

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2017 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2017 or fiscal plan year beginning <u>01/01/2017</u> and ending <u>12/31/2017</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☒
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)

Part II	Basic Plan Information—enter all requested information				
1a Name of plan <u>THE DAVEY TREE EXPERT COMPANY RETIREMENT PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>12/01/1946</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>12/01/1946</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>12/01/1946</u>					
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>THE DAVEY TREE EXPERT COMPANY</u> <u>1500 N MANTUA ST</u> <u>KENT, OH 44240-2372</u> <u>1500 N MANTUA ST</u> <u>KENT, OH 44240-2372</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>34-0176110</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>330-673-9511</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>561730</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>34-0176110</u>	2c Plan Sponsor's telephone number <u>330-673-9511</u>	2d Business code (see instructions) <u>561730</u>	
2b Employer Identification Number (EIN) <u>34-0176110</u>					
2c Plan Sponsor's telephone number <u>330-673-9511</u>					
2d Business code (see instructions) <u>561730</u>					

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/12/2018	JOSEPH PAUL
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2017)
v. 170203

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor 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: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 2158
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).	
a(1) Total number of active participants at the beginning of the plan year	6a(1) 1373
a(2) Total number of active participants at the end of the plan year	6a(2) 1317
b Retired or separated participants receiving benefits	6b 60
c Other retired or separated participants entitled to future benefits	6c 274
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 1651
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 3
f Total. Add lines 6d and 6e	6f 1654
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

1A 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)
- (2)** ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3)** ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☐ **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☒ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

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 _____

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2017 This Form is Open to Public Inspection
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For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

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

A Name of plan <u>THE DAVEY TREE EXPERT COMPANY RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>THE DAVEY TREE EXPERT COMPANY</u>	D Employer Identification Number (EIN) <u>34-0176110</u>

E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500
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Part I Basic Information

1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2017</u>			
2 Assets:			
a Market value	2a	<u>14532550</u>	
b Actuarial value	2b	<u>14658984</u>	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	<u>60</u>	<u>2342088</u>	<u>2342088</u>
b For terminated vested participants	<u>274</u>	<u>3565580</u>	<u>3565580</u>
c For active participants	<u>1317</u>	<u>10619063</u>	<u>10645295</u>
d Total	<u>1651</u>	<u>16526731</u>	<u>16552963</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	<u>5.97 %</u>	
6 Target normal cost	6	<u>502508</u>	

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

SIGN HERE		<u>10/04/2018</u>
Signature of actuary		Date
<u>RYAN S. CARNEY</u>		<u>17-06630</u>
Type or print name of actuary		Most recent enrollment number
<u>TOWERS WATSON DELAWARE, INC.</u>		<u>216-937-4000</u>
Firm name		Telephone number (including area code)
<u>1001 LAKESIDE AVENUE, SUITE 1500 CLEVELAND, OH 44114</u>		
Address of the firm		

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

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)		
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)		
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of <u>2.64</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		2038194
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.19</u> %		126164
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		
c Total available at beginning of current plan year to add to prefunding balance		2164358
d Portion of (c) to be added to prefunding balance		
12 Other reductions in balances due to elections or deemed elections		
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III Funding Percentages

14 Funding target attainment percentage	14	88.55%
15 Adjusted funding target attainment percentage	15	88.55%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	89.44%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
08/10/2018	8000000	0			
04/11/2018	1000000	0			
01/11/2018	1000000	0			
04/14/2017	900000	0			
Totals ▶			18(b)	10900000	18(c) 0

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

a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	10043571

20 Quarterly contributions and liquidity shortfalls:

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

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

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

21 Discount rate:				
a Segment rates:	1st segment: 4.16 %	2nd segment: 5.72 %	3rd segment: 6.48 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age.....				22 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	502508	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment.....	1893979		348673
b Waiver amortization installment			
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....	34	851181	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....			0
36 Additional cash requirement (line 34 minus line 35)	36	851181	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	10043571	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	9192390	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b		
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40		

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

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

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

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

A Name of plan THE DAVEY TREE EXPERT COMPANY RETIREMENT PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 THE DAVEY TREE EXPERT COMPANY	D Employer Identification Number (EIN) 34-0176110

