, 2017.

The Lincoln Electric Company

Retirement Annuity Program

Schedule of Assets Held at End of Year

Form 5500, Schedule H, Line 4i

EIN 34-0359955, Plan No. 001

December 31, 2016

(a)(b) Identity of Issuer	(c) Description of Investment	(d) Cost	(e) Current Value
Equities:			
Northern Trust	NT Collective MSCI Emerging Markets Non Lending	\$ 32,297,390	\$ 30,112,520
Northern Trust	NT Collective EAFE Index Non Lending	42,391,553	40,878,193
Northern Trust	NT Collective S&P500 Index Non Lending	64,286,059	85,884,874
Government Bonds:			
Republic of Chile	Senior Note 3.125% 01-21-2026	507,660	512,200
Qatar	Bond 4.625% 06-02-2046	523,489	529,334
Republic of Turkey	Bond 4.875% 04-16-2043	297,187	302,063
U.S. Government Securities:			
United States	Treasury Bond 2.5% 05-15-2046	6,460,671	5,625,294
United States	Treasury Bond 2.25% 08-15-2046	9,393,194	9,337,306
United States	Treasury Note 2% 08-15-2025	352,541	358,409
United States	Treasury Note 2.25% 11-15-2025	107,354	108,591
United States	Treasury Note 2% 11-15-2026	2,059,405	2,054,186
United States	Treasury Note 1.5% 08-15-2026	2,715,476	2,552,242
Government Agencies:			
Korea Finance Corp	Note 2.875% 08-22-2018	432,201	427,728
Petroleos Mexicanos	Petroleos Mexicanos 6.5% 03-13-2027	562,672	582,798
Petroleos Mexicanos	Petroleos Mexicanos 5.625% 01-23-2046	34,654	29,050
Petroleos Mexicanos	Petroleos Mexicanos 6.75% 09-21-2047	160,000	151,168
Municipal/Provincial Bonds:			
Municipal Electric Authority Georgia	6.637% 04-01-2057	586,900	566,407
Municipal Electric Authority Georgia	7.055% 04-01-2057	1,526,353	1,507,728
New Jersey Turnpike Authority	7.102% 01-01-2041	659,817	628,659
Corporate Bonds:			
Anheuser-Busch	8% 11-15-2039	1,004,183	960,318
Anheuser-Busch	3.65% 02-01-2026	509,266	502,519
Anheuser-Busch	4.7% 02-01-2036	740,212	757,345
Anheuser-Busch	4.9% 02-01-2046	1,330,832	1,324,066
Anheuser-Busch	4.95% 01-15-2042	942,081	859,963
Braskem Finance	6.45% 02-03-2024	388,381	452,575
Alcan Inc.	7.25% 03-15-2031	1,215,129	1,119,634
Barrick Gold Corp.	4.1% 05-01-2023	95,376	98,481
Barrick Gold Corp.	5.25% 04-01-2042	70,421	97,400
Barrick North America Finance	5.7% 05-30-2041	30,480	40,824
Barrick North America Finance	5.75% 05-01-2043	1,478,765	1,461,083

The Lincoln Electric Company

Retirement Annuity Program

Schedule of Assets Held at End of Year (Continued)

Form 5500, Schedule H, Line 4i

EIN 34-0359955, Plan No. 001

December 31, 2016

(a)(b) Identity of Issuer	(c) Description of Investment	(d) Cost	(e) Current Value
Corporate Bonds (continued):			
Emera Inc.	6.75% 06-15-2076	\$ 394,767	\$ 422,650
Canadian Oil Sands Limited	6% 04-01-2042	694,223	719,625
CPD Financial Inc.	5.6% 11-25-2039	189,422	185,697
Emera U.S.	4.75% 06-15-2046	750,331	756,334
Suncor Energy Inc.	5.95% 12-01-2034	691,275	732,031
Toronto-Dominion	3.625% 09-15-2031	429,865	420,037
Hutchison Whampoa	4.625% 01-13-2022	381,603	374,574
China National Offshore Oil Company	3.875% 05-02-2022	510,984	511,105
Sinopec Group	2.5% 04-28-2020	507,838	506,619
Nokia Corp.	6.625% 05-15-2039	538,331	522,225
ArcelorMittal	7.5% 03-01-2041	229,900	234,300
Total Capital	2.75% 07-15-2023	431,992	435,411
Total Capital	2.75% 06-19-2021	387,562	384,487
Perrigo Company plc	5.3% 11-15-2043	524,443	517,458
Teva	3.15% 10-01-2026	410,905	377,990
CNH Industrial	3.875% 07-16-2018	518,138	528,450
Tengizchevroil Finance	4% 08-15-2026	397,140	375,280
Covidien International Finance	6.55% 10-15-2037	303,662	285,317
American Movil	4.375% 07-16-2042	179,078	185,183
American Movil	3.125% 07-16-2022	285,650	285,565
BBVA Bancomer	4.375% 04-10-2024	346,630	342,550
Coca-Cola FEMSA	5.25% 11-26-2043	294,978	280,217
Petroleos Mexicanos	4.625% 09-21-2023	136,607	124,518
AerCap	6.5% 06-15-2045	351,900	348,019
MDC GMTN	3.25% 04-28-2022	595,900	591,151
Rabobank	11% 12-29-2049/06-30-2018	503,700	440,738
Rabobank	3.95% 11-08-2022	826,584	833,262
Shell International Finance	2.375% 08-21-2022	291,072	294,631
Shell International Finance	4% 05-10-2046	1,363,947	1,329,200
Southern Copper Corp.	5.875% 04-23-2045	383,381	431,959
AstraZeneca plc	6.45% 09-15-2037	1,242,372	1,197,954
GlaxoSmithKline	6.375% 05-15-2038	950,080	953,559
HSBC Holdings plc	4.375% 11-23-2026	105,299	105,780
HSBC (Formerly Midland Bank)	7.65% 05-01-2025	366,835	347,999
Nationwide Building Society	4% 09-14-2026	478,548	457,325
Rio Tinto Group	3.5% 03-22-2022	40,248	40,343
Abbott Labs	4.9% 11-30-2046	466,389	482,377
Ace Ina Holdings	3.35% 05-03-2026	328,987	334,261
Aetna Inc.	4.25% 06-15-2036	295,837	290,767
Aetna Inc.	4.75% 03-15-2044	233,400	226,177
Ally Financial Inc.	4.125% 02-13-2022	300,433	302,331

The Lincoln Electric Company

Retirement Annuity Program

Schedule of Assets Held at End of Year (Continued)

