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|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br>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).<br><br><p style="text-align: center;">▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b></p> | OMB Nos. 1210-0110<br>1210-0089<br><br><div style="text-align: center; font-size: 1.5em; font-weight: bold;">2017</div><br><br><b>This Form is Open to Public Inspection</b> |
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|                                                                                                          |                                                                                                                                                                                                                                                                                                                                           |
|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b>                                                                                            | <b>Annual Report Identification Information</b>                                                                                                                                                                                                                                                                                           |
| For calendar plan year 2017 or fiscal plan year beginning <u>01/01/2017</u> and ending <u>12/31/2017</u> |                                                                                                                                                                                                                                                                                                                                           |
| <b>A</b> This return/report is for:                                                                      | <input type="checkbox"/> a multiemployer plan <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)<br><input checked="" type="checkbox"/> a single-employer plan <input type="checkbox"/> a DFE (specify) ____ |
| <b>B</b> This return/report is:                                                                          | <input type="checkbox"/> the first return/report <input type="checkbox"/> the final return/report<br><input type="checkbox"/> an amended return/report <input type="checkbox"/> a short plan year return/report (less than 12 months)                                                                                                     |
| <b>C</b> If the plan is a collectively-bargained plan, check here. . . . . ▶ <input type="checkbox"/>    |                                                                                                                                                                                                                                                                                                                                           |
| <b>D</b> Check box if filing under:                                                                      | <input checked="" type="checkbox"/> Form 5558 <input type="checkbox"/> automatic extension <input type="checkbox"/> the DFVC program<br><input type="checkbox"/> special extension (enter description)                                                                                                                                    |

|                                                                                                                                                                                                                                                                                                                                                                |                                                                |                                                                     |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------|--|
| <b>Part II</b>                                                                                                                                                                                                                                                                                                                                                 | <b>Basic Plan Information</b> —enter all requested information |                                                                     |  |
| <b>1a</b> Name of plan<br><u>ARIEL CORPORATION EMPLOYEE RETIREMENT PLAN</u>                                                                                                                                                                                                                                                                                    | <b>1b</b> Three-digit plan number (PN) ▶                       | <u>002</u>                                                          |  |
| <b>2a</b> Plan sponsor's name (employer, if for a single-employer plan)<br>Mailing address (include room, apt., suite no. and street, or P.O. Box)<br>City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)<br><br><u>ARIEL CORPORATION</u><br><br><u>35 BLACKJACK ROAD</u><br><u>MOUNT VERNON, OH 43050</u> |                                                                | <b>1c</b> Effective date of plan<br><u>02/15/2010</u>               |  |
|                                                                                                                                                                                                                                                                                                                                                                |                                                                | <b>2b</b> Employer Identification Number (EIN)<br><u>31-0721681</u> |  |
|                                                                                                                                                                                                                                                                                                                                                                |                                                                | <b>2c</b> Plan Sponsor's telephone number<br><u>740-397-0311</u>    |  |
|                                                                                                                                                                                                                                                                                                                                                                |                                                                | <b>2d</b> Business code (see instructions)<br><u>331200</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.

|                  |                                                   |            |                                                              |
|------------------|---------------------------------------------------|------------|--------------------------------------------------------------|
| <b>SIGN HERE</b> | Filed with authorized/valid electronic signature. | 08/30/2018 | BRIAN HUPRICH                                                |
|                  | Signature of plan administrator                   | Date       | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b> |                                                   |            |                                                              |
|                  | Signature of employer/plan sponsor                | Date       | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b> |                                                   |            |                                                              |
|                  | Signature of DFE                                  | Date       | Enter name of individual signing as DFE                      |

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

Form 5500 (2017)  
v. 170203

|                                                                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |      |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor                                                                                                                                                                                                                                                                                                                   |  | <b>3b</b> Administrator's EIN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |      |
| <b>3c</b> Administrator's telephone number                                                                                                                                                                                                                                                                                                                                                                                 |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |      |
| <b>4</b> If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:<br><b>a</b> Sponsor's name<br><b>c</b> Plan Name                                                                                                                                     |  | <b>4b</b> EIN<br><br><b>4d</b> PN                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |      |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                                                                                                                                                                                                                                    |  | <b>5</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 1392 |
| <b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).                                                                                                                                                                                                                           |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |      |
| <b>a(1)</b> Total number of active participants at the beginning of the plan year .....                                                                                                                                                                                                                                                                                                                                    |  | <b>6a(1)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 1307 |
| <b>a(2)</b> Total number of active participants at the end of the plan year .....                                                                                                                                                                                                                                                                                                                                          |  | <b>6a(2)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 1344 |
| <b>b</b> Retired or separated participants receiving benefits .....                                                                                                                                                                                                                                                                                                                                                        |  | <b>6b</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 2    |
| <b>c</b> Other retired or separated participants entitled to future benefits .....                                                                                                                                                                                                                                                                                                                                         |  | <b>6c</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 81   |
| <b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> .....                                                                                                                                                                                                                                                                                                                                                |  | <b>6d</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 1427 |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. ....                                                                                                                                                                                                                                                                                                                 |  | <b>6e</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 2    |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> . ....                                                                                                                                                                                                                                                                                                                                                                   |  | <b>6f</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 1429 |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....                                                                                                                                                                                                                                                                            |  | <b>6g</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 1427 |
| <b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested .....                                                                                                                                                                                                                                                                                 |  | <b>6h</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 36   |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....                                                                                                                                                                                                                                                                                        |  | <b>7</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |      |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br>2E 2F 2H 2J 2K 2T 3D 3F                                                                                                                                                                                                                                    |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |      |
| <b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:                                                                                                                                                                                                                                                                |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |      |
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                              |  | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                                                                                                                |      |
| <b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)                                                                                                                                                                                                                                                          |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |      |
| <b>a Pension Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br><br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br><br>(3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |  | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br>(3) <input type="checkbox"/> <b>A</b> (Insurance Information)<br>(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules) |      |

**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 2017 Form M-1 annual report. If the plan was not required to file the 2017 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 \_\_\_\_\_

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        |                                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| <b>SCHEDULE C</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Service Provider Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110                              |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        | <b>2017</b>                                    |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        | <b>This Form is Open to Public Inspection.</b> |

|                                                                                            |                                                             |
|--------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017 |                                                             |
| <b>A</b> Name of plan<br>ARIEL CORPORATION EMPLOYEE RETIREMENT PLAN                        | <b>B</b> Three-digit plan number (PN) ▶ 002                 |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br>ARIEL CORPORATION         | <b>D</b> Employer Identification Number (EIN)<br>31-0721681 |

|               |                                                        |
|---------------|--------------------------------------------------------|
| <b>Part I</b> | <b>Service Provider Information (see instructions)</b> |
|---------------|--------------------------------------------------------|

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>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
| FIDELITY INVESTMENTS INSTITUTIONAL                                                                                |
| 04-2647786                                                                                                        |

|                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|                                                                                                                   |

|                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|                                                                                                                   |

|                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|                                                                                                                   |

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(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)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| 37 64 65                      | RECORDKEEPER                                                                                             | 130830                                                                        | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                         | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                                   | 0                                                                                                                                                                                      | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                 |

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

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

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

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

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

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

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

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

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

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

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

**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<br>(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<br>(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<br>(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)

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                                                                                                                                                                                                           |                                                                                                                                                                                                                              |                                                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| <b>SCHEDULE D</b><br><b>(Form 5500)</b><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small> | <b>DFE/Participating Plan Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2017</b><br><br><b>This Form is Open to Public Inspection.</b> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

|                                                                                                  |                                                                    |            |
|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|------------|
| <b>A</b> Name of plan<br><u>ARIEL CORPORATION EMPLOYEE RETIREMENT PLAN</u>                       | <b>B</b> Three-digit plan number (PN) <b>►</b>                     | <u>002</u> |
| <b>C</b> Plan or DFE sponsor's name as shown on line 2a of Form 5500<br><u>ARIEL CORPORATION</u> | <b>D</b> Employer Identification Number (EIN)<br><u>31-0721681</u> |            |

|               |                                                                                                                                                                                  |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b> | <b>Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)</b><br>(Complete as many entries as needed to report all interests in DFEs) |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                            |                               |                                                                                                                    |
|--------------------------------------------------------------------------------------------|-------------------------------|--------------------------------------------------------------------------------------------------------------------|
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>MIP CL 1</u>                             |                               |                                                                                                                    |
| <b>b</b> Name of sponsor of entity listed in (a): <u>FIDELITY MANAGEMENT TRUST COMPANY</u> |                               |                                                                                                                    |
| <b>c</b> EIN-PN <u>04-3022712-024</u>                                                      | <b>d</b> Entity code <u>C</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>9671141</u> |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>WELLS FARGO STABLE VALUE FD C</u>        |                               |                                                                                                                    |
| <b>b</b> Name of sponsor of entity listed in (a): <u>WELLS FARGO, N.A.</u>                 |                               |                                                                                                                    |
| <b>c</b> EIN-PN <u>52-2250946-001</u>                                                      | <b>d</b> Entity code <u>C</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>18486</u>   |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:                                             |                               |                                                                                                                    |
| <b>b</b> Name of sponsor of entity listed in (a):                                          |                               |                                                                                                                    |
| <b>c</b> EIN-PN                                                                            | <b>d</b> Entity code          | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)                |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:                                             |                               |                                                                                                                    |
| <b>b</b> Name of sponsor of entity listed in (a):                                          |                               |                                                                                                                    |
| <b>c</b> EIN-PN                                                                            | <b>d</b> Entity code          | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)                |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:                                             |                               |                                                                                                                    |
| <b>b</b> Name of sponsor of entity listed in (a):                                          |                               |                                                                                                                    |
| <b>c</b> EIN-PN                                                                            | <b>d</b> Entity code          | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)                |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:                                             |                               |                                                                                                                    |
| <b>b</b> Name of sponsor of entity listed in (a):                                          |                               |                                                                                                                    |
| <b>c</b> EIN-PN                                                                            | <b>d</b> Entity code          | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)                |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:                                             |                               |                                                                                                                    |
| <b>b</b> Name of sponsor of entity listed in (a):                                          |                               |                                                                                                                    |
| <b>c</b> EIN-PN                                                                            | <b>d</b> Entity code          | <b>e</b> 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