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

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

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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)

WELLS FARGO

94-1347393

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
26	TRUSTEE (CORPORATE)	12134	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☒

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

TOWERS WATSON

23-1159360

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	ACTUARIAL	117700	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☒

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

PNC BANK

22-1146430

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
26	TRUSTEE (CORPORATE)	21984	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☒

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2017 This Form is Open to Public Inspection.
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For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A Name of plan <u>THE DAVEY TREE EXPERT COMPANY RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>THE DAVEY TREE EXPERT COMPANY</u>	D Employer Identification Number (EIN) <u>34-0176110</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: THE DAVEY TREE MASTER TRUST

b Name of sponsor of entity listed in (a): THE DAVEY TREE EXPERT COMPANY

c EIN-PN <u>34-1351132-005</u>	d Entity code <u>M</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

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

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

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

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

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2017 This Form is Open to Public Inspection
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For calendar plan year 2017 or fiscal plan year beginning <u>01/01/2017</u> and ending <u>12/31/2017</u>		
A Name of plan <u>THE DAVEY TREE EXPERT COMPANY RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>THE DAVEY TREE EXPERT COMPANY</u>	D Employer Identification Number (EIN) <u>34-0176110</u>	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	3100000	10000000
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		54282
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	11508628	
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		7105279
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities	1d(1)	
(2)	Employer real property	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	14608628 17159561
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	27857 22574
i	Acquisition indebtedness	1i	
j	Other liabilities	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	27857 22574
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	14580771 17136987

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.

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	10900000
	(B) Participants	2a(1)(B)	
	(C) Others (including rollovers)	2a(1)(C)	
(2)	Noncash contributions	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	10900000
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans	2b(1)(E)	
	(F) Other	2b(1)(F)	
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	0
(2)	Dividends: (A) Preferred stock	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	245446
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	245446
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		568175
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		11713621

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	333837	
(2) To insurance carriers for the provision of benefits	2e(2)	8345718	
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		8679555
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	121283	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	25252	
(4) Other	2i(4)	331315	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		477850
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		9157405

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		2556216
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

☒ Yes ☐ No

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

(1) Name: **MAYER HOFFMAN MCCANN P.C.**

(2) EIN: **43-1947695**

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		4000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	X		
4j	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

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.)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2017 This Form is Open to Public Inspection.
For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017		
A Name of plan THE DAVEY TREE EXPERT COMPANY RETIREMENT PLAN		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 THE DAVEY TREE EXPERT COMPANY		D Employer Identification Number (EIN) 34-0176110
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): EIN(s): 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 24
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:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

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

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 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: 67.0% Investment-Grade Debt: 20.0% High-Yield Debt: _____% Real Estate: _____% Other: 13.0%

- 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):

FINANCIAL STATEMENTS

The Davey Tree Expert Company Employee
Retirement Plan

December 31, 2017
with Independent Auditors' Report

The Davey Tree Expert Company Employee Retirement Plan

Financial Statements

December 31, 2017

Independent Auditors' Report	1
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Financial Statements

Statements of Net Assets Available for Benefits.....	3
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Supplemental Schedules

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Schedule H, Line 4j--Schedule of Reportable Transactions.....	15



Mayer Hoffman McCann P.C.

4040 Embassy Pkwy, Suite 100 ■ Akron, OH 44333

Main: 330.668.6500 ■ Fax: 330.666.8789 ■ www.mhmcpc.com

Independent Auditors' Report

To the Plan Administrator

THE DAVEY TREE EXPERT COMPANY EMPLOYEE RETIREMENT PLAN

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of The Davey Tree Expert Company Employee Retirement Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2017 and 2016, and the related statement of changes in net assets available for benefits for the year ended December 31, 2017, 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.

Auditors' 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 ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note E which was certified by PNC Bank, National Association, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2017 and 2016 and for the year ended December 31, 2017, that the information provided to the plan administrator by the trustee is complete and accurate.



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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 schedules of assets (held at end of year) and reportable transactions as of or for the year ended December 31, 2017 are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are 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 schedules referred to above.