Form 5500, Schedule H, Line 4i

EIN 34-0359955, Plan No. 001

December 31, 2016

(a)(b) Identity of Issuer	(c) Description of Investment	(d) Cost	(e) Current Value
Corporate Bonds (continued):			
Altria Group Inc.	10.2% 02-06-2039	\$ 819,934	\$ 831,285
Altria Group Inc.	9.95% 11-10-2038	1,697,095	1,587,285
American International Group	4.875% 06-01-2022	214,022	213,091
Anadarko Petroleum Company	6.45% 09-15-2036	1,057,035	1,077,100
Apple Inc.	3.45% 02-09-2045	186,335	185,356
Apple Inc.	3.45% 05-06-2024	818,346	824,030
Apple Inc.	4.65% 02-23-2046	1,146,637	1,160,838
AT&T Inc.	6.35% 03-15-2040	1,220,100	1,162,146
AT&T Wireless Services	8.75% 03-01-2031	574,818	543,504
Bank of America Corp.	3.5% 04-19-2026	294,507	291,068
Bank of New York Inc.	3.55% 09-23-2021	631,081	624,880
Bank of America Corp.	4.2% 08-26-2024	1,171,202	1,181,697
Bank One	8.75% 09-01-2030	500,702	506,689
Bank of America Corp.	6% 10-15-2036	1,304,190	1,206,474
Burlington Northern Santa Fe	6.15% 05-01-2037	482,775	485,336
CF Industries Inc.	5.375% 03-15-2044	744,419	730,399
Chevron Corp.	2.411% 03-03-2022	285,000	282,540
Chevron Corp.	2.954% 05-16-2026	490,000	481,999
Cigna Corp.	7.875% 05-15-2027	210,939	197,454
Cisco Systems Inc.	3% 06-15-2022	497,315	509,660
CitiGroup Inc.	4.45% 09-29-2027	846,057	853,311
CitiGroup Inc.	4.65% 7-30-2045	150,794	159,161
CitiGroup Inc.	4.75% 05-18-2046	153,011	155,179
CitiGroup Inc.	6.125% 08-25-2036	138,321	133,440
Coca-Cola Company	2.875% 10-27-2025	504,217	498,345
Comcast Corp.	6.95% 08-15-2037	4,231,845	4,153,089
Commonwealth Edison Company	4.7% 01-15-2044	781,948	771,072
Con Edison Inc.	3.85% 06-15-2046	294,584	281,470
Con Edison Inc.	4.625% 12-01-2054	289,261	304,228
Crown Castle	3.663% 05-15-2025	325,228	325,881
Darden Restaurants	6.8% 10-15-2037	750,374	775,763
Devon Energy Corp.	3.25% 05-15-2022	280,963	278,223
Devon Financing Corp.	7.875% 09-30-2031	958,453	862,814
Diamond 1 Finance Corp.	8.1% 07-15-2036	480,416	493,677
Discovery	6.35% 06-01-2040	395,121	387,592
Walt Disney Company	1.85% 07-30-2026	528,644	486,159
Duke Energy	4.375% 03-30-2044	735,470	714,999
Energy Transfer Partners	6.05% 06-01-2041	938,299	866,585
Endlink Midstream Partners LP	5.05% 04-01-2045	406,373	417,014
Enterprise Products Partners LP	4.9% 05-15-2046	259,051	266,890

The Lincoln Electric Company

Retirement Annuity Program

Schedule of Assets Held at End of Year (Continued)

Form 5500, Schedule H, Line 4i

EIN 34-0359955, Plan No. 001

December 31, 2016

(a)(b) Identity of Issuer	(c) Description of Investment	(d) Cost	(e) Current Value
Corporate Bonds (continued):			
Ford Motor Company	5.291% 12-08-2046	\$ 340,000	\$ 344,416
Frontier Communications	11% 09-15-2025	395,450	407,838
GE Capital	4.418% 11-15-2035	423,197	466,319
GE Capital	6.875% 01-10-2039	214,100	218,541
General Electric	4.5% 03-11-2044	85,389	85,878
General Motors Company	5.2% 04-01-2045	1,020,170	992,829
Georgia Pacific Corp.	8.875% 05-15-2031	1,069,569	1,044,573
Gilead Sciences	4.6% 09-01-2035	304,586	316,343
Gilead Sciences	4.75% 03-01-2046	1,250,625	1,226,085
Gilead Sciences	4% 09-01-2036	625,855	599,291
Goldman Sachs Capital	6.345% 02-15-2034	1,083,990	1,081,941
Goldman Sachs Group Inc.	2.75% 09-15-2020	382,631	376,620
Goldman Sachs Group Inc.	3.5% 11-16-2026	289,249	283,326
Goldman Sachs Group Inc.	3.85% 07-08-2024	280,420	285,821
Goldman Sachs Group Inc.	4.75% 10-21-2045	364,643	385,310
Goldman Sachs Group Inc.	5.75% 01-24-2022	288,820	281,054
Goldman Sachs Group Inc.	6.75% 10-01-2037	1,720,259	1,741,134
H.J. Heinz Company	6.75% 03-15-2032	165,678	157,548
Hess Corp.	5.8% 04-01-2047	383,892	415,128
Hewlett Packard Company	6.2% 10-15-2035	1,178,861	1,206,686
Home Depot Inc.	3.35% 09-15-2025	324,535	333,306
Home Depot Inc.	5.95% 04-01-2041	327,411	298,748
HSBC USA	5.875% 11-01-2034	2,247,264	2,142,185
Humana Inc.	8.15% 06-15-2038	1,039,871	951,294
Intel Corp.	4.9% 07-29-2045	339,964	374,759
IBM	3.45% 02-19-2026	568,091	583,158
International Paper Company	8.7% 06-15-2038	758,865	723,077
Johnson Controls	3.9% 02-14-2026	497,027	515,007
JPMorgan Chase & Co.	6.4% 05-15-2038	1,782,149	1,794,661
JPMorgan Chase & Co.	3.2% 01-25-2023	407,856	414,563
JPMorgan Chase & Co.	4.95% 06-01-2045	267,951	287,903
Kinder Morgan Inc.	5.55% 06-01-2045	313,720	326,050
Kinder Morgan Inc.	3.95% 09-01-2022	606,396	616,023
L Brands Inc.	6.875% 11-01-2035	115,000	117,300
Lowes Companies Inc.	3.375% 09-15-2025	352,945	361,084
Lowes Companies Inc.	6.65% 09-15-2037	1,180,499	1,165,477
Mastercard Inc.	3.8% 11-21-2046	644,048	642,029
Medtronic Inc.	4.375% 03-15-2035	364,255	387,201
Medtronic Inc.	4.625% 03-15-2045	825,728	854,323
Merk & Co Inc.	2.75% 02-10-2025	655,705	648,029
Merril Lynch & Co.	6.11% 01-29-2037	598,200	597,871
Met Life Global	3.875% 04-11-2022	1,448,862	1,437,119
MetLife Inc.	10.75% 08-01-2039	1,506,526	1,419,875
MetLife Inc.	5.7% 06-15-2035	1,034,163	1,000,142

The Lincoln Electric Company

Retirement Annuity Program

Schedule of Assets Held at End of Year (Continued)

Form 5500, Schedule H, Line 4i

EIN 34-0359955, Plan No. 001

December 31, 2016

(a)(b) Identity of Issuer	(c) Description of Investment	(d) Cost	(e) Current Value
Corporate Bonds (continued):			
Microsoft Corp.	2.4% 08-08-2026	\$ 429,704	\$ 406,220
Microsoft Corp.	3.7% 08-08-2046	954,528	889,684
Microsoft Corp.	4.45% 11-03-2045	620,538	655,233
Microsoft Corp.	4.5% 10-01-2040	73,614	74,381
Monsanto Company	4.7% 07-15-2064	123,679	112,587
Morgan Stanley	2.28178% 10-24-2023/10-24-2022	510,000	515,667
Morgan Stanley	3.875% 01-27-2026	313,065	303,032
Morgan Stanley	7.25% 04-01-2032	773,570	772,302
MPLX LP	4.875% 06-01-2025	402,132	400,977
Mutual Omaha Insurance Company	4.297% 07-15-2054	468,669	452,794
National Oilwell Varco	3.95% 12-01-2042	610,319	483,654
Newell Brands Inc.	5.375% 04-01-2036	289,219	293,045
Oglethorpe Power Corp.	5.25% 09-01-2050	1,037,673	948,187
Ohio Edison Co.	8.25% 10-15-2038	1,308,460	1,196,449
Oracle Corp.	4% 07-15-2046	877,447	832,152
Oracle Corp.	5.375% 07-15-2040	450,860	429,981
Oracle Corp.	6.125% 07-08-2039	437,071	427,853
Pacific Life Insurance Co.	9.25% 06-15-2039	642,512	605,621
Pacificorp	3.35% 07-01-2025	754,034	766,190
Pacificorp	6.25% 10-15-2037	827,161	803,119
Peco Energy Co.	1.7% 09-15-2021	399,888	388,320
Pfizer Inc.	4% 12-15-2036	1,074,805	1,106,513
Pfizer Inc.	5.6% 09-15-2040	1,005,570	905,066
Pharmacia Corp	6.6% 12-01-2028	227,405	223,237
Philip Morris International	4.125% 03-04-2043	315,151	304,821
Praxair Inc.	3.2% 01-30-2026	474,886	466,647
Public Service Colorado	2.9% 05-15-2025	588,118	584,194
American Tower Corp.	3.07% 03-15-2023	902,093	911,830
Crown Castle Towers	6.113% 01-15-2040	883,682	850,517
Diamond 1 Finance Corp.	8.35% 07-15-2046	684,890	781,868
H.J. Heinz Finance Co.	7.125% 08-01-2039	246,061	222,947
KKR Group Finance Co.	5.125% 06-01-2044	974,354	896,955
Monongahela Power Co.	5.4% 12-15-2043	850,601	829,864
Mylan	5.25% 06-15-2046	662,285	581,045
Nationwide Mutual Insurance Co.	9.375% 08-15-2039	450,981	430,469
SBA Tower	3.869% 10-15-2049	540,000	543,968
Teachers Insurance & Annuity	4.9% 09-15-2044	274,744	297,483
Westlake Chemical Corp.	4.875% 05-15-2023	575,829	575,813
ZFS Finance USA	6.5% 05-09-2067	397,750	370,981
QVC Inc.	5.45% 08-15-2034	164,228	150,194
QVC Inc.	5.95% 03-15-2043	158,769	157,478
Reynolds American Inc.	8.125% 05-01-2040	788,510	781,121