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                              |                                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>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).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2017</b><br><br><b>This Form is Open to Public Inspection</b> |
| For calendar plan year 2017 or fiscal plan year beginning <u>01/01/2017</u> and ending <u>12/31/2017</u>                                                                                                                                                                 |                                                                                                                                                                                                                                                                              |                                                                                           |
| <b>A</b> Name of plan<br><u>ARIEL CORPORATION EMPLOYEE RETIREMENT PLAN</u>                                                                                                                                                                                               | <b>B</b> Three-digit plan number (PN) <span style="float: right;">►</span>                                                                                                                                                                                                   | <u>002</u>                                                                                |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>ARIEL CORPORATION</u>                                                                                                                                                                                | <b>D</b> Employer Identification Number (EIN)<br><u>31-0721681</u>                                                                                                                                                                                                           |                                                                                           |

| Part I                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Asset and Liability Statement                                                              |                 | (a) Beginning of Year | (b) End of Year |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-----------------|-----------------------|-----------------|
| <b>1</b> 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. <b>Round off amounts to the nearest dollar.</b> 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. |                                                                                            |                 |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>Assets</b>                                                                              |                 |                       |                 |
| <b>a</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Total noninterest-bearing cash .....                                                       | <b>1a</b>       | 488763                | 43694           |
| <b>b</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Receivables (less allowance for doubtful accounts):                                        |                 |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (1) Employer contributions .....                                                           | <b>1b(1)</b>    | 3367337               | 6995393         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (2) Participant contributions .....                                                        | <b>1b(2)</b>    | 0                     | 0               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (3) Other.....                                                                             | <b>1b(3)</b>    | 642140                | 281690          |
| <b>c</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | General investments:                                                                       |                 |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (1) Interest-bearing cash (include money market accounts & certificates of deposit) .....  | <b>1c(1)</b>    | 1742517               | 1352051         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (2) U.S. Government securities.....                                                        | <b>1c(2)</b>    | 0                     | 0               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (3) Corporate debt instruments (other than employer securities):                           |                 |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (A) Preferred .....                                                                        | <b>1c(3)(A)</b> | 1404893               | 2444179         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (B) All other.....                                                                         | <b>1c(3)(B)</b> | 10692357              | 11141516        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (4) Corporate stocks (other than employer securities):                                     |                 |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (A) Preferred .....                                                                        | <b>1c(4)(A)</b> | 0                     | 0               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (B) Common .....                                                                           | <b>1c(4)(B)</b> | 59107187              | 71279053        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (5) Partnership/joint venture interests .....                                              | <b>1c(5)</b>    | 0                     | 0               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (6) Real estate (other than employer real property) .....                                  | <b>1c(6)</b>    | 0                     | 0               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (7) Loans (other than to participants) .....                                               | <b>1c(7)</b>    | 0                     | 0               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (8) Participant loans .....                                                                | <b>1c(8)</b>    | 2453571               | 2931539         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (9) Value of interest in common/collective trusts.....                                     | <b>1c(9)</b>    | 8429347               | 9689627         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (10) Value of interest in pooled separate accounts.....                                    | <b>1c(10)</b>   | 0                     | 0               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (11) Value of interest in master trust investment accounts .....                           | <b>1c(11)</b>   | 0                     | 0               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (12) Value of interest in 103-12 investment entities .....                                 | <b>1c(12)</b>   | 0                     | 0               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (13) Value of interest in registered investment companies (e.g., mutual funds).....        | <b>1c(13)</b>   | 91410877              | 115894307       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (14) Value of funds held in insurance company general account (unallocated contracts)..... | <b>1c(14)</b>   |                       |                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | (15) Other .....                                                                           | <b>1c(15)</b>   | 0                     | 0               |

**1d** Employer-related investments:

|                                                                      |              | (a) Beginning of Year | (b) End of Year |
|----------------------------------------------------------------------|--------------|-----------------------|-----------------|
| (1) Employer securities .....                                        | <b>1d(1)</b> | 0                     | 0               |
| (2) Employer real property .....                                     | <b>1d(2)</b> | 0                     | 0               |
| <b>e</b> Buildings and other property used in plan operation .....   | <b>1e</b>    | 0                     | 0               |
| <b>f</b> Total assets (add all amounts in lines 1a through 1e) ..... | <b>1f</b>    | 179738989             | 222053049       |

**Liabilities**

|                                                                           |           |        |        |
|---------------------------------------------------------------------------|-----------|--------|--------|
| <b>g</b> Benefit claims payable .....                                     | <b>1g</b> | 0      | 603917 |
| <b>h</b> Operating payables .....                                         | <b>1h</b> | 192613 | 24435  |
| <b>i</b> Acquisition indebtedness .....                                   | <b>1i</b> | 0      | 0      |
| <b>j</b> Other liabilities .....                                          | <b>1j</b> | 0      | 354827 |
| <b>k</b> Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b> | 192613 | 983179 |

**Net Assets**

|                                                           |           |           |           |
|-----------------------------------------------------------|-----------|-----------|-----------|
| <b>l</b> Net assets (subtract line 1k from line 1f) ..... | <b>1l</b> | 179546376 | 221069870 |
|-----------------------------------------------------------|-----------|-----------|-----------|

**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 |
|------------------------------------------------------------------------------------------------------------|-----------------|------------|-----------|
| <b>a Contributions:</b>                                                                                    |                 |            |           |
| (1) Received or receivable in cash from: <b>(A)</b> Employers .....                                        | <b>2a(1)(A)</b> | 11347515   |           |
| <b>(B)</b> Participants .....                                                                              | <b>2a(1)(B)</b> | 6087049    |           |
| <b>(C)</b> Others (including rollovers) .....                                                              | <b>2a(1)(C)</b> | 390480     |           |
| (2) Noncash contributions .....                                                                            | <b>2a(2)</b>    | 0          | 17825044  |
| (3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | <b>2a(3)</b>    |            |           |
| <b>b Earnings on investments:</b>                                                                          |                 |            |           |
| (1) Interest:                                                                                              |                 |            |           |
| <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) .....       | <b>2b(1)(A)</b> | 29586      |           |
| <b>(B)</b> U.S. Government securities .....                                                                | <b>2b(1)(B)</b> | 0          |           |
| <b>(C)</b> Corporate debt instruments .....                                                                | <b>2b(1)(C)</b> | 0          |           |
| <b>(D)</b> Loans (other than to participants) .....                                                        | <b>2b(1)(D)</b> | 0          |           |
| <b>(E)</b> Participant loans .....                                                                         | <b>2b(1)(E)</b> | 262692     |           |
| <b>(F)</b> Other .....                                                                                     | <b>2b(1)(F)</b> | 0          |           |
| (G) Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                                     | <b>2b(1)(G)</b> |            | 292278    |
| (2) Dividends: <b>(A)</b> Preferred stock .....                                                            | <b>2b(2)(A)</b> | 0          | 3471517   |
| <b>(B)</b> Common stock .....                                                                              | <b>2b(2)(B)</b> | 0          |           |
| <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                                  | <b>2b(2)(C)</b> | 3471517    |           |
| (D) Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....                         | <b>2b(2)(D)</b> |            | 3471517   |
| (3) Rents .....                                                                                            | <b>2b(3)</b>    |            | 0         |
| (4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                                 | <b>2b(4)(A)</b> | 0          | 0         |
| <b>(B)</b> Aggregate carrying amount (see instructions) .....                                              | <b>2b(4)(B)</b> | 0          |           |
| <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....                  | <b>2b(4)(C)</b> |            |           |
| (5) Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....                         | <b>2b(5)(A)</b> | 0          | 0         |
| <b>(B)</b> Other .....                                                                                     | <b>2b(5)(B)</b> | 0          |           |
| <b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....         | <b>2b(5)(C)</b> |            |           |

|                                                                                                |        | (a) Amount | (b) Total |
|------------------------------------------------------------------------------------------------|--------|------------|-----------|
| (6) Net investment gain (loss) from common/collective trusts .....                             | 2b(6)  |            | 84578     |
| (7) Net investment gain (loss) from pooled separate accounts .....                             | 2b(7)  |            | 12076053  |
| (8) Net investment gain (loss) from master trust investment accounts .....                     | 2b(8)  |            | 0         |
| (9) Net investment gain (loss) from 103-12 investment entities .....                           | 2b(9)  |            | 0         |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)..... | 2b(10) |            | 13408321  |
| c Other income.....                                                                            | 2c     |            | 0         |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total.....               | 2d     |            | 47157791  |