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 schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Mayer Hoffman McCann P.C.

Akron, Ohio
October 10, 2018

The Davey Tree Expert Company Employee Retirement Plan

Statements of Net Assets Available for Benefits

	December 31,	
	2017	2016
Assets		
Investments, at fair value:		
Investments	\$ 7,105,279	\$ -
Investment in The Davey Tree Master Trust	-	11,508,628
Annuity refund receivable	54,282	-
Employer contribution receivable	10,000,000	3,100,000
Total assets	17,159,561	14,608,628
Liabilities		
Administrative and investment expenses payable	22,574	27,857
Net assets available for benefits	<u>\$ 17,136,987</u>	<u>\$ 14,580,771</u>

See notes to financial statements.

The Davey Tree Expert Company Employee Retirement Plan

Statement of Changes in Net Assets Available for Benefits

Year ended December 31, 2017

Additions

Employer contributions	\$ 10,900,000
Investment income:	
Net appreciation in fair value of investments	568,175
Dividends	245,446
Total additions	<u>11,713,621</u>

Deductions

Benefits paid to participants	333,837
Purchase of annuity contract	8,345,718
Pension Benefit Guaranty Corporation premium fees	331,315
Administrative and investment expenses	146,535
Total deductions	<u>9,157,405</u>
Net increase	<u>2,556,216</u>

Net assets available for benefits:

Beginning of year	14,580,771
End of year	<u><u>\$ 17,136,987</u></u>

See notes to financial statements.

The Davey Tree Expert Company Employee Retirement Plan
Notes to Financial Statements
December 31, 2017

A. Description of the Plan

The following description of The Davey Tree Expert Company Employee Retirement Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement for more complete information. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”).

The Plan, established December 1, 1946, was most recently restated effective January 1, 2015.

Effective January 1, 1997, the Plan became a noncontributory defined benefit pension plan for all participants, except for members of a bargaining unit that negotiated participation, for which such employees may participate on a contribution basis. Previously, the Plan had been a contributory defined benefit pension plan for all nonbargaining employees of The Davey Tree Expert Company (the “Company”), plus those bargaining groups of the Company that negotiated participation.

Benefit Accruals Frozen Effective December 31, 2008--During the fourth quarter 2008, the Company’s Board of Directors approved an amendment to freeze the benefit accruals for all participants, effective December 31, 2008, and implement enhanced benefits to the Company’s defined contribution saving plan—The Davey 401KSOP and ESOP—effective January 1, 2009.

Prior to the December 31, 2008 freeze, an employee could have become a participant in the Plan after one year of continuous service and attaining age 21. Full vesting of benefits, other than those associated with employee contributions, resulted after five years of eligible service. The eligibility requirements for benefits follow:

Normal retirement date	Age 65
Early retirement	Age 55 with 5 years of vesting service with a reduction for benefits commencing prior to age 65
Disability retirement	Age 55 with 5 years of vesting service with no reduction for benefits commencing prior to age 65
Termination	Deferred benefits with 5 years of service

The Davey Tree Expert Company Employee Retirement Plan
Notes to Financial Statements
December 31, 2017

A. Description of the Plan (continued)

Effective January 1, 1997, the basic monthly benefit at normal retirement date for the nonbargaining groups is 1/12 of the sum of the following:

- (1) Annual accrued retirement benefits as of December 31, 1996 under prior plans, plus
- (2) The greater of (a) or (b) for each full or partial year of benefit service after December 31, 1996:
 - (a)
 - (i) 0.30% of the participant's compensation for such full or partial year, plus
 - (ii) 0.30% of the participant's compensation in excess of social security covered compensation for such full or partial year, provided that the participant's total years of benefit service do not exceed 35.
 - (b) \$80 per year

Prior to January 1, 1997 the basic monthly benefit for the nonbargaining group was based on different criteria.

The basic monthly benefit for the bargaining group is \$5.50 multiplied by the participant's total years of benefit service. Certain additional defined increases in monthly benefits were granted to this group in various years.