The Lincoln Electric Company

Retirement Annuity Program

Schedule of Assets Held at End of Year (Continued)

Form 5500, Schedule H, Line 4i

EIN 34-0359955, Plan No. 001

December 31, 2016

(a)(b) Identity of Issuer	(c) Description of Investment	(d) Cost	(e) Current Value
Corporate Bonds (continued):			
San Diego Gas & Electric Co.	4.3% 04-01-2042	\$ 872,427	\$ 852,549
SBC Communications	6.45% 06-15-2034	1,050,499	974,567
South Carolina Electric & Gas Co.	5.3% 05-15-2033	500,954	490,182
Simon Property Group	6.75% 02-01-2040	881,045	854,043
Southern Power Co.	4.95% 12-15-2046	1,244,018	1,247,281
Southern Power Co.	5.25% 07-15-2043	348,408	302,005
GE Capital	5.875% 01-14-2038	1,437,620	1,427,172
Sprint Capital Corp.	8.75% 03-15-2032	524,481	539,000
Target Corp.	6.5% 10-15-2037	720,455	734,965
Time Warner Cable	7.3% 07-01-2038	754,260	738,085
Time Warner Inc.	6.1% 07-15-2040	300,708	285,383
Toyota Motor Credit Corp.	3.3% 01-12-2022	435,830	433,886
Union Pacific Corp.	2.75% 03-01-2026	544,819	536,318
United Parcel Service	8.375% 04-01-2030	402,629	396,085
United Technologies Corp.	4.15% 05-15-2045	209,710	212,098
UnitedHealth Group	3.875% 10-15-2020	288,363	284,332
UnitedHealth Group	6.625% 11-15-2037	1,438,972	1,438,870
UnitedHealth Group	6.875% 02-15-2038	564,699	517,103
United Technologies	4.5% 06-01-2042	913,388	920,574
Validus Holdings Ltd.	8.875% 01-26-2040	481,528	439,522
Verizon Communications	6.55% 09-15-2043	496,396	455,877
Verizon Communications	7.35% 04-01-2039	1,059,913	1,000,055
Viacom Inc.	4.5% 02-27-2042	421,758	373,041
Vodafone Airtouch plc	7.875% 02-15-2030	876,307	873,795
Wal-Mart Stores	6.5% 08-15-2037	1,631,811	1,622,182
Wells Fargo & Co.	3% 10-23-2026	204,730	195,241
Wells Fargo & Co.	5.606% 01-15-2044	282,629	288,925
Wells Fargo & Co.	5.95% 08-26-2036	726,672	682,806
Westlake Chemical Corp.	5% 08-15-2046	248,538	251,877
21st Century Fox	6.2% 12-15-2034	641,572	634,381
21st Century Fox	6.4% 12-15-2035	371,038	346,448
Fifth Third Bank	2.875% 10-01-2021	397,940	404,758
Aberdeen Asset	Funds - Other Fixed Income - Customized Liability Driven Investing Opp Fixed Income Portfolio	105,919,463	163,791,124
	Fixed Income Derivatives - Futures - Futures contracts - Mark-to-market	41,028	41,028
	Partnerships:		
Pantheon	Pantheon USA Fund VIII, LP	13,839,549	\$ 20,648,344
JPMorgan Private Equity Group	PEG European Corp Fin IV	4,556,696	4,432,426

The Lincoln Electric Company

Retirement Annuity Program

Schedule of Assets Held at End of Year (Continued)

Form 5500, Schedule H, Line 4i

EIN 34-0359955, Plan No. 001

December 31, 2016

(a)(b) Identity of Issuer	(c) Description of Investment	(d) Cost	(e) Current Value
Partnerships (continued):			
JPMorgan Private Equity Group	PEG U.S. Corporate Finance Institutional Investors IV	\$ 9,124,553	\$ 11,726,004
JPMorgan Private Equity Group	PEG VC Institutional Investors IV, LLC	4,334,903	5,452,697
Northern Trust	Money Market - Collective Short Term Investment Fund	6,921,495	6,921,495
Northern Trust	Interest-bearing cash	1,147,668	1,147,668
Total		<u>\$ 441,393,562</u>	<u>\$ 524,158,653</u>

The Lincoln Electric Company

Retirement Annuity Program

Schedule of Reportable Transactions

Form 5500, Schedule H, Line 4j
EIN 34-0359955, Plan No. 001
Year Ended December 31, 2016

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain (Loss)
Category (iii) - A series of transactions with respect to securities of the same issue that amount in the aggregate to more than 5 percent of the beginning value of the total plan assets:						
LINCOLN ELECTRIC RETIREMENT ANNUITY PROGRAM	MFB NT COLLECTIVE S&P 500 INDEX FUND-NON LENDING					
	Purchases -	\$ -	\$ -	\$ -	\$ -	\$ -
	Sales -	-	25,000,000	20,070,355	25,000,000	4,929,645
LINCOLN ELECTRIC RETIREMENT ANNUITY PROGRAM	UTD STATES TREAS 1.625% DUE 05-15-2026					
	Purchases -	12,430,785	-	12,430,785	12,430,785	-
	Sales -	-	12,400,143	12,430,785	12,400,143	(30,642)
LINCOLN ELECTRIC RETIREMENT ANNUITY PROGRAM	US TREASURY N/B 3.0% 11-15-2045					
	Purchases -	12,689,858	-	12,689,858	12,689,858	-
	Sales -	-	13,426,283	13,242,444	13,426,283	183,839
LINCOLN ELECTRIC RETIREMENT ANNUITY PROGRAM	UNITED STATES TREAS BDS DTD 00247 2.5% DUE 02-15-2046					
	Purchases -	19,228,667	-	19,228,667	19,228,667	-
	Sales -	-	19,796,288	19,228,667	19,796,288	567,621
LINCOLN ELECTRIC RETIREMENT ANNUITY PROGRAM	UNITED STATES OF AMER TREAS BONDS DTD 05/15/2016 2.5% DUE 05-15-2046					
	Purchases -	24,229,127	-	24,229,127	24,229,127	-
	Sales -	-	16,465,730	17,768,456	16,465,730	(1,302,726)
LINCOLN ELECTRIC RETIREMENT ANNUITY PROGRAM	COLTV SHORT TERM INVT FD					
	Purchases -	35,531,803	-	35,531,803	35,531,803	-
	Sales -	-	34,451,270	34,451,270	34,451,270	-