**Expenses**

|                                                                                     |       |         |         |
|-------------------------------------------------------------------------------------|-------|---------|---------|
| e Benefit payment and payments to provide benefits:                                 |       |         |         |
| (1) Directly to participants or beneficiaries, including direct rollovers.....      | 2e(1) | 5493324 |         |
| (2) To insurance carriers for the provision of benefits .....                       | 2e(2) | 0       |         |
| (3) Other .....                                                                     | 2e(3) | 0       |         |
| (4) Total benefit payments. Add lines 2e(1) through (3).....                        | 2e(4) |         | 5493324 |
| f Corrective distributions (see instructions) .....                                 | 2f    |         | 0       |
| g Certain deemed distributions of participant loans (see instructions).....         | 2g    |         | 10143   |
| h Interest expense.....                                                             | 2h    |         | 0       |
| i Administrative expenses: (1) Professional fees .....                              | 2i(1) | 0       |         |
| (2) Contract administrator fees .....                                               | 2i(2) | 0       |         |
| (3) Investment advisory and management fees .....                                   | 2i(3) | 0       |         |
| (4) Other .....                                                                     | 2i(4) | 130830  |         |
| (5) Total administrative expenses. Add lines 2i(1) through (4).....                 | 2i(5) |         | 130830  |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total..... | 2j    |         | 5634297 |

**Net Income and Reconciliation**

|                                                          |       |  |          |
|----------------------------------------------------------|-------|--|----------|
| k Net income (loss). Subtract line 2j from line 2d ..... | 2k    |  | 41523494 |
| l Transfers of assets:                                   |       |  |          |
| (1) To this plan.....                                    | 2l(1) |  | 0        |
| (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: REA & ASSOCIATES, INC.

(2) EIN: 34-1310124

**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  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|---------|
| <b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) .....                                          |     | X  |         |
| <b>4c</b>                                                                                                                                                                                                                     |     | X  |         |
| <b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) .....                               |     | X  |         |
| <b>4d</b>                                                                                                                                                                                                                     |     | X  |         |
| <b>e</b> Was this plan covered by a fidelity bond? .....                                                                                                                                                                      | X   |    | 5000000 |
| <b>4e</b>                                                                                                                                                                                                                     | X   |    | 5000000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                       |     | X  |         |
| <b>4f</b>                                                                                                                                                                                                                     |     | X  |         |
| <b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                                    |     | X  |         |
| <b>4g</b>                                                                                                                                                                                                                     |     | X  |         |
| <b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                          |     | X  |         |
| <b>4h</b>                                                                                                                                                                                                                     |     | X  |         |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) .....                                                                | X   |    |         |
| <b>4i</b>                                                                                                                                                                                                                     | X   |    |         |
| <b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) ..... |     | X  |         |
| <b>4j</b>                                                                                                                                                                                                                     |     | X  |         |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? .....                                                           |     | X  |         |
| <b>4k</b>                                                                                                                                                                                                                     |     | X  |         |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                            |     | X  |         |
| <b>4l</b>                                                                                                                                                                                                                     |     | X  |         |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....                                                                                                  |     | X  |         |
| <b>4m</b>                                                                                                                                                                                                                     |     | X  |         |
| <b>n</b> 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. ....                                      |     | X  |         |
| <b>4n</b>                                                                                                                                                                                                                     |     | X  |         |

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

**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 \_\_\_\_\_. (See instructions.)

|                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| <div>SCHEDULE R<br/>(Form 5500)<br/><br/>Department of the Treasury<br/>Internal Revenue Service<br/><br/>Department of Labor<br/>Employee Benefits Security Administration<br/><br/>Pension Benefit Guaranty Corporation</div>                                           | <div>Retirement Plan Information</div> <div>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).</div> <div>▶ File as an attachment to Form 5500.</div> | <div>OMB No. 1210-0110</div> <div>2017</div> <div>This Form is Open to Public Inspection.</div> |
| For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| A Name of plan<br>ARIEL CORPORATION EMPLOYEE RETIREMENT PLAN                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                  | B Three-digit plan number (PN) ▶ 002                                                            |
| C Plan sponsor's name as shown on line 2a of Form 5500<br>ARIEL CORPORATION                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                  | D Employer Identification Number (EIN)<br>31-0721681                                            |
| Part I                                                                                                                                                                                                                                                                    | Distributions                                                                                                                                                                                                                                                                                    |                                                                                                 |
| All references to distributions relate only to payments of benefits during the plan year.                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions                                                                                                                                                 |                                                                                                                                                                                                                                                                                                  | 1                                                                                               |
| 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):<br><br>EIN(s): 04-6568107                      |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 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                                                                                               |
| Part II                                                                                                                                                                                                                                                                   | Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)                                                                                                                           |                                                                                                 |
| 4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? Yes No N/A                                                                                                                                                        |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| If the plan is a defined benefit plan, go to line 8.                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month Day Year                                                                   |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.                                                                                                                                                   |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)                                                                                                                                         |                                                                                                                                                                                                                                                                                                  | 6a                                                                                              |
| b Enter the amount contributed by the employer to the plan for this plan year                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                  | 6b                                                                                              |
| c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)                                                                                                                                       |                                                                                                                                                                                                                                                                                                  | 6c                                                                                              |
| If you completed line 6c, skip lines 8 and 9.                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 7 Will the minimum funding amount reported on line 6c be met by the funding deadline? Yes No N/A                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? Yes No N/A |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| Part III                                                                                                                                                                                                                                                                  | Amendments                                                                                                                                                                                                                                                                                       |                                                                                                 |
| 9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. Increase Decrease Both No                                 |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| Part IV                                                                                                                                                                                                                                                                   | ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.                                                                                                                                                       |                                                                                                 |
| 10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? Yes No                                                                                                                                         |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 11 a Does the ESOP hold any preferred stock? Yes No                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) Yes No                                                                                    |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 12 Does the ESOP hold any stock that is not readily tradable on an established securities market? Yes No                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| For Paperwork Reduction Act Notice, see the Instructions for Form 5500.                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| Schedule R (Form 5500) 2017 v. 170203                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                  |                                                                                                 |

**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:

|                                                                          |            |  |
|--------------------------------------------------------------------------|------------|--|
| <b>a</b> The current year .....                                          | <b>14a</b> |  |
| <b>b</b> The plan year immediately preceding the current plan year ..... | <b>14b</b> |  |
| <b>c</b> The second preceding plan year .....                            | <b>14c</b> |  |

- 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:

|                                                                                                       |            |  |
|-------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> The corresponding number for the plan year immediately preceding the current plan year ..... | <b>15a</b> |  |
| <b>b</b> The corresponding number for the second preceding plan year .....                            | <b>15b</b> |  |

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

|                                                                                                                                                                        |            |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....                                                                               | <b>16a</b> |  |
| <b>b</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 ..... | <b>16b</b> |  |

- 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**

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ..... ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

- a** Enter the percentage of plan assets held as:  
 Stock: \_\_\_\_\_% Investment-Grade Debt: \_\_\_\_\_% High-Yield Debt: \_\_\_\_\_% Real Estate: \_\_\_\_\_% Other: \_\_\_\_\_%
- b** Provide the average duration of the combined investment-grade and high-yield debt:  
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more
- c** What duration measure was used to calculate line 19(b)?  
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): \_\_\_\_\_