Additionally, the basic benefit for nonbargaining groups above was adjusted in 2002 to include a one-time increase in the monthly benefit received by participants who retired prior to January 1, 1997 according to the following schedule:

<u>Year Benefit Payments Commenced</u>	<u>Percentage of Increase</u>
1994-1996	1.0%
1991-1993	1.5
1988-1990	2.0
1985-1987	2.5
1982-1984	3.0
1979-1981	3.5
1978 and earlier	4.0

The Plan provides for several benefit payment options. The joint and 50% survivorship option is the default payment method for married participants as required under current pension laws.

PNC Bank, National Association ("PNC Bank") serves as the Plan's trustee, (the "Trustee"). The Plan's investments were held in The Davey Tree Master Trust ("Master Trust") which was established for the investment of assets of the Plan and another retirement plan sponsored by an affiliate of the Company. The Master Trust was dissolved and its investments were transferred to a new trust instrument established for the Plan effective January 1, 2017.

The Davey Tree Expert Company Employee Retirement Plan
Notes to Financial Statements
December 31, 2017

B. Summary of Accounting Policies

Basis of Accounting--The financial statements have been prepared on the accrual basis of accounting as required by and consistent with accounting principles generally accepted in the United States ("U.S. GAAP").

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

Evaluation of Subsequent Events--Subsequent events and transactions were evaluated for potential recognition and presentation in the financial statements through the date the financial statements were issued, October 10, 2018. As set forth in Note D, effective as of July 1, 2018, the Plan was terminated subject to the applicable termination procedures of ERISA.

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. With respect to the Plan's 2016 investments in the Master Trust, the fair value was based on the beginning of the year value plus actual contributions and investment income (including appreciation/depreciation in fair value of investments) less actual distributions and administrative expenses.

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

Actuarial Present Value of Accumulated Plan Benefits--Accumulated plan benefits are those estimated future periodic payments that are attributable, under the Plan's provisions, to the service employees have rendered up to the valuation date. Accumulated plan benefits include benefits expected to be paid to: (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Retirement benefits payable under all circumstances—retirement, death, disability and termination of employment—are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

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

The Davey Tree Expert Company Employee Retirement Plan
Notes to Financial Statements
December 31, 2017

B. Summary of Accounting Policies (continued)

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

Payment of Benefits--Benefits are recorded when paid.

Administrative Expenses--Actuarial, legal, audit, and Trustee expenses are paid by the Plan. Various administrative services are performed for the Plan by the Company at no charge.

C. Funding Policy

The Company's contributions to the Plan are designed to annually fund current service costs. The Company's contributions to the Plan are made in amounts not less than the minimum required under the applicable sections of ERISA and in accordance with the Internal Revenue Code (the "Code"). Minimum funding requirements of ERISA have been met.

D. Termination of the Plan

In May of 2018, the Company terminated the Plan effective July 1, 2018. Termination of the Plan is subject to compliance with the applicable termination procedures of the Act.

In accordance with the Plan's provisions, all participants (and/or beneficiaries) under the Plan will be fully vested in their benefits under the Plan upon the Plan's termination.

Each participant with a vested monthly retirement benefit under the Plan who has not already begun receiving monthly retirement benefits may elect to receive the actuarial equivalent of the monthly normal retirement benefit in the form of a single lump-sum payment in lieu of all other benefits under the Plan or shall also have the right to elect payment of the actuarial equivalent of his monthly normal retirement benefit in the qualified joint and survivor annuity form. If the present value of this monthly benefit does not exceed \$5,000, the participant shall be deemed to have validly elected the lump sum payment method. Subsequent to July 1, 2018, the Company has provided to each participant an election form, information regarding the election period and related information as required by law which may be used for the purpose of electing a single lump-sum payment.

The Davey Tree Expert Company Employee Retirement Plan
Notes to Financial Statements
December 31, 2017

D. Termination of the Plan (continued)

All of the Plan's obligations to provide retirement benefits to be paid as annuities will be satisfied through the purchase of group annuity contracts under which the issuer of the annuity contracts will assume the Plan's obligation to pay all related future pension benefits.