There were no Category (i), (ii), or (iv) reportable transactions during the year.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26¹ Schedule of Active Participant Data as of January 1, 2016

Attained Age	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
Under 25	0		0		0		0		0		0		0		0		0		0	
25 - 29	0		0		0		1		0		0		0		0		0		0	
30 - 34	0		0		0		39	50,502	1		0		0		0		0		0	
35 - 39	0		0		0		69	55,286	32	55,710	3		0		0		0		0	
40 - 44	0		0		0		66	57,947	85	63,395	69	57,476	1		0		0		0	
45 - 49	0		0		0		57	54,450	69	58,217	124	59,026	64	61,363	1		0		0	
50 - 54	0		1		0		39	59,046	40	64,810	75	48,440	129	69,050	16		6		0	
55 - 59	0		0		1		37	49,888	26	61,735	41	58,146	65	55,425	26	95,455	99	64,989	1	
60 - 64	0		0		2		9		20		19		21	51,902	8		49	77,868	44	60,598
65 - 69	0		0		0		5		8		0		3		0		1		4	
70 & Over	0		0		0		0		1		0		1		0		0		0	

¹ Excludes 48 participants as of January 1, 2016 who are no longer earning accruals under the Retirement Annuity Program or the Harris Calorific Division Retirement Plan.

Plan Name: The Lincoln Electric Company Retirement Annuity Program
 EIN / PN: 34-0359955 / 001
 Plan Sponsor: The Lincoln Electric Company
 Valuation Date: January 1, 2016

Plan sponsor

EIN/PN

Interest rates basis:

■ Applicable month	September	
■ Yield curve basis	3-Segment Rates	
Interest rates:	Reflecting HATFA Corridors	Not Reflecting HATFA Corridors
■ First segment rate	4.43%	1.34%
■ Second segment rate	5.91%	4.03%
■ Third segment rate	6.65%	5.06%
■ Effective interest rate	6.22%	4.52%

None.

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

The amount included this year for plan-related expenses is \$423,410, based on 2015 actual administrative expenses net of PBGC premiums, plus the expected 2016 PBGC premium.

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SCHEDULE SB ATTACHMENTS

Mortality

Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amounts adjustments projected to 2031 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amounts adjustments projected to 2023 using scale AA).

Retirement

For participants of the Harris Calorific Retirement Plan:

It is assumed that participants will retire upon becoming eligible for normal retirement.

For participants of the Retirement Annuity Program:

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

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

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

Disability

For participants of the Harris Calorific Retirement Plan:

The rates at which participants become disabled by age and gender are shown below:

Percentage becoming disabled during the year		
Age	Males	Females
25	.38%	.47%
30	.48	.80
35	.69	1.36
40	1.17	2.11
45	2.02	3.23
50	3.58	5.33
55	7.22	9.52
60	12.56	11.59
65	17.53	13.58

For participants of the Retirement Annuity Program:

None.

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

Compensation increases

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

Future increases in Social Security

Not applicable.

Future increases in maximum benefits and plan compensation limitations

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

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

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

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

Form of payment

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

For funding purposes, lump sums were valued using the substitution of annuity form under IRS Regulation 1.430(d)-1(f)(4) with mortality as prescribed by IRS Notice 2015-53 for 2016 commencements.

Marriage

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

Plan Name: The Lincoln Electric Company Retirement Annuity Program
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Plan Sponsor: The Lincoln Electric Company
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Employees

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

Compensation/salary for plan participants

Compensation assumed paid in the current year beginning on the valuation date equals the actual prior year's plan compensation as provided by the Company increased according to compensation increase assumption. For Retirement Annuity Program participants, the compensation for the two month period prior to the valuation was estimated by prorating the prior year compensation for the annual period ending October 31, 2015.

Asset method

The valuation assets are equal to the average of three values (all determined without regard to receivable contributions), the result increased by the discounted present value of receivable contributions expected to be made after the valuation date based on the prior plan year PPA effective interest rate. This amount is then subject to a 10% corridor around the market value of assets (including the discounted present value of receivable contributions) as of the valuation date. The three values used to develop the average value are: the market value of assets as of the current valuation date, the adjusted market value of assets as of the prior valuation date and the adjusted market value of assets as of the second prior valuation date. The adjusted market value as of a relevant valuation date is equal to the market value of assets as of the prior valuation date increased by actual plan contributions and assumed return on plan assets and decreased by actual plan disbursements after that date until the current valuation date. The assumed rate of return on plan assets for the prior plan year (pursuant to IRS Notice 2009-22) was 6.40%, which is the lesser of the anticipated rate of return on assets for the plan year, equal to 6.40%, and the applicable limitation for the plan year, equal to 6.81%. The assumed rate of return on plan assets for the second prior plan year (pursuant to IRS Notice 2009-22) was 6.99%, which is the lesser of the anticipated rate of return on assets for the plan year, equal to 7.40%, and the applicable limitation for the plan year, equal to 6.99%. The algebraically equivalent development of this method (pursuant to IRS Notice 2009-22) is shown in Section 2.3. Because expected investment returns under this method are limited under WRERA, over time it is more likely to produce an actuarial value that is expected to be less than the market value of assets.

Participant data

For the Retirement Annuity Program, participant data were provided by the Company as of the valuation date via the eePoint administration system and includes compensation for the annual period ending October 31 preceding the valuation date. For the Harris Calorific Division Retirement Plan, employee data was provided by the Company via a secure internet site and data on persons receiving benefits were supplied by the plan trustee.

Tax policy

The actuarial valuation performed for the plan year ending December 31, 2016 is used to determine the maximum deductible contribution for the tax year ending December 31, 2016.

Plan Name:	The Lincoln Electric Company Retirement Annuity Program
EIN / PN:	34-0359955 / 001
Plan Sponsor:	The Lincoln Electric Company
Valuation Date:	January 1, 2016

SCHEDULE SB ATTACHMENTS

Benefits not valued

For participants of the Retirement Annuity Program:

The residual death benefit has not been valued. It is considered immaterial.

Willis Towers Watson has reviewed the plan provisions with the Company and based on that review, is not aware of any other significant benefits required to be valued that were not.

Methods

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

Assumptions Rationale - Significant Economic Assumptions

Discount rate	The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.
Lump sum conversion rate	As required by IRC 430, lump sum benefits are valued using "annuity substitution", so that the interest rates assumed are effectively the same as described above for the discount rate.

Rates of increase in:

■ Compensation

Assumed compensation increases are based on a combination of assumed future (i) cost-of-living increases (CPI), (ii) productivity increases and (iii) promotional increases. Productivity increases are consistent with the assumed real increases in NAW (i.e., increases in assumed NAW less increases in assumed CPI). Promotional increases were based on plan sponsor expectations and a study of increases received by plan participants in the years 2011-2013.

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Plan Sponsor: The Lincoln Electric Company
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality

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

Disabled Mortality

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

Retirement

For participants of the Harris Calorific Division Retirement Plan:

The assumed retirement age is a single age intended to capture the average age at commencement with periodic monitoring of observed gains and losses caused by retirement patterns different than assumed. Early retirement factors are not subsidized so the difference between this approach and using an assumption at multiple ages is not expected to be significant.

For Retirement Annuity Program participants:

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

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

Termination

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

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

Plan Name: The Lincoln Electric Company Retirement Annuity Program
EIN / PN: 34-0359955 / 001
Plan Sponsor: The Lincoln Electric Company
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Disability

For participants of the Harris Calorific Division Retirement Plan:

Disability rates were based on a published table for pension participants believed to have reasonably similar characteristics participating in pension plans with similar disability provisions. Assumed disability rates differ by age and gender because of expected differences in disability rates by age and gender.