ARIEL CORPORATION  
EMPLOYEE RETIREMENT PLAN  
FORM 5500, SCHEDULE H, LINE 4I - EIN #31-0721681, PN 002

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES  
AS OF DECEMBER 31, 2017

| (a) | (b) Identity of issue, borrower,<br>or similar party               | (c) Description of investment<br>including maturity date,<br>rate of interest, collateral,<br>par or maturity value | (d) Cost     | (e) Current<br>value   |
|-----|--------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|--------------|------------------------|
| *   | Fidelity Managed Income Portfolio<br>Wells Fargo Stable Value Fund | Common Collective Trust Fund<br>Common Collective Trust Fund                                                        | **<br>17,454 | \$ 9,671,141<br>18,486 |
|     | Subtotal of common collective trusts                               |                                                                                                                     |              | <hr/> 9,689,627        |
|     | Aaron's Inc Class A                                                | 31,400 shares of common stock                                                                                       | 633,670      | 1,251,290              |
|     | Abbott Laboratories                                                | 29,475 shares of common stock                                                                                       | 929,466      | 1,682,138              |
|     | Accenture PLC Ireland Shares Class A                               | 18,300 share of common stock                                                                                        | 781,945      | 2,801,937              |
|     | Allergan Inc                                                       | 5,775 shares of common stock                                                                                        | 1,765,801    | 944,675                |
|     | Amphenol Corp                                                      | 31,000 shares of common stock                                                                                       | 639,857      | 2,721,799              |
|     | ANSYS Inc                                                          | 18,650 shares of common stock                                                                                       | 589,741      | 2,752,553              |
|     | BB & T Corporation                                                 | 34,225 shares of common stock                                                                                       | 912,456      | 1,701,667              |
|     | Blackrock Inc.                                                     | 4,650 shares of common stock                                                                                        | 1,441,167    | 2,388,752              |
|     | Colfax Corp                                                        | 20,500 shares of common stock                                                                                       | 999,314      | 812,210                |
|     | Costco Wholesale Group                                             | 8,525 shares of common stock                                                                                        | 1,342,003    | 1,586,673              |
|     | DanaHER Corp                                                       | 23,200 shares of common stock                                                                                       | 519,730      | 2,153,424              |
|     | Dover Corp                                                         | 15,775 shares of common stock                                                                                       | 465,290      | 1,593,117              |
|     | Esterline Technologies Corp                                        | 18,300 shares of common stock                                                                                       | 1,002,754    | 1,367,010              |
|     | Exxon Mobil Corp                                                   | 16,325 shares of common stock                                                                                       | 742,910      | 1,365,423              |
|     | Fiserv Inc                                                         | 15,700 shares of common stock                                                                                       | 453,949      | 2,058,741              |
|     | Fortive Corp                                                       | 20,250 shares of common stock                                                                                       | 570,609      | 1,465,088              |
|     | Gentex Corp                                                        | 93,750 shares of common stock                                                                                       | 1,001,352    | 1,964,063              |
|     | Gildan Activewear                                                  | 54,250 shares of common stock                                                                                       | 640,918      | 1,752,275              |
|     | Gilead Sciences Inc                                                | 23,500 shares of common stock                                                                                       | 640,402      | 1,683,540              |
|     | Goldman Sachs Group Inc                                            | 8,200 shares of common stock                                                                                        | 1,016,114    | 2,089,032              |
|     | Graco Inc                                                          | 38,475 shares of common stock                                                                                       | 978,650      | 1,739,840              |
|     | Halliburton Co                                                     | 27,600 shares of common stock                                                                                       | 1,535,622    | 1,348,812              |
|     | Hartford Financial Services Group, Inc.                            | 32,750 shares of common stock                                                                                       | 642,246      | 1,843,170              |
|     | Hasboro Inc                                                        | 13,900 share of common stock                                                                                        | 1,331,192    | 1,263,371              |
|     | Henry Schein Inc.                                                  | 26,250 shares of common stock                                                                                       | 903,398      | 1,834,350              |
|     | Home Depot Inc                                                     | 12,500 shares of common stock                                                                                       | 424,724      | 2,369,125              |
|     | Ingredion, Inc                                                     | 15,500 shares of common stock                                                                                       | 979,861      | 2,166,900              |
|     | Neogen Corporation                                                 | 22,575 shares of common stock                                                                                       | 542,025      | 1,855,891              |
|     | On Assignment Inc                                                  | 30,925 shares of common stock                                                                                       | 1,201,123    | 1,987,550              |
|     | Open Text Corporation                                              | 55,300 shares of common stock                                                                                       | 658,107      | 1,972,551              |
|     | Pepsico Inc                                                        | 15,425 shares of common stock                                                                                       | 728,257      | 1,849,766              |
|     | Proctor & Gamble Co                                                | 11,375 shares of common stock                                                                                       | 506,796      | 1,045,135              |
|     | RPM International Inc                                              | 23,325 shares of common stock                                                                                       | 1,240,124    | 1,222,697              |
|     | Regeneron Pharmaceuticals Inc                                      | 3,650 shares of common stock                                                                                        | 1,349,102    | 1,372,254              |
|     | Ross Stores Inc                                                    | 26,125 shares of common stock                                                                                       | 775,543      | 2,096,531              |
|     | Signature Bank                                                     | 9,275 shares of common stock                                                                                        | 1,298,483    | 1,273,087              |
|     | Skyworks Solution Inc                                              | 20,375 shares of common stock                                                                                       | 629,447      | 1,934,606              |
|     | Snap On Inc                                                        | 8,050 shares of common stock                                                                                        | 1,207,819    | 1,403,115              |
|     | Thor Industries Inc                                                | 16,500 shares of common stock                                                                                       | 874,536      | 2,486,880              |
|     | Visa Inc CL A                                                      | 18,225 shares of common stock                                                                                       | 1,338,087    | 2,078,015              |
|     | Subtotal of common stocks                                          |                                                                                                                     |              | <hr/> 71,279,053       |

ARIEL CORPORATION  
EMPLOYEE RETIREMENT PLAN  
FORM 5500, SCHEDULE H, LINE 4I - EIN #31-0721681, PN 002

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES  
AS OF DECEMBER 31, 2017

| (a) | (b) Identity of issue, borrower,<br>or similar party | (c) Description of investment<br>including maturity date,<br>rate of interest, collateral,<br>par or maturity value | (d) Cost | (e) Current<br>value |
|-----|------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|----------|----------------------|
|     | AT & T Inc                                           | \$500,000 note at 1.750% interest, maturity date 1/15/18                                                            | 501,475  | 499,859              |
|     | Actavis Funding                                      | \$550,000 note at 3.000% interest, maturity date 3/12/20                                                            | 551,166  | 554,916              |
|     | Banc One                                             | \$500,000 note at 9.875% interest, maturity date 3/1/19                                                             | 627,200  | 534,386              |
|     | Barclay's PLC                                        | \$650,000 note at 2.750% interest, maturity date 11/8/19                                                            | 654,992  | 651,472              |
|     | Conoco Phillips Co                                   | \$500,000 note at 4.200% interest, maturity date 3/15/21                                                            | 427,400  | 420,589              |
|     | Dominion RES Inc                                     | \$500,000 note at 1.600% interest, maturity date 8/15/19                                                            | 496,725  | 494,448              |
|     | Dun & Bradstreet                                     | \$700,000 note at 4.000% interest, maturity date 6/15/20                                                            | 717,163  | 717,874              |
|     | Fifth Third Bank                                     | \$500,000 note at 2.300% interest, maturity date 3/1/19                                                             | 503,332  | 500,373              |
|     | Fiserv Inc                                           | \$350,000 note at 4.625% interest, maturity date 10/1/20                                                            | 379,302  | 369,321              |
|     | Fiserv Inc                                           | \$500,000 note at 2.700% interest, maturity date 6/1/20                                                             | 501,275  | 503,093              |
|     | Gatx Corp                                            | \$250,000 note at 2.500% interest, maturity date 7/30/19                                                            | 250,750  | 249,499              |
|     | General MTR Inc                                      | \$250,000 note at 3.100% interest, maturity date 1/15/19                                                            | 508,606  | 502,673              |
|     | Goldman Sachs Group Inc                              | \$600,000 note at 7.500% interest, maturity date 2/15/19                                                            | 687,666  | 634,057              |
|     | Hewlett Packard                                      | \$500,000 note at 4.300% interest, maturity date 6/01/21                                                            | 533,125  | 524,171              |
|     | Juniper Network                                      | \$500,000 note at 3.125% interest, maturity date 2/01/19                                                            | 507,425  | 503,880              |
|     | Kraft Foods                                          | \$400,000 note at 5.375% interest, maturity date 2/01/20                                                            | 425,042  | 423,776              |
|     | Mead Johnson Nutr                                    | \$850,000 note at 3.000% interest, maturity date 11/15/20                                                           | 855,112  | 862,668              |
|     | Morgan Stanley                                       | \$500,000 note at 5.6250% interest, maturity date 9/23/19                                                           | 570,500  | 526,851              |
|     | Newmont Mining MTN                                   | \$650,000 note at 5.125% interest, maturity date 10/1/19                                                            | 714,698  | 677,259              |
|     | Ohio Savings Capital Tr 144A                         | \$250,000 note at 9.500% interest, maturity date 6/3/27                                                             | 750      | 3,125                |
|     | Pitney Bowes                                         | \$500,000 note at 6.250% interest, maturity date 3/15/19                                                            | 528,344  | 515,000              |
|     | Quest Diagnostic                                     | \$325,000 note at 2.500% interest, maturity date 3/30/20                                                            | 326,023  | 324,966              |
|     | RPM Intl Inc                                         | \$300,000 note at 6.125% interest, maturity date 10/15/19                                                           | 343,531  | 319,385              |
|     | Southern Company                                     | \$500,000 note at 2.750% interest, maturity date 6/15/20                                                            | 508,000  | 503,135              |
|     | Teva Pharm CV                                        | \$500,000 note at 2.250% interest, maturity date 3/15/20                                                            | 495,440  | 483,492              |
|     | Weyerhaeuser Co                                      | \$600,000 note at 7.375% interest, maturity date 10/1/19                                                            | 734,716  | 650,154              |
|     | Zimmer Holdings                                      | \$635,000 note at 2.700% interest, maturity date 4/1/20                                                             | 643,085  | 635,273              |
|     | Subtotal of corporate bonds and debentures           |                                                                                                                     |          | 13,585,695           |