E. Investments

The Trustee of the Plan has certified the investments and related transactions of the Plan to the plan administrator as complete and accurate as of and for the year ended December 31, 2017. The Trustee's certification included the following:

- Investments, at fair value
- Net appreciation in fair value of investments
- Dividends
- Schedule of assets (held at end of year)
- Schedule of reportable transactions

The Trustee also certified the Plan's investment in the Davey Tree Master Trust at December 31, 2016.

The Plan purchases and sells investments at the current fair value on the respective transaction dates.

F. Fair Value Measurements

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. Market participants are defined as buyers or sellers in the principal or most advantageous market for the asset or liability that are independent of the reporting entity, knowledgeable, and able and willing to transact for the asset or liability.

The Davey Tree Expert Company Employee Retirement Plan
Notes to Financial Statements
December 31, 2017

F. Fair Value Measurements (continued)

Valuation Hierarchy--A valuation hierarchy is used for presentation of the inputs to measure fair value. The hierarchy prioritizes the inputs into three broad levels. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument. Level 3 inputs are unobservable inputs based on assumptions used to measure assets and liabilities at fair value. A financial asset or liability's classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement.

The fair values of the Plan investments as at December 31, 2017 were as follows:

Description	Total Carrying Value at December 31, 2017	Fair Value Measurements at December 31, 2017 Using:		
		Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<u>Asset Category</u>				
Money market funds	\$ 897,950	\$ -	\$ 897,950	\$ -
Mutual funds and exchange traded funds ("ETF's")	6,207,329	6,207,329	-	-
	<u>\$ 7,105,279</u>	<u>\$ 6,207,329</u>	<u>\$ 897,950</u>	<u>\$ -</u>

The fair values of the Master Trust investments as at December 31, 2016 were as follows:

Description	Total Carrying Value at December 31, 2016	Fair Value Measurements at December 31, 2016 Using:		
		Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<u>Asset Category</u>				
Money market funds	\$ 2,882,237	\$ -	\$ 2,882,237	\$ -
Mutual funds and exchange traded funds ("ETF's")	8,626,391	8,626,391	-	-
	<u>\$ 11,508,628</u>	<u>\$ 8,626,391</u>	<u>\$ 2,882,237</u>	<u>\$ -</u>

Valuation Methodology and Valuation Hierarchy Classification

The following is a description of the valuation methodology used for the investments measured at fair value, including the general classification of the investments within the valuation hierarchy.

The Davey Tree Expert Company Employee Retirement Plan
Notes to Financial Statements
December 31, 2017

F. Fair Value Measurements (continued)

Money Market Funds--Money market funds are valued at net asset value based on the fair value of the fund's underlying investments using information reported by the investment advisor and classified within Level 2 of the valuation hierarchy.

Exchange Traded Funds ("ETF's")--Exchange traded funds are valued at the closing price on the active market on which the security is traded and classified within Level 1 of the valuation hierarchy.

Mutual Funds--Mutual funds are public investment vehicles valued using the Net Asset Value ("NAV") provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market and classified within Level 1 of the valuation hierarchy.

G. Accumulated Plan Benefits

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

The actuarial present value of accumulated plan benefits was as follows:

	December 31,	
	2017	2016
Vested benefits:		
Participants currently receiving benefits	\$ 712,992	\$ 2,474,428
Other participants	18,046,795	16,271,437
Total vested benefits	18,759,787	18,745,865
Nonvested benefits	35,948	31,101
Actuarial present value of accumulated plan benefits	<u>\$ 18,795,735</u>	<u>\$ 18,776,966</u>

The Davey Tree Expert Company Employee Retirement Plan
Notes to Financial Statements
December 31, 2017

G. Accumulated Plan Benefits (continued)

The increase in the actuarial present value of accumulated plan benefits was the result of the following:

	Year ended December 31, 2017
Actuarial present value of accumulated plan benefits, beginning of year	\$ 18,776,966
Increase/(decrease) during the year attributable to:	
Benefit payments and purchase of annuity contract	(8,735,751)
Interest due to decrease in discount period	723,118
Benefits accumulated and other actuarial experience	2,105,870
Assumption changes	5,925,532
Net increase	<u>18,769</u>
Actuarial present value of accumulated plan benefits, end of year	<u>\$ 18,795,735</u>