Benefit commencement date for deferred benefits:

Deferred vested benefit

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

Form of payment

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

Source of Prescribed Methods

Funding methods

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

Changes in assumptions and methods since last actuarial valuation

Other than the prescribed change in interest rate and mortality, there were no changes in assumptions and/or methods made as part of this valuation.

Plan Name: The Lincoln Electric Company Retirement Annuity Program
EIN / PN: 34-0359955 / 001
Plan Sponsor: The Lincoln Electric Company
Valuation Date: January 1, 2016

Plan Name	The Lincoln Electric Company Retirement Annuity Program
Plan Sponsor EIN	34-0359955
ERISA Plan #	001
Plan Year Ending	2016

The required attachment marked with an “X” in the Attachment column is included within the Accountant’s Opinion attachment to Sch. H, Part III, Line 3, which consists of the entire audit report issued by the plan’s Independent Qualified Public Accountant (IQPA).

Form / Schedule	Line #	Description	Attachment
5500 Sch. H	Line 3	Financial statements used in formulating the IQPA's opinion	X
5500 Sch. H	Line 4i	Schedule of Assets (Held at End of Year)	X
5500 Sch. H	Line 4i	Schedule of Assets (Acquired and Disposed of Within Year)	
5500 Sch. H	Line 4j	Schedule of Reportable Transactions	X
5500 Sch. H	Line 4a	Schedule of Delinquent Participant Contributions	

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 LINCOLN ELECTRIC COMPANY RETIREMENT ANNUITY PROGRAM	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">B Three-digit plan number (PN) ►</td> <td style="width:40%; text-align: center;">001</td> </tr> </table>	B Three-digit plan number (PN) ►	001
B Three-digit plan number (PN) ►	001		
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF THE LINCOLN ELECTRIC COMPANY	D Employer Identification Number (EIN) 34-0359955		
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500		

Part I Basic Information

1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2016</u>	
2	Assets:	
	a Market value.....	2a 516,311,779
	b Actuarial value.....	2b 531,099,348
3	Funding target/participant count breakdown	
	a For retired participants and beneficiaries receiving payment.....	190 43,721,419 43,721,419
	b For terminated vested participants.....	494 32,077,214 32,077,214
	c For active participants.....	1,526 253,804,687 254,105,847
	d Total.....	2,210 329,603,320 329,904,480
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 6.22%
6	Target normal cost.....	6 12,861,530

Statement by Enrolled Actuary

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

SIGN HERE	Samantha S. Telljohann Signature of actuary Samantha S. Telljohann Type or print name of actuary Towers Watson Delaware Inc. Firm name 1001 Lakeside Avenue, Suite 1500 Cleveland OH 44114 Address of the firm	SST 9/16/2017 Date 09/15/2017 1707891 Most recent enrollment number 216-937-4000 Telephone number (including area code)
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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).....	0	234,354,638
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year).....	0	82,975
9 Amount remaining (line 7 minus line 8).....	0	234,271,663
10 Interest on line 9 using prior year's actual return of <u>0.90%</u>	0	2,127,662
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year).....		18,739,829
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>6.28%</u>		1,176,861
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.....		19,916,690
d Portion of (c) to be added to prefunding balance.....		0
12 Other reductions in balances due to elections or deemed elections.....	0	48,065,987
13 Balance at beginning of current year (line 9 + line 10 + line 11d - line 12).....	0	188,333,338

Part III Funding Percentages

14 Funding target attainment percentage.....	14	103.89%
15 Adjusted funding target attainment percentage.....	15	126.48%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	104.50%
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
09/01/2016	86,304				
Totals ▶			18(b)	86,304	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	82,901

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: 4.43 %	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 61
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	
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	12,861,530	
b Excess assets, if applicable, but not greater than line 31a	31b	12,861,530	
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	82,901	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	82,901	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

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

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	The Lincoln Electric Company
EIN/PN	34-0359955/001
Plan Name	The Lincoln Electric Company Retirement Annuity Program
Valuation Date	January 1, 2016
Enrolled Actuary	Samantha S. Telljohann
Enrollment Number	17-07891

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

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

Plan Name:	The Lincoln Electric Company Retirement Annuity Program
EIN / PN:	34-0359955 / 001
Plan Sponsor:	The Lincoln Electric Company
Valuation Date:	January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 13 Carryover Balances and Prefunding Balances as of January 1, 2016

Effective December 31, 2015 the Harris Calorific Division Retirement Plan (EIN/PN: 31-0713399/002) merged in this plan. Listed below are the Prefunding balances (PFB) for each plan (all Carryover balances are zero as of January 1, 2016:

Schedule SB Line Item		a) Harris	b) RAP	c) Total Plan (a) + (b)
7	Balance at beginning of prior year	3,926,409	230,428,229	234,354,638
8	Portion elected to use	82,975	0	82,975
9	Amount remaining (7-8)	3,843,434	230,428,229	234,271,663
10	Interest on line 9 using last year's actual return of 1.40% and 0.90% for a) and b), respectively	53,808	2,073,854	2,127,662
11a	PV of excess contributions	0	18,739,829	18,739,829
11b(1)	Interest on excess using prior year EIR of 6.34% and 6.28% for a) and b), respectively	0	1,176,861	1,176,861
11b(2)	Interest on line 38b from prior year	0	0	0
11c	Total available to add to PFB	0	19,916,690	19,916,690
11d	Portion of 11c to be added to PFB	0	0	0
12	Other reductions	0	48,065,987	48,065,987
13	Balance at beginning of current year (9 + 10 + 11d - 12)	3,897,242	184,436,096	188,333,338

Plan Name: The Lincoln Electric Company Retirement Annuity Program
 EIN / PN: 34-0359955 / 001
 Plan Sponsor: The Lincoln Electric Company
 Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22 Description of Weighted Average Retirement Age as of January 1, 2016

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

Summary

<u>Plan</u>	<u>Number of Participants</u>	<u>Weighted Average Retirement Age</u>
Former Retirement Annuity Program	1450	61
Former Harris Calorific Retirement Plan	76	65
Total Weighted Average Retirement Age		61

Former Retirement Annuity Program:

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

Former Harris Calorific Retirement Plan: Age 65

Plan Name: The Lincoln Electric Company Retirement Annuity Program
EIN / PN: 34-0359955 / 001
Plan Sponsor: The Lincoln Electric Company
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26¹ Schedule of Active Participant Data as of January 1, 2016

Attained Age	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
Under 25	0		0		0		0		0		0		0		0		0		0	
25 - 29	0		0		0		1		0		0		0		0		0		0	
30 - 34	0		0		0		39	50,502	1		0		0		0		0		0	
35 - 39	0		0		0		69	55,286	32	55,710	3		0		0		0		0	
40 - 44	0		0		0		66	57,947	85	63,395	69	57,476	1		0		0		0	
45 - 49	0		0		0		57	54,450	69	58,217	124	59,026	64	61,363	1		0		0	
50 - 54	0		1		0		39	59,046	40	64,810	75	48,440	129	69,050	16		6		0	
55 - 59	0		0		1		37	49,888	26	61,735	41	58,146	65	55,425	26	95,455	99	64,989	1	
60 - 64	0		0		2		9		20		19		21	51,902	8		49	77,868	44	60,598
65 - 69	0		0		0		5		8		0		3		0		1		4	
70 & Over	0		0		0		0		1		0		1		0		0		0	

¹ Excludes 48 participants as of January 1, 2016 who are no longer earning accruals under the Retirement Annuity Program or the Harris Calorific Division Retirement Plan.