ARIEL CORPORATION  
EMPLOYEE RETIRMENT PLAN  
FORM 5500, SCHEDULE H, LINE 4I - EIN #31-0721681, PN 002

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES  
AS OF DECEMBER 31, 2017

| (a) | (b) Identity of issue, borrower,<br>or similar party            | (c) Description of investment<br>including maturity date,<br>rate of interest, collateral,<br>par or maturity value | (d) Cost | (e) Current<br>value         |
|-----|-----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|----------|------------------------------|
|     | Metwest Total Return Bond                                       | Registered Investment Company                                                                                       | **       | \$ 1,172,958                 |
|     | DFA US Target Value Fund                                        | Registered Investment Company                                                                                       | **       | 1,252,374                    |
|     | Lord Abbett Developing Growth I                                 | Registered Investment Company                                                                                       | **       | 1,553,625                    |
|     | Harbor International Admin                                      | Registered Investment Company                                                                                       | **       | 1,432,599                    |
| *   | Fidelity Govt Income                                            | Registered Investment Company                                                                                       | **       | 41                           |
| *   | Fidelity 500 Index Portfolio                                    | Registered Investment Company                                                                                       | **       | 4,849,712                    |
| *   | Fidelity Freedom Index Income Investment                        | Registered Investment Company                                                                                       | **       | 206,188                      |
| *   | Fidelity Freedom Low Priced Stock                               | Registered Investment Company                                                                                       | **       | 3,847,267                    |
| *   | Fidelity Freedom Index 2005 Investment                          | Registered Investment Company                                                                                       | **       | 46,501                       |
| *   | Fidelity Freedom Index 2010 Investment                          | Registered Investment Company                                                                                       | **       | 102,893                      |
| *   | Fidelity Freedom Index 2020 Investment                          | Registered Investment Company                                                                                       | **       | 6,600,543                    |
| *   | Fidelity Freedom Index 2025 Investment                          | Registered Investment Company                                                                                       | **       | 8,862,961                    |
| *   | Fidelity Freedom Index 2030 Investment                          | Registered Investment Company                                                                                       | **       | 9,584,933                    |
| *   | Fidelity Freedom Index 2035 Investment                          | Registered Investment Company                                                                                       | **       | 6,094,867                    |
| *   | Fidelity Freedom Index 2040 Investment                          | Registered Investment Company                                                                                       | **       | 5,065,245                    |
| *   | Fidelity Freedom Index 2045 Investment                          | Registered Investment Company                                                                                       | **       | 4,659,337                    |
| *   | Fidelity Freedom Index 2050 Investment                          | Registered Investment Company                                                                                       | **       | 4,808,043                    |
| *   | Fidelity Freedom Index 2015 Investment                          | Registered Investment Company                                                                                       | **       | 934,576                      |
| *   | Fidelity Freedom Index 2055 Investment                          | Registered Investment Company                                                                                       | **       | 2,277,233                    |
| *   | Fidelity Freedom Index 2060 Investment                          | Registered Investment Company                                                                                       | **       | 259,711                      |
|     | AQR Multi- Strategy                                             | 197,650.714 shares of Registered Investment Company                                                                 |          | 1,788,739                    |
|     | Artisan International Institute                                 | 43,243.980 shares of Registered Investment Company                                                                  |          | 2,452,941                    |
|     | DFA Emerging Markets Portfolio                                  | 201,048.713 shares of Registered Investment Company                                                                 |          | 6,125,954                    |
|     | Dodge & Cox International Stock Fund                            | 116,739.586 shares of Registered Investment Company                                                                 |          | 5,407,378                    |
|     | Eaton Vance Emerging Markets                                    | 793,650.988 shares of Registered Investment Compant                                                                 |          | 5,055,557                    |
| *   | Fidelity Small Cap Value Fund                                   | 280,703.187 shares of Registered Investment Company                                                                 |          | 5,703,889                    |
|     | Hartford Total Return Bond HLS Fund Class 1A                    | 474,276.225 shares of Registered Investment Company                                                                 |          | 5,368,807                    |
|     | Hartford Small Cap Growth Y                                     | 77,474.636 shares of Registered Investment Company                                                                  |          | 4,701,936                    |
|     | Pimco Emerging Local Bond Inst                                  | 658,314.529 shares of Registered Investment Company                                                                 |          | 4,976,858                    |
|     | Vanguard International Growth                                   | 32,791.367 shares of Registered Investment Company                                                                  |          | 3,134,199                    |
|     | Western Asset Core Plus Bond Portfolio Inst                     | 454,577.027 shares of Registered Investment Company                                                                 |          | 5,382,192                    |
|     | Western Asset Total Return UNC                                  | 202,808.697 shares of Registered Investment Company                                                                 |          | 2,184,250                    |
|     | Subtotal of registered investment company investments           |                                                                                                                     |          | <u>115,894,307</u>           |
|     | Interest Bearing Cash                                           |                                                                                                                     |          | 1,352,051                    |
| *   | Notes receivable from participants                              | Loans, 10.00%                                                                                                       | **       | 2,931,539                    |
|     | Total of all investments and notes receivable from participants |                                                                                                                     |          | <u><u>\$ 214,732,272</u></u> |

\* Represents a party-in-interest

\*\* Cost is not required for participant directed accounts

The above information has been certified by Fidelity Management Trust Company., the trustee, as complete and accurate.

**Ariel Corporation**  
**Employee Retirement Plan**  
*Audited Financial Statements*

December 31, 2017 and 2016



Rea & associates

[www.reacpa.com](http://www.reacpa.com)

**ARIEL CORPORATION  
EMPLOYEE RETIREMENT PLAN**

**AUDITED FINANCIAL STATEMENTS  
DECEMBER 31, 2017 AND 2016**

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To the Employee Benefit Plan Committee and participants of  
Ariel Corporation Employee Retirement Plan  
Mt. Vernon, OH 43050

## INDEPENDENT AUDITOR'S REPORT

### **Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of Ariel Corporation Employee Retirement Plan (the Plan), which comprise the statements of net assets available for plan benefits as of December 31, 2017 and 2016, and the related statements of changes in net assets available for plan benefits for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

### ***Basis for Disclaimer of Opinion***

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified or provided by Fidelity Management Trust Company, the trustee of the Plan, except for comparing this 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 assets and executes investment transactions. The Plan Administrator has obtained certifications from the trustee as of December 31, 2017 and 2016, and for the years then ended, that the information provided to the Plan Administrator by the trustee is complete and accurate.

### ***Disclaimer of Opinion***

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

***Other Matter***

The supplemental schedule of assets held at the end of the year as of the year ended December 31, 2017 is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purposes 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 the 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 or provided by the agent of 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 the Employee Retirement Income Security Act of 1974.

*Hea & Associates, Inc.*

Millersburg, Ohio

August 24, 2018

ARIEL CORPORATION  
EMPLOYEE RETIREMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS  
AS OF DECEMBER 31, 2017 AND 2016

ASSETS

|                                    | <u>2017</u>                  | <u>2016</u>                  |
|------------------------------------|------------------------------|------------------------------|
| INVESTMENTS AT FAIR VALUE:         |                              |                              |
| Common collective trust fund       | \$ 9,689,627                 | \$ 8,429,347                 |
| Common stocks                      | 71,279,053                   | 59,107,187                   |
| Corporate bonds and debentures     | 13,585,695                   | 12,097,250                   |
| Registered investment companies    | 115,894,307                  | 91,410,877                   |
| Cash, interest bearing             | 1,352,051                    | 1,742,517                    |
|                                    | <u>211,800,733</u>           | <u>172,787,178</u>           |
| RECEIVABLES:                       |                              |                              |
| Employer contribution              | 6,995,393                    | 3,367,337                    |
| Notes receivable from participants | 2,931,539                    | 2,453,571                    |
| Other                              | 281,690                      | 642,140                      |
|                                    | <u>10,208,622</u>            | <u>6,463,048</u>             |
| Cash & cash equivalents            | <u>43,694</u>                | <u>488,763</u>               |
| Total assets                       | 222,053,049                  | 179,738,989                  |
| LIABILITIES:                       |                              |                              |
| Other liabilities                  | <u>983,179</u>               | <u>192,613</u>               |
| Net assets available for benefits  | <u><u>\$ 221,069,870</u></u> | <u><u>\$ 179,546,376</u></u> |

The accompanying notes are an integral part of these financial statements.