Significant assumptions underlying the actuarial computations for 2017 were as follows:

Discount rate	2.50%
Mortality basis after normal retirement age	RP-2000 mortality table without collar adjustment, projected to 2033 using scale AA for nonannuitants and projected to 2025 using scale AA for annuitants
Average retirement age	62

Significant assumptions underlying the actuarial computations for 2016 were as follows:

Discount rate	5.00%
Mortality basis after normal retirement age	RP-2000 mortality table without collar adjustment, projected to 2032 using scale AA for nonannuitants and projected to 2024 using scale AA for annuitants
Average retirement age	62

The Davey Tree Expert Company Employee Retirement Plan
Notes to Financial Statements
December 31, 2017

H. Contract With Insurance Company

In 2017, the Company entered into an investment contract with American United Life Insurance Company ("American United Life") under which the Plan purchased a group annuity contract in the amount of \$8,345,718. Purchased annuities are contracts under which American United Life is obligated to pay benefits to named employees or their beneficiaries. American United Life shall issue to each person for whom an annuity is provided in the contract, a certificate summarizing the principal provisions of such annuity. American United Life's obligations under the group annuity contracts and the annuity certificates purchased in 2017 are effective in 2017. Funds applied towards the purchase of the annuity contracts are excluded from the Plan's assets because American United Life will be obligated to pay the related pension benefits.

I. Tax Status

The Internal Revenue Service ("IRS") has determined and informed the Company, in a letter dated December 21, 2012, that the Plan is qualified and the trust established under the Plan is tax-exempt under the appropriate sections of the Code. The Plan has been restated and amended since receiving the determination letter and a new determination letter has been applied for by the Company. The Company believes the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize tax liabilities in the financial statements if the Plan has taken uncertain tax positions that more-likely-than-not, based solely on its technical merits, would not be sustained upon examination by the IRS. Plan management has evaluated the tax positions taken by the Plan, and has concluded that as of December 31, 2017, there are no uncertain tax positions taken or expected to be taken that would require recognition.

The Plan is subject to routine audits by tax jurisdictions for tax years for which the applicable statutes of limitations have not expired. Currently, no audits relative to the Plan are in progress.

The Davey Tree Expert Company Employee Retirement Plan
EIN: 34-0176110 Plan Number: 001
Schedule H, Line 4i--Schedule of Assets
(Held at End of Year)
December 31, 2017

(a)	(b)	(c)	(d)	(e)
Identity of Issue, Borrower,	Description of			
<u>Lessor or Similar Party</u>	<u>Investment</u>	<u>Cost</u>	<u>Current</u>	<u>Value</u>
Blackrock	Blackrock Global Allocation Fund--39,639 shares	\$ 753,569	\$	785,246
Diamond Hill	Diamond Hill Small/Mid Cap Fund--21,924 shares	421,839		493,072
Dodge & Cox	Dodge & Cox International Stock Fund--7,904 shares	195,355		366,091
Federated	Federated Total Return Bond Fund--133,195 shares	1,473,475		1,451,830
Russell	IShares Russell 1000 Value Fund--4,355 shares	417,814		541,501
Russell	IShares Russell 1000 Growth Fund--4,277 shares	372,353		576,026
JPMorgan	JPMorgan Strategic Income Opportunities Fund--31,269 shares	364,383		362,724
Oppenheimer	Oppenheimer International Growth Fund--8,613 shares	235,853		375,718
Vanguard	Vanguard Short Term Investment Grade Fund--118,074 shares	1,271,384		1,255,121
*	PNC Bank, N.A.	PNC Govt. Money Market Fund--No units	897,950	897,950
		Investments at Fair Value		<u>\$ 7,105,279</u>

* A party-in-interest as defined by ERISA

The Davey Tree Expert Company Employee Retirement Plan
EIN: 34-0176110 Plan Number: 001
Schedule H, Line 4j--Schedule of Reportable Transactions