Plan Name: The Lincoln Electric Company Retirement Annuity Program
 EIN / PN: 34-0359955 / 001
 Plan Sponsor: The Lincoln Electric Company
 Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions and Methods

Plan sponsor

The Lincoln Electric Company

EIN/PN

34-0359955/001

Interest rates basis:

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

Interest rates:	Reflecting HATFA Corridors	Not Reflecting HATFA Corridors
■ First segment rate	4.43%	1.34%
■ Second segment rate	5.91%	4.03%
■ Third segment rate	6.65%	5.06%
■ Effective interest rate	6.22%	4.52%

Assumed cost of living adjustments

None.

Inclusion date

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

Plan-related expenses

The amount included this year for plan-related expenses is \$423,410, based on 2015 actual administrative expenses net of PBGC premiums, plus the expected 2016 PBGC premium.

Plan Name: The Lincoln Electric Company Retirement Annuity Program
EIN / PN: 34-0359955 / 001
Plan Sponsor: The Lincoln Electric Company
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Mortality

Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amounts adjustments projected to 2031 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amounts adjustments projected to 2023 using scale AA).

Retirement

For participants of the Harris Calorific Retirement Plan:

It is assumed that participants will retire upon becoming eligible for normal retirement.

For participants of the Retirement Annuity Program:

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

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

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

Disability

For participants of the Harris Calorific Retirement Plan:

The rates at which participants become disabled by age and gender are shown below:

Percentage becoming disabled during the year		
Age	Males	Females
25	.38%	.47%
30	.48	.80
35	.69	1.36
40	1.17	2.11
45	2.02	3.23
50	3.58	5.33
55	7.22	9.52
60	12.56	11.59
65	17.53	13.58

For participants of the Retirement Annuity Program:

None.

Plan Name: The Lincoln Electric Company Retirement Annuity Program
EIN / PN: 34-0359955 / 001
Plan Sponsor: The Lincoln Electric Company
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Compensation increases

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

Future increases in Social Security

Not applicable.

Future increases in maximum benefits and plan compensation limitations

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

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

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

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

Form of payment

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

For funding purposes, lump sums were valued using the substitution of annuity form under IRS Regulation 1.430(d)-1(f)(4) with mortality as prescribed by IRS Notice 2015-53 for 2016 commencements.

Marriage

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

Plan Name: The Lincoln Electric Company Retirement Annuity Program
EIN / PN: 34-0359955 / 001
Plan Sponsor: The Lincoln Electric Company
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Employees

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

Compensation/salary for plan participants

Compensation assumed paid in the current year beginning on the valuation date equals the actual prior year's plan compensation as provided by the Company increased according to compensation increase assumption. For Retirement Annuity Program participants, the compensation for the two month period prior to the valuation was estimated by prorating the prior year compensation for the annual period ending October 31, 2015.

Asset method

The valuation assets are equal to the average of three values (all determined without regard to receivable contributions), the result increased by the discounted present value of receivable contributions expected to be made after the valuation date based on the prior plan year PPA effective interest rate. This amount is then subject to a 10% corridor around the market value of assets (including the discounted present value of receivable contributions) as of the valuation date. The three values used to develop the average value are: the market value of assets as of the current valuation date, the adjusted market value of assets as of the prior valuation date and the adjusted market value of assets as of the second prior valuation date. The adjusted market value as of a relevant valuation date is equal to the market value of assets as of the prior valuation date increased by actual plan contributions and assumed return on plan assets and decreased by actual plan disbursements after that date until the current valuation date. The assumed rate of return on plan assets for the prior plan year (pursuant to IRS Notice 2009-22) was 6.40%, which is the lesser of the anticipated rate of return on assets for the plan year, equal to 6.40%, and the applicable limitation for the plan year, equal to 6.81%. The assumed rate of return on plan assets for the second prior plan year (pursuant to IRS Notice 2009-22) was 6.99%, which is the lesser of the anticipated rate of return on assets for the plan year, equal to 7.40%, and the applicable limitation for the plan year, equal to 6.99%. The algebraically equivalent development of this method (pursuant to IRS Notice 2009-22) is shown in Section 2.3. Because expected investment returns under this method are limited under WRERA, over time it is more likely to produce an actuarial value that is expected to be less than the market value of assets.

Participant data

For the Retirement Annuity Program, participant data were provided by the Company as of the valuation date via the eePoint administration system and includes compensation for the annual period ending October 31 preceding the valuation date. For the Harris Calorific Division Retirement Plan, employee data was provided by the Company via a secure internet site and data on persons receiving benefits were supplied by the plan trustee.

Tax policy

The actuarial valuation performed for the plan year ending December 31, 2016 is used to determine the maximum deductible contribution for the tax year ending December 31, 2016.

Plan Name:	The Lincoln Electric Company Retirement Annuity Program
EIN / PN:	34-0359955 / 001
Plan Sponsor:	The Lincoln Electric Company
Valuation Date:	January 1, 2016

SCHEDULE SB ATTACHMENTS

Benefits not valued

For participants of the Retirement Annuity Program:

The residual death benefit has not been valued. It is considered immaterial.

Willis Towers Watson has reviewed the plan provisions with the Company and based on that review, is not aware of any other significant benefits required to be valued that were not.

Methods

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

Assumptions Rationale - Significant Economic Assumptions

Discount rate	The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.
Lump sum conversion rate	As required by IRC 430, lump sum benefits are valued using "annuity substitution", so that the interest rates assumed are effectively the same as described above for the discount rate.

Rates of increase in:

■ Compensation

Assumed compensation increases are based on a combination of assumed future (i) cost-of-living increases (CPI), (ii) productivity increases and (iii) promotional increases. Productivity increases are consistent with the assumed real increases in NAW (i.e., increases in assumed NAW less increases in assumed CPI). Promotional increases were based on plan sponsor expectations and a study of increases received by plan participants in the years 2011-2013.

Plan Name: The Lincoln Electric Company Retirement Annuity Program
EIN / PN: 34-0359955 / 001
Plan Sponsor: The Lincoln Electric Company
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h). Assumptions used for ASC 960 purposes were selected by the plan sponsor and represent a best estimate of future experience.
Disabled Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h). Assumptions used for ASC 960 purposes were selected by the plan sponsor and represent a best estimate of future experience.
Retirement	<i>For participants of the Harris Calorific Division Retirement Plan:</i> The assumed retirement age is a single age intended to capture the average age at commencement with periodic monitoring of observed gains and losses caused by retirement patterns different than assumed. Early retirement factors are not subsidized so the difference between this approach and using an assumption at multiple ages is not expected to be significant. <i>For Retirement Annuity Program participants:</i> Retirement rates were based on an experience study conducted in 2012, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future. Retirement rates are based on plan sponsor expectations for the future reflecting current economic conditions with periodic monitoring of observed gains and losses caused by retirement patterns different than assumed.
Termination	Termination rates were based on a published table for pension participants believed to have similar characteristics to the plan population. No significant plan gains and losses would be caused by termination patterns different than assumed. Assumed termination rates differ by age because of expected differences in termination rates by age.

Plan Name: The Lincoln Electric Company Retirement Annuity Program
EIN / PN: 34-0359955 / 001
Plan Sponsor: The Lincoln Electric Company
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Disability

For participants of the Harris Calorific Division Retirement Plan:

Disability rates were based on a published table for pension participants believed to have reasonably similar characteristics participating in pension plans with similar disability provisions. Assumed disability rates differ by age and gender because of expected differences in disability rates by age and gender.

Benefit commencement date for deferred benefits:

Deferred vested benefit

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

Form of payment

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

Source of Prescribed Methods

Funding methods

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

Changes in assumptions and methods since last actuarial valuation

Other than the prescribed change in interest rate and mortality, there were no changes in assumptions and/or methods made as part of this valuation.

Plan Name: The Lincoln Electric Company Retirement Annuity Program
EIN / PN: 34-0359955 / 001
Plan Sponsor: The Lincoln Electric Company
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V

Summary of Principal Plan Provisions

Plan sponsor

The Lincoln Electric Company

Plan

The Lincoln Electric Company Retirement Annuity Program

Effective date and most recent amendment

December 28, 1936 (most recently amended effective December 31, 2015).