ARIEL CORPORATION  
EMPLOYEE RETIREMENT PLAN

STATEMENTS OF CHANGES IN NET ASSETS  
AVAILABLE FOR PLAN BENEFITS  
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

|                                               | <u>2017</u>                  | <u>2016</u>                  |
|-----------------------------------------------|------------------------------|------------------------------|
| ADDITIONS TO NET ASSETS ATTRIBUTED TO:        |                              |                              |
| Investment income:                            |                              |                              |
| Net appreciation in fair value of investments | \$ 25,568,952                | \$ 8,488,821                 |
| Dividends and interest                        | 3,501,103                    | 4,929,247                    |
| Total investment income                       | <u>29,070,055</u>            | <u>13,418,068</u>            |
| Interest income from participant loans        | 262,692                      | 225,699                      |
| Contributions:                                |                              |                              |
| Participants                                  | 6,087,049                    | 4,025,633                    |
| Employer                                      | 11,347,515                   | 5,690,856                    |
| Rollover                                      | 390,480                      | 309,055                      |
| Total contributions                           | <u>17,825,044</u>            | <u>10,025,544</u>            |
| Total additions                               | 47,157,791                   | 23,669,311                   |
| DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:     |                              |                              |
| Benefits paid to participants                 | 5,503,467                    | 18,520,980                   |
| Administrative expenses                       | 130,830                      | 31,273                       |
| Total deductions                              | <u>5,634,297</u>             | <u>18,552,253</u>            |
| Change in net assets                          | 41,523,494                   | 5,117,058                    |
| NET ASSETS AVAILABLE FOR BENEFITS:            |                              |                              |
| Beginning of the year                         | <u>179,546,376</u>           | <u>174,429,318</u>           |
| End of the year                               | <u><u>\$ 221,069,870</u></u> | <u><u>\$ 179,546,376</u></u> |

The accompanying notes are an integral part of these financial statements.

ARIEL CORPORATION  
EMPLOYEE RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS

NOTE 1: DESCRIPTION OF PLAN

The following description of Ariel Corporation Employee Retirement Plan (“Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

General

The Plan is a defined contribution safe harbor plan covering all employees of the company who have attained age 18 and are credited with three months of service. During 2015, the Board of Directors of Ariel Corporation, the Plan’s sponsor, voted that effective October 1, 2015, Energy Thunder Retirement Plan be merged into the Ariel Corporation Employee Retirement Plan. The Employee Benefit Plan Committee is responsible for oversight of the Plan. The Employee Benefit Plan Committee, along with investment advisors, determines the appropriateness of the Plan’s investment offerings and monitoring of investment performance. The plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

The Plan provides for automatic deferrals for eligible Participants who do not make an affirmative election to defer (or not to defer) under the Plan. Participants are automatically entered into the plan withholding 3 percent from their paychecks, with an automatic 1 percent increase each Plan Year until it reaches a maximum of 4 percent. Each year participants may contribute a percentage of their pre-tax or post-tax salary that is not more than the maximum amount allowed by law. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. The Company provides a safe harbor matching contribution per the Plan agreement. The Company also may elect to make additional profit sharing contributions to the Plan as determined by the Board of Directors. The contributions are allocated among all participants so that each participant will be allocated the same percentage of their compensation.

Participant Accounts

Each participant’s account is credited with the participant’s and employer contributions, allocations of plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

Vesting

Participants are immediately 100% vested in their contributions and employer matching contributions plus actual earnings thereon. All employer profit sharing contributions are fully vested after six years of credited service as required by the Pension Protection Act of 2006.

Investment Options

Upon enrollment in the Plan, a participant may direct contributions in any of several investment options. Participants may change their investment options at any time.

Notes Receivable from Participants

Participants may borrow from their accounts up to 50% of a participant’s vested account, with a minimum of \$1,000, not to exceed \$50,000, at the discretion of the Plan’s trustee. All loans are subject to the terms and conditions of the Plan. Principal and interest are paid ratably through payroll deductions.

ARIEL CORPORATION  
EMPLOYEE RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS

NOTE 1: DESCRIPTION OF PLAN (continued)

Payment of Benefits

Distributions can be paid due to a participant's retirement, death, total disability, in-service withdrawal, or termination of employment, subject to the conditions stated in the Plan document. Participants may elect to receive benefits in a lump sum distribution or installments. The Plan also provides for hardship withdrawals, which are subject to conditions stated in the Plan document.

Forfeited Accounts

Forfeitures are created when participants terminate employment before becoming entitled to their full benefit under the Plan. At December 31, 2017 and 2016 forfeited non-vested accounts totaled \$194 and \$296, respectively. Forfeitures reallocated and used as employer contributions for the years December 31, 2017 and 2016 were \$195,659 and \$441,651, respectively.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared using the accrual method of accounting.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value is 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. The Employee Benefit Plan Committee determines the Plan's valuation policies utilizing information provided by the investment trustee. See Note 6 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon a distributable event. No allowance for credit losses has been recorded as of December 31, 2017 or 2016.

Payment of Benefits

Benefits are recorded when paid.

ARIEL CORPORATION  
EMPLOYEE RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Administrative Expenses

Certain expenses of the Plan are paid directly by the Plan sponsor and are excluded from these financial statements. Fees related to administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Recordkeeping and other administrative expenses, including asset management fees, are included in net appreciation of fair value of investments.

Subsequent Event

Subsequent events have been evaluated through August 24, 2018, which is the date the financial statements were available to be issued.

NOTE 3: INFORMATION PREPARED AND CERTIFIED BY TRUSTEE

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and supplemental schedule, including investments and notes receivable from participants held at December 31, 2017 and 2016, and net appreciation in fair value of investments, interest and dividends for the years ended December 31, 2017 and 2016, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by Fidelity Management Trust Company (the trustee and record keeper of the Plan).

NOTE 4: INVESTMENTS

During 2017 and 2016, the Plan's investments (including investments bought, sold and held during the year) appreciated in value respectively as follows:

|                  | <u>2017</u>          | <u>2016</u>         |
|------------------|----------------------|---------------------|
| Net appreciation | <u>\$ 25,568,952</u> | <u>\$ 8,488,821</u> |

NOTE 5: NONPARTICIPANT-DIRECTED INVESTMENTS

Information about the net assets and the significant components of the changes in net assets relating to the nonparticipant-directed investments is as followed:

| Net Assets:                     | <u>2017</u>      | <u>2016</u>      |
|---------------------------------|------------------|------------------|
| Common stocks                   | \$ 71,279,053    | \$ 59,107,187    |
| Registered investment companies | 52,282,698       | 45,638,689       |
| Corporate debt instruments      | 11,141,516       | 10,692,357       |
| Interest bearing cash           | <u>1,352,051</u> | <u>1,742,517</u> |
|                                 | 136,055,318      | 117,180,750      |

ARIEL CORPORATION  
EMPLOYEE RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS

NOTE 5: NONPARTICIPANT-DIRECTED INVESTMENTS (continued)

|                                      | <u>2017</u>           | <u>2016</u>           |
|--------------------------------------|-----------------------|-----------------------|
| Carried Forward:                     | 136,055,318           | 117,180,750           |
| Corporate debt instruments preferred | 2,444,179             | 1,404,893             |
| Common collective trust fund         | 18,486                | 18,188                |
| Other receivables                    | 281,690               | 642,140               |
| Non-interest bearing cash            | 43,694                | 488,763               |
| Operating payables                   | <u>(983,179)</u>      | <u>(192,613)</u>      |
|                                      | <u>\$ 137,860,188</u> | <u>\$ 119,542,121</u> |

  

|                                                      | <u>2017</u>          |
|------------------------------------------------------|----------------------|
| Change in Net Assets:                                |                      |
| Contributions                                        | \$ 3,367,337         |
| Net appreciation                                     | 19,569,627           |
| Benefits paid to participants                        | (3,501,613)          |
| Transfers to participant-directed investments        | (1,835,510)          |
| Transferred into nonparticipant-directed investments | 606,492              |
| Forfeiture debit                                     | 195,429              |
| Fees                                                 | <u>(83,695)</u>      |
|                                                      | <u>\$ 18,318,067</u> |

NOTE 6: FAIR VALUE MEASUREMENTS

Generally Accepted Accounting Principles include a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

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.

ARIEL CORPORATION  
EMPLOYEE RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS

NOTE 6: FAIR VALUE MEASUREMENTS (continued)

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

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

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2017 and 2016.

*Cash and cash equivalents:* Valued at the net asset value of shares by the Plan at year end.

*Common stocks:* Valued at closing price reported on the active market on which the individual securities are traded.

*Corporate bonds and debentures:* Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

*Registered investment companies:* Valued at the net asset value (NAV) of shares held by the plan at year end. NAV is based on the value of underlying assets owned by the fund, minus its liabilities and then divided by the number of shares outstanding. NAV is a quoted price in an active market.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although 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.