Plan year

The twelve-month period ending December 31st.

Changes in Benefits Valued

The plan was amended effective August 18, 2015 to purchase a group annuity contract for retired participants who had commenced their entire benefit as of June 1, 2015.

Effective on the close of business on December 31, 2015 the Harris Calorific Division Retirement Plan was merged into The Lincoln Electric Company Retirement Annuity Program to create The Lincoln Electric Company Retirement Annuity Program.

Plan document: Retirement Annuity Program

Eligibility

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

Plan Name:	The Lincoln Electric Company Retirement Annuity Program
EIN / PN:	34-0359955 / 001
Plan Sponsor:	The Lincoln Electric Company
Valuation Date:	January 1, 2016

SCHEDULE SB ATTACHMENTS

Normal retirement benefit

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

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

Early retirement benefit

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

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

Disability benefit

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

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

Vested benefits upon termination of service

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

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

Death benefits for participants in active service

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

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

Plan Name: The Lincoln Electric Company Retirement Annuity Program
EIN / PN: 34-0359955 / 001
Plan Sponsor: The Lincoln Electric Company
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

FSP benefits

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

FSP plus benefits

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

Postponed commencement

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

Postretirement death benefit

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

Normal form of payment

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

Optional forms of retirement income in lieu of normal form

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

Plan Name:	The Lincoln Electric Company Retirement Annuity Program
EIN / PN:	34-0359955 / 001
Plan Sponsor:	The Lincoln Electric Company
Valuation Date:	January 1, 2016

SCHEDULE SB ATTACHMENTS

Group Annuity Purchase

The plan was amended effective August 18, 2015 to purchase a group annuity contract for retired participants who had commenced their entire benefit as of June 1, 2015. These participants will no longer be valued in the pension plan, since no further benefits are due from the plan.

Plan document: Harris Calorific Division Retirement Plan

Coverage and Participation

An employee is eligible to participate in the plan the first day of the Plan Year following employment provided 1,000 hours are worked in the first year of employment. If an employee fails to attain the necessary 1,000 hours during the first year of employment, such employee will become a Participant as of the first day of the Plan Year following a Plan Year in which 1,000 hours are completed. Employees hired after May 1, 2007 are excluded from plan participation.

Normal Retirement Benefit

Normal Retirement Date: A participant is eligible for a Normal Retirement benefit upon attainment of age 65 or the fifth anniversary of hire, if later.

Benefit Formula: The Normal Retirement benefit is a monthly annuity benefit equal to 1/12 of 1-1/2% of base compensation earned while a Participant after April 1, 1990. Effective for accruals on or after January 1, 2008, participants electing employer provided defined contribution benefits cease accruals under this plan. Base compensation shall include base salary and/or wages plus overtime (excluding bonuses) and shall not exceed the IRC Section 401(a)(17) compensation limit. The maximum normal annuity shall be subject to the IRC Section 415 benefit limitation.

Early Retirement Benefit

Eligibility: A participant is eligible for an Early Retirement benefit if employment with the Company terminates after attainment of age 55 with 10 years of vesting service.

Benefit: The Early Retirement benefit is a monthly annuity benefit equal to the accrued benefit as calculated like the Normal Retirement benefit above payable at age 65. An immediate benefit is available actuarially reduced (based on the UP-1984 Mortality Table and a 6.0% interest rate) for early commencement. The estimated benefit percent starting at age 60 is 60% and the estimated benefit percent starting at age 55 is 39%.

Plan Name:	The Lincoln Electric Company Retirement Annuity Program
EIN / PN:	34-0359955 / 001
Plan Sponsor:	The Lincoln Electric Company
Valuation Date:	January 1, 2016

SCHEDULE SB ATTACHMENTS

Disability Benefit

Eligibility: A participant is eligible for a Disability Retirement benefit if employment with the Company is terminated due to a Total Disability at any age with 10 years of vesting service.

Benefit: The Disability Retirement benefit is a monthly annuity benefit equal to the accrued benefit as calculated like the Normal Retirement benefit above payable monthly after a six month wait without reduction for earlier commencement until Normal Retirement or recovery from Total Disability, whichever is earlier.

Vested Benefits upon Termination of Service

Eligibility: A participant is eligible for a Vested Terminated benefit at any age with 5 years of vesting service.

Benefit: The Vested Terminated benefit is a monthly annuity benefit equal to the accrued benefit as calculated like the Normal Retirement benefit above payable at age 65. Early commencement is available for participants who had completed 10 years of vesting service upon attainment of age 55 on an actuarially reduced basis.

Death Benefits for Participants in Active Service

Eligibility: A vested participant who dies prior to his/her Annuity Starting Date (age 65 for disabled retirees) is eligible for a Pre-Retirement Surviving Spouse's Annuity provided he/she has been married for at least one year.

Benefit: The Pre-Retirement Surviving Spouse's Annuity is a monthly pension commencing immediately to an eligible surviving spouse, based on the accrued Normal Retirement benefit to date of death. The benefit is actuarially reduced for early commencement and 100% Joint and Survivor coverage.

Normal Form of Payment

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

Optional Forms of Retirement Income in Lieu of Normal Form

Benefits are available under actuarially equivalent optional forms. These include 50% and 100% joint and survivor options, 5, 10, 15 and 20 year certain and continuous options. A lump sum option is also available, but is not available beyond six months following termination. Former employees who terminated prior to July 31, 2012 were offered a lump sum option during the three month period ending September 30, 2012. The payment was made December 1, 2012.

Plan Name:	The Lincoln Electric Company Retirement Annuity Program
EIN / PN:	34-0359955 / 001
Plan Sponsor:	The Lincoln Electric Company
Valuation Date:	January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	The Lincoln Electric Company
EIN/PN	34-0359955/001
Plan Name	The Lincoln Electric Company Retirement Annuity Program
Valuation Date	January 1, 2016
Enrolled Actuary	Samantha S. Telljohann
Enrollment Number	17-07891

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

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

Plan Name:	The Lincoln Electric Company Retirement Annuity Program
EIN / PN:	34-0359955 / 001
Plan Sponsor:	The Lincoln Electric Company
Valuation Date:	January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22 Description of Weighted Average Retirement Age as of January 1, 2016

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

Summary

<u>Plan</u>	<u>Number of Participants</u>	<u>Weighted Average Retirement Age</u>
Former Retirement Annuity Program	1450	61
Former Harris Calorific Retirement Plan	76	65
Total Weighted Average Retirement Age		61

Former Retirement Annuity Program:

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

Former Harris Calorific Retirement Plan: Age 65

Plan Name: The Lincoln Electric Company Retirement Annuity Program
EIN / PN: 34-0359955 / 001
Plan Sponsor: The Lincoln Electric Company
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 13 Carryover Balances and Prefunding Balances as of January 1, 2016

Effective December 31, 2015 the Harris Calorific Division Retirement Plan (EIN/PN: 31-0713399/002) merged in this plan. Listed below are the Prefunding balances (PFB) for each plan (all Carryover balances are zero as of January 1, 2016):

Schedule SB Line Item		a) Harris	b) RAP	c) Total Plan (a) + (b)
7	Balance at beginning of prior year	3,926,409	230,428,229	234,354,638
8	Portion elected to use	82,975	0	82,975
9	Amount remaining (7-8)	3,843,434	230,428,229	234,271,663
10	Interest on line 9 using last year's actual return of 1.40% and 0.90% for a) and b), respectively	53,808	2,073,854	2,127,662
11a	PV of excess contributions	0	18,739,829	18,739,829
11b(1)	Interest on excess using prior year EIR of 6.34% and 6.28% for a) and b), respectively	0	1,176,861	1,176,861
11b(2)	Interest on line 38b from prior year	0	0	0
11c	Total available to add to PFB	0	19,916,690	19,916,690
11d	Portion of 11c to be added to PFB	0	0	0
12	Other reductions	0	48,065,987	48,065,987
13	Balance at beginning of current year (9 + 10 + 11d - 12)	3,897,242	184,436,096	188,333,338

Plan Name: The Lincoln Electric Company Retirement Annuity Program
 EIN / PN: 34-0359955 / 001
 Plan Sponsor: The Lincoln Electric Company
 Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V

Summary of Principal Plan Provisions

Plan sponsor

The Lincoln Electric Company

Plan

The Lincoln Electric Company Retirement Annuity Program

Effective date and most recent amendment

December 28, 1936 (most recently amended effective December 31, 2015).

Plan year

The twelve-month period ending December 31st.

Changes in Benefits Valued

The plan was amended effective August 18, 2015 to purchase a group annuity contract for retired participants who had commenced their entire benefit as of June 1, 2015.

Effective on the close of business on December 31, 2015 the Harris Calorific Division Retirement Plan was merged into The Lincoln Electric Company Retirement Annuity Program to create The Lincoln Electric Company Retirement Annuity Program.

Plan document: Retirement Annuity Program

Eligibility

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

Plan Name:	The Lincoln Electric Company Retirement Annuity Program
EIN / PN:	34-0359955 / 001
Plan Sponsor:	The Lincoln Electric Company
Valuation Date:	January 1, 2016

SCHEDULE SB ATTACHMENTS

Normal retirement benefit

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

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

Early retirement benefit

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

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

Disability benefit

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

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

Vested benefits upon termination of service

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

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

Death benefits for participants in active service

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

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

Plan Name: The Lincoln Electric Company Retirement Annuity Program
EIN / PN: 34-0359955 / 001
Plan Sponsor: The Lincoln Electric Company
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

FSP benefits

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

FSP plus benefits

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

Postponed commencement

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

Postretirement death benefit

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

Normal form of payment

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

Optional forms of retirement income in lieu of normal form

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

Plan Name: The Lincoln Electric Company Retirement Annuity Program
EIN / PN: 34-0359955 / 001
Plan Sponsor: The Lincoln Electric Company
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Group Annuity Purchase

The plan was amended effective August 18, 2015 to purchase a group annuity contract for retired participants who had commenced their entire benefit as of June 1, 2015. These participants will no longer be valued in the pension plan, since no further benefits are due from the plan.

Plan document: Harris Calorific Division Retirement Plan

Coverage and Participation

An employee is eligible to participate in the plan the first day of the Plan Year following employment provided 1,000 hours are worked in the first year of employment. If an employee fails to attain the necessary 1,000 hours during the first year of employment, such employee will become a Participant as of the first day of the Plan Year following a Plan Year in which 1,000 hours are completed. Employees hired after May 1, 2007 are excluded from plan participation.

Normal Retirement Benefit

Normal Retirement Date: A participant is eligible for a Normal Retirement benefit upon attainment of age 65 or the fifth anniversary of hire, if later.

Benefit Formula: The Normal Retirement benefit is a monthly annuity benefit equal to 1/12 of 1-1/2% of base compensation earned while a Participant after April 1, 1990. Effective for accruals on or after January 1, 2008, participants electing employer provided defined contribution benefits cease accruals under this plan. Base compensation shall include base salary and/or wages plus overtime (excluding bonuses) and shall not exceed the IRC Section 401(a)(17) compensation limit. The maximum normal annuity shall be subject to the IRC Section 415 benefit limitation.

Early Retirement Benefit

Eligibility: A participant is eligible for an Early Retirement benefit if employment with the Company terminates after attainment of age 55 with 10 years of vesting service.

Benefit: The Early Retirement benefit is a monthly annuity benefit equal to the accrued benefit as calculated like the Normal Retirement benefit above payable at age 65. An immediate benefit is available actuarially reduced (based on the UP-1984 Mortality Table and a 6.0% interest rate) for early commencement. The estimated benefit percent starting at age 60 is 60% and the estimated benefit percent starting at age 55 is 39%.

Plan Name:	The Lincoln Electric Company Retirement Annuity Program
EIN / PN:	34-0359955 / 001
Plan Sponsor:	The Lincoln Electric Company
Valuation Date:	January 1, 2016

SCHEDULE SB ATTACHMENTS

Disability Benefit

Eligibility: A participant is eligible for a Disability Retirement benefit if employment with the Company is terminated due to a Total Disability at any age with 10 years of vesting service.

Benefit: The Disability Retirement benefit is a monthly annuity benefit equal to the accrued benefit as calculated like the Normal Retirement benefit above payable monthly after a six month wait without reduction for earlier commencement until Normal Retirement or recovery from Total Disability, whichever is earlier.

Vested Benefits upon Termination of Service

Eligibility: A participant is eligible for a Vested Terminated benefit at any age with 5 years of vesting service.

Benefit: The Vested Terminated benefit is a monthly annuity benefit equal to the accrued benefit as calculated like the Normal Retirement benefit above payable at age 65. Early commencement is available for participants who had completed 10 years of vesting service upon attainment of age 55 on an actuarially reduced basis.

Death Benefits for Participants in Active Service

Eligibility: A vested participant who dies prior to his/her Annuity Starting Date (age 65 for disabled retirees) is eligible for a Pre-Retirement Surviving Spouse's Annuity provided he/she has been married for at least one year.

Benefit: The Pre-Retirement Surviving Spouse's Annuity is a monthly pension commencing immediately to an eligible surviving spouse, based on the accrued Normal Retirement benefit to date of death. The benefit is actuarially reduced for early commencement and 100% Joint and Survivor coverage.

Normal Form of Payment

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

Optional Forms of Retirement Income in Lieu of Normal Form

Benefits are available under actuarially equivalent optional forms. These include 50% and 100% joint and survivor options, 5, 10, 15 and 20 year certain and continuous options. A lump sum option is also available, but is not available beyond six months following termination. Former employees who terminated prior to July 31, 2012 were offered a lump sum option during the three month period ending September 30, 2012. The payment was made December 1, 2012.

Plan Name:	The Lincoln Electric Company Retirement Annuity Program
EIN / PN:	34-0359955 / 001
Plan Sponsor:	The Lincoln Electric Company
Valuation Date:	January 1, 2016

Plan Name	The Lincoln Electric Company Retirement Annuity Program
Plan Sponsor EIN	34-0359955
ERISA Plan #	001
Plan Year Ending	2016

The required attachment marked with an “X” in the Attachment column is included within the Accountant’s Opinion attachment to Sch. H, Part III, Line 3, which consists of the entire audit report issued by the plan’s Independent Qualified Public Accountant (IQPA).

Form / Schedule	Line #	Description	Attachment
5500 Sch. H	Line 3	Financial statements used in formulating the IQPA's opinion	X
5500 Sch. H	Line 4i	Schedule of Assets (Held at End of Year)	X
5500 Sch. H	Line 4i	Schedule of Assets (Acquired and Disposed of Within Year)	
5500 Sch. H	Line 4j	Schedule of Reportable Transactions	X
5500 Sch. H	Line 4a	Schedule of Delinquent Participant Contributions	

The Lincoln Electric Company
EIN: 34-035995
The Lincoln Electric Company Retirement Annuity Program
Plan 001
Schedule R, Line 18 – Funded Percentage of Plans Contributing to the Liabilities of Plan Participants

Current Plan:

Plan name:	The Lincoln Electric Company Retirement Annuity Program
EIN:	34-035995
Plan #:	001
Funded Ratio as of 12/31/2015:	104.50%

Former Plan (from which liabilities were transferred):

Plan name:	Harris Calorific Division Retirement Plan
EIN:	31-0713399
Plan #:	002
Funded Ratio as of 12/31/2015:	102.19%