ARIEL CORPORATION  
EMPLOYEE RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS

NOTE 6: FAIR VALUE MEASUREMENTS (continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2017 and 2016:

Assets at Fair Value as of December 31, 2017

|                                                              | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u>          |
|--------------------------------------------------------------|----------------|----------------|----------------|-----------------------|
| Mutual Funds                                                 | \$ 115,894,307 | \$ 0           | \$ 0           | \$ 115,894,307        |
| Cash and Cash Equivalents                                    | 1,352,051      | 0              | 0              | 1,352,051             |
| Corporate bonds and debentures                               |                |                |                |                       |
| US corporate bonds                                           | 13,585,695     | 0              | 0              | 13,585,695            |
| Common Stock                                                 | 71,279,053     | 0              | 0              | 71,279,053            |
| Investments valued using NAV<br>as a practical expedient (a) |                |                |                | <u>9,689,627</u>      |
| Total assets at fair value                                   |                |                |                | <u>\$ 211,800,733</u> |

Assets at Fair Value as of December 31, 2016

|                                                              | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u>          |
|--------------------------------------------------------------|----------------|----------------|----------------|-----------------------|
| Mutual Funds                                                 | \$ 91,410,877  | \$ 0           | \$ 0           | \$ 91,410,877         |
| Cash and Cash Equivalents                                    | 1,742,517      | 0              | 0              | 1,742,517             |
| Corporate bonds and debentures                               |                |                |                |                       |
| US corporate bonds                                           | 12,097,250     | 0              | 0              | 12,097,250            |
| Common Stock                                                 | 59,107,187     | 0              | 0              | 59,107,187            |
| Investments valued using NAV<br>as a practical expedient (a) |                |                |                | <u>8,429,347</u>      |
| Total assets at fair value                                   |                |                |                | <u>\$ 172,787,178</u> |

- (a) In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

ARIEL CORPORATION  
EMPLOYEE RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS

NOTE 7: RELATED PARTY TRANSACTIONS

Certain Plan investments are managed by Fidelity Management Trust Company. As defined by the Plan, Fidelity is the trustee and, therefore, these transactions qualify as party-in-interest. The Plan also issues loans to participants, which are secured by the vested balance in the participant's accounts, which are also considered party in interest transactions.

NOTE 8: PLAN TERMINATION

Although it has not expressed any intent to do so, the company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

NOTE 9: TAX STATUS

The Plan adopted a volume submitter document provided by Fidelity, which obtained its latest opinion on March 31, 2014 from the Internal Revenue Service stating that the Plan as written is in compliance with applicable requirements of the Internal Revenue Code (IRC). The plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require management of an organization to evaluate tax positions taken by the organization and recognize a tax liability if the organization has taken an uncertain tax position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Plan management has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2017, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 10: RISKS AND UNCERTAINTIES

The Plan provides for various investment options. Investment securities are exposed to various risks, such as interest rates, market and credit. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

ARIEL CORPORATION  
EMPLOYEE RETIREMENT PLAN  
FORM 5500, SCHEDULE H, LINE 4I - EIN #31-0721681, PN 002

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES  
AS OF DECEMBER 31, 2017

| (a) | (b) Identity of issue, borrower,<br>or similar party               | (c) Description of investment<br>including maturity date,<br>rate of interest, collateral,<br>par or maturity value | (d) Cost     | (e) Current<br>value   |
|-----|--------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|--------------|------------------------|
| *   | Fidelity Managed Income Portfolio<br>Wells Fargo Stable Value Fund | Common Collective Trust Fund<br>Common Collective Trust Fund                                                        | **<br>17,454 | \$ 9,671,141<br>18,486 |
|     | Subtotal of common collective trusts                               |                                                                                                                     |              | <hr/> 9,689,627        |
|     | Aaron's Inc Class A                                                | 31,400 shares of common stock                                                                                       | 633,670      | 1,251,290              |
|     | Abbott Laboratories                                                | 29,475 shares of common stock                                                                                       | 929,466      | 1,682,138              |
|     | Accenture PLC Ireland Shares Class A                               | 18,300 share of common stock                                                                                        | 781,945      | 2,801,937              |
|     | Allergan Inc                                                       | 5,775 shares of common stock                                                                                        | 1,765,801    | 944,675                |
|     | Amphenol Corp                                                      | 31,000 shares of common stock                                                                                       | 639,857      | 2,721,799              |
|     | ANSYS Inc                                                          | 18,650 shares of common stock                                                                                       | 589,741      | 2,752,553              |
|     | BB & T Corporation                                                 | 34,225 shares of common stock                                                                                       | 912,456      | 1,701,667              |
|     | Blackrock Inc.                                                     | 4,650 shares of common stock                                                                                        | 1,441,167    | 2,388,752              |
|     | Colfax Corp                                                        | 20,500 shares of common stock                                                                                       | 999,314      | 812,210                |
|     | Costco Wholesale Group                                             | 8,525 shares of common stock                                                                                        | 1,342,003    | 1,586,673              |
|     | DanaHER Corp                                                       | 23,200 shares of common stock                                                                                       | 519,730      | 2,153,424              |
|     | Dover Corp                                                         | 15,775 shares of common stock                                                                                       | 465,290      | 1,593,117              |
|     | Esterline Technologies Corp                                        | 18,300 shares of common stock                                                                                       | 1,002,754    | 1,367,010              |
|     | Exxon Mobil Corp                                                   | 16,325 shares of common stock                                                                                       | 742,910      | 1,365,423              |
|     | Fiserv Inc                                                         | 15,700 shares of common stock                                                                                       | 453,949      | 2,058,741              |
|     | Fortive Corp                                                       | 20,250 shares of common stock                                                                                       | 570,609      | 1,465,088              |
|     | Gentex Corp                                                        | 93,750 shares of common stock                                                                                       | 1,001,352    | 1,964,063              |
|     | Gildan Activewear                                                  | 54,250 shares of common stock                                                                                       | 640,918      | 1,752,275              |
|     | Gilead Sciences Inc                                                | 23,500 shares of common stock                                                                                       | 640,402      | 1,683,540              |
|     | Goldman Sachs Group Inc                                            | 8,200 shares of common stock                                                                                        | 1,016,114    | 2,089,032              |
|     | Graco Inc                                                          | 38,475 shares of common stock                                                                                       | 978,650      | 1,739,840              |
|     | Halliburton Co                                                     | 27,600 shares of common stock                                                                                       | 1,535,622    | 1,348,812              |
|     | Hartford Financial Services Group, Inc.                            | 32,750 shares of common stock                                                                                       | 642,246      | 1,843,170              |
|     | Hasboro Inc                                                        | 13,900 share of common stock                                                                                        | 1,331,192    | 1,263,371              |
|     | Henry Schein Inc.                                                  | 26,250 shares of common stock                                                                                       | 903,398      | 1,834,350              |
|     | Home Depot Inc                                                     | 12,500 shares of common stock                                                                                       | 424,724      | 2,369,125              |
|     | Ingredion, Inc                                                     | 15,500 shares of common stock                                                                                       | 979,861      | 2,166,900              |
|     | Neogen Corporation                                                 | 22,575 shares of common stock                                                                                       | 542,025      | 1,855,891              |
|     | On Assignment Inc                                                  | 30,925 shares of common stock                                                                                       | 1,201,123    | 1,987,550              |
|     | Open Text Corporation                                              | 55,300 shares of common stock                                                                                       | 658,107      | 1,972,551              |
|     | Pepsico Inc                                                        | 15,425 shares of common stock                                                                                       | 728,257      | 1,849,766              |
|     | Proctor & Gamble Co                                                | 11,375 shares of common stock                                                                                       | 506,796      | 1,045,135              |
|     | RPM International Inc                                              | 23,325 shares of common stock                                                                                       | 1,240,124    | 1,222,697              |
|     | Regeneron Pharmaceuticals Inc                                      | 3,650 shares of common stock                                                                                        | 1,349,102    | 1,372,254              |
|     | Ross Stores Inc                                                    | 26,125 shares of common stock                                                                                       | 775,543      | 2,096,531              |
|     | Signature Bank                                                     | 9,275 shares of common stock                                                                                        | 1,298,483    | 1,273,087              |
|     | Skyworks Solution Inc                                              | 20,375 shares of common stock                                                                                       | 629,447      | 1,934,606              |
|     | Snap On Inc                                                        | 8,050 shares of common stock                                                                                        | 1,207,819    | 1,403,115              |
|     | Thor Industries Inc                                                | 16,500 shares of common stock                                                                                       | 874,536      | 2,486,880              |
|     | Visa Inc CL A                                                      | 18,225 shares of common stock                                                                                       | 1,338,087    | 2,078,015              |
|     | Subtotal of common stocks                                          |                                                                                                                     |              | <hr/> 71,279,053       |

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AS OF DECEMBER 31, 2017

| (a) | (b) Identity of issue, borrower,<br>or similar party | (c) Description of investment<br>including maturity date,<br>rate of interest, collateral,<br>par or maturity value | (d) Cost | (e) Current<br>value |
|-----|------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|----------|----------------------|
|     | AT & T Inc                                           | \$500,000 note at 1.750% interest, maturity date 1/15/18                                                            | 501,475  | 499,859              |
|     | Actavis Funding                                      | \$550,000 note at 3.000% interest, maturity date 3/12/20                                                            | 551,166  | 554,916              |
|     | Banc One                                             | \$500,000 note at 9.875% interest, maturity date 3/1/19                                                             | 627,200  | 534,386              |
|     | Barclay's PLC                                        | \$650,000 note at 2.750% interest, maturity date 11/8/19                                                            | 654,992  | 651,472              |
|     | Conoco Phillips Co                                   | \$500,000 note at 4.200% interest, maturity date 3/15/21                                                            | 427,400  | 420,589              |
|     | Dominion RES Inc                                     | \$500,000 note at 1.600% interest, maturity date 8/15/19                                                            | 496,725  | 494,448              |
|     | Dun & Bradstreet                                     | \$700,000 note at 4.000% interest, maturity date 6/15/20                                                            | 717,163  | 717,874              |
|     | Fifth Third Bank                                     | \$500,000 note at 2.300% interest, maturity date 3/1/19                                                             | 503,332  | 500,373              |
|     | Fiserv Inc                                           | \$350,000 note at 4.625% interest, maturity date 10/1/20                                                            | 379,302  | 369,321              |
|     | Fiserv Inc                                           | \$500,000 note at 2.700% interest, maturity date 6/1/20                                                             | 501,275  | 503,093              |
|     | Gatx Corp                                            | \$250,000 note at 2.500% interest, maturity date 7/30/19                                                            | 250,750  | 249,499              |
|     | General MTR Inc                                      | \$250,000 note at 3.100% interest, maturity date 1/15/19                                                            | 508,606  | 502,673              |
|     | Goldman Sachs Group Inc                              | \$600,000 note at 7.500% interest, maturity date 2/15/19                                                            | 687,666  | 634,057              |
|     | Hewlett Packard                                      | \$500,000 note at 4.300% interest, maturity date 6/01/21                                                            | 533,125  | 524,171              |
|     | Juniper Network                                      | \$500,000 note at 3.125% interest, maturity date 2/01/19                                                            | 507,425  | 503,880              |
|     | Kraft Foods                                          | \$400,000 note at 5.375% interest, maturity date 2/01/20                                                            | 425,042  | 423,776              |
|     | Mead Johnson Nutr                                    | \$850,000 note at 3.000% interest, maturity date 11/15/20                                                           | 855,112  | 862,668              |
|     | Morgan Stanley                                       | \$500,000 note at 5.6250% interest, maturity date 9/23/19                                                           | 570,500  | 526,851              |
|     | Newmont Mining MTN                                   | \$650,000 note at 5.125% interest, maturity date 10/1/19                                                            | 714,698  | 677,259              |
|     | Ohio Savings Capital Tr 144A                         | \$250,000 note at 9.500% interest, maturity date 6/3/27                                                             | 750      | 3,125                |
|     | Pitney Bowes                                         | \$500,000 note at 6.250% interest, maturity date 3/15/19                                                            | 528,344  | 515,000              |
|     | Quest Diagnostic                                     | \$325,000 note at 2.500% interest, maturity date 3/30/20                                                            | 326,023  | 324,966              |
|     | RPM Intl Inc                                         | \$300,000 note at 6.125% interest, maturity date 10/15/19                                                           | 343,531  | 319,385              |
|     | Southern Company                                     | \$500,000 note at 2.750% interest, maturity date 6/15/20                                                            | 508,000  | 503,135              |
|     | Teva Pharm CV                                        | \$500,000 note at 2.250% interest, maturity date 3/15/20                                                            | 495,440  | 483,492              |
|     | Weyerhaeuser Co                                      | \$600,000 note at 7.375% interest, maturity date 10/1/19                                                            | 734,716  | 650,154              |
|     | Zimmer Holdings                                      | \$635,000 note at 2.700% interest, maturity date 4/1/20                                                             | 643,085  | 635,273              |
|     | Subtotal of corporate bonds and debentures           |                                                                                                                     |          | 13,585,695           |

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|-----|-----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|----------|-----------------------|
|     | Metwest Total Return Bond                                       | Registered Investment Company                                                                                       | **       | \$ 1,172,958          |
|     | DFA US Target Value Fund                                        | Registered Investment Company                                                                                       | **       | 1,252,374             |
|     | Lord Abbett Developing Growth I                                 | Registered Investment Company                                                                                       | **       | 1,553,625             |
|     | Harbor International Admin                                      | Registered Investment Company                                                                                       | **       | 1,432,599             |
| *   | Fidelity Govt Income                                            | Registered Investment Company                                                                                       | **       | 41                    |
| *   | Fidelity 500 Index Portfolio                                    | Registered Investment Company                                                                                       | **       | 4,849,712             |
| *   | Fidelity Freedom Index Income Investment                        | Registered Investment Company                                                                                       | **       | 206,188               |
| *   | Fidelity Freedom Low Priced Stock                               | Registered Investment Company                                                                                       | **       | 3,847,267             |
| *   | Fidelity Freedom Index 2005 Investment                          | Registered Investment Company                                                                                       | **       | 46,501                |
| *   | Fidelity Freedom Index 2010 Investment                          | Registered Investment Company                                                                                       | **       | 102,893               |
| *   | Fidelity Freedom Index 2020 Investment                          | Registered Investment Company                                                                                       | **       | 6,600,543             |
| *   | Fidelity Freedom Index 2025 Investment                          | Registered Investment Company                                                                                       | **       | 8,862,961             |
| *   | Fidelity Freedom Index 2030 Investment                          | Registered Investment Company                                                                                       | **       | 9,584,933             |
| *   | Fidelity Freedom Index 2035 Investment                          | Registered Investment Company                                                                                       | **       | 6,094,867             |
| *   | Fidelity Freedom Index 2040 Investment                          | Registered Investment Company                                                                                       | **       | 5,065,245             |
| *   | Fidelity Freedom Index 2045 Investment                          | Registered Investment Company                                                                                       | **       | 4,659,337             |
| *   | Fidelity Freedom Index 2050 Investment                          | Registered Investment Company                                                                                       | **       | 4,808,043             |
| *   | Fidelity Freedom Index 2015 Investment                          | Registered Investment Company                                                                                       | **       | 934,576               |
| *   | Fidelity Freedom Index 2055 Investment                          | Registered Investment Company                                                                                       | **       | 2,277,233             |
| *   | Fidelity Freedom Index 2060 Investment                          | Registered Investment Company                                                                                       | **       | 259,711               |
|     | AQR Multi- Strategy                                             | 197,650.714 shares of Registered Investment Company                                                                 |          | 1,788,739             |
|     | Artisan International Institute                                 | 43,243.980 shares of Registered Investment Company                                                                  |          | 2,452,941             |
|     | DFA Emerging Markets Portfolio                                  | 201,048.713 shares of Registered Investment Company                                                                 |          | 6,125,954             |
|     | Dodge & Cox International Stock Fund                            | 116,739.586 shares of Registered Investment Company                                                                 |          | 5,407,378             |
|     | Eaton Vance Emerging Markets                                    | 793,650.988 shares of Registered Investment Compant                                                                 |          | 5,055,557             |
| *   | Fidelity Small Cap Value Fund                                   | 280,703.187 shares of Registered Investment Company                                                                 |          | 5,703,889             |
|     | Hartford Total Return Bond HLS Fund Class 1A                    | 474,276.225 shares of Registered Investment Company                                                                 |          | 5,368,807             |
|     | Hartford Small Cap Growth Y                                     | 77,474.636 shares of Registered Investment Company                                                                  |          | 4,701,936             |
|     | Pimco Emerging Local Bond Inst                                  | 658,314.529 shares of Registered Investment Company                                                                 |          | 4,976,858             |
|     | Vanguard International Growth                                   | 32,791.367 shares of Registered Investment Company                                                                  |          | 3,134,199             |
|     | Western Asset Core Plus Bond Portfolio Inst                     | 454,577.027 shares of Registered Investment Company                                                                 |          | 5,382,192             |
|     | Western Asset Total Return UNC                                  | 202,808.697 shares of Registered Investment Company                                                                 |          | 2,184,250             |
|     | Subtotal of registered investment company investments           |                                                                                                                     |          | 115,894,307           |
|     | Interest Bearing Cash                                           |                                                                                                                     |          | 1,352,051             |
| *   | Notes receivable from participants                              | Loans, 10.00%                                                                                                       | **       | 2,931,539             |
|     | Total of all investments and notes receivable from participants |                                                                                                                     |          | <u>\$ 214,732,272</u> |

\* Represents a party-in-interest

\*\* Cost is not required for participant directed accounts

The above information has been certified by Fidelity Management Trust Company., the trustee, as complete and accurate.