Year Ended December 31, 2017

(a)	(b)	(c)	(d)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net gain or (loss)
Single transactions in excess of 5% of plan assets						
PNC Bank	PNC Govt. Money Market	\$ 3,136,265	\$ -	\$ 3,136,265	\$ 3,136,265	\$ -
	2 purchases, 3 sales	\$ -	\$ 4,783,977	\$ 4,783,977	\$ 4,783,977	\$ -
PNC Bank	USA Treasury Notes	\$ 6,961,109	\$ -	\$ 6,961,109	\$ 6,961,109	\$ -
	3 purchases, 1 sale	\$ -	\$ 6,970,000	\$ 6,961,109	\$ 6,970,000	\$ 8,891
Series transactions in excess of 5% of plan assets						
PNC Bank	PNC Govt. Money Market	\$ 3,195,615	\$ -	\$ 3,195,615	\$ 3,195,615	\$ -
	20 purchases, 14 sales	\$ -	\$ 5,190,367	\$ 5,190,367	\$ 5,190,367	\$ -
	Federated Total Return Bond	\$ 64,964	\$ -	\$ 64,964	\$ 64,964	\$ -
PNC Bank	14 purchases, 3 sales	\$ -	\$ 800,000	\$ 812,858	\$ 800,000	\$ (12,858)
PNC Bank	USA Treasury Notes	\$ 6,961,109	\$ -	\$ 6,961,109	\$ 6,961,109	\$ -
	3 purchases, 1 sale	\$ -	\$ 6,970,000	\$ 6,961,109	\$ 6,970,000	\$ 8,891

Columns for "Lease rental" (e) and "Expense incurred with transaction" (f) are not applicable.

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue Service
Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2017**This Form is Open to Public
Inspection**For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017▶ **Round off amounts to nearest dollar.**▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.**A** Name of plan

THE DAVEY TREE EXPERT COMPANY EMPLOYEE RETIREMENT PLAN

B Three-digit
plan number (PN) ▶

001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF

THE DAVEY TREE EXPERT COMPANY

D Employer Identification Number (EIN)

34-0176110

E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B**F** Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500**Part I Basic Information****1** Enter the valuation date: Month 01 Day 01 Year 2017**2** Assets:**a** Market value..... **2a** 14,532,550**b** Actuarial value..... **2b** 14,658,984**3** Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	60	2,342,088	2,342,088
b For terminated vested participants	274	3,565,580	3,565,580
c For active participants	1,317	10,619,063	10,645,295
d Total	1,651	16,526,731	16,552,963

4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐**a** Funding target disregarding prescribed at-risk assumptions..... **4a****b** Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor..... **4b****5** Effective interest rate..... **5** 5.97%**6** Target normal cost..... **6** 502,508**Statement by Enrolled Actuary**

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

**SIGN
HERE**

Ryan S. Carney

Signature of actuary

Ryan S. Carney

Type or print name of actuary

Towers Watson Delaware, Inc.

Firm name

1001 Lakeside Avenue, Suite 1500

Cleveland OH 44114-1172

Address of the firm

10/4/18

Date

1706630

Most recent enrollment number

216-937-4000

Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐**For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.****Schedule SB (Form 5500) 2017**

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year).....	0	0
9 Amount remaining (line 7 minus line 8).....	0	0
10 Interest on line 9 using prior year's actual return of <u>2.64%</u>	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year).....		2,038,194
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.19%</u>		126,164
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return.....		0
c Total available at beginning of current plan year to add to prefunding balance.....		2,164,358
d Portion of (c) to be added to prefunding balance.....		0
12 Other reductions in balances due to elections or deemed elections.....	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	0	0

Part III Funding Percentages

14 Funding target attainment percentage.....	14	88.55%
15 Adjusted funding target attainment percentage.....	15	88.55%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	89.44%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/14/2017	900,000	0			
01/11/2018	1,000,000	0			
04/11/2018	1,000,000	0			
08/10/2018	8,000,000	0			
Totals ▶			18(b)	10,900,000	18(c) 0

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

a Contributions allocated toward unpaid minimum required contributions from prior years.....	19a	0
b Contributions made to avoid restrictions adjusted to valuation date.....	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	10,043,571

20 Quarterly contributions and liquidity shortfalls:

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

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

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

21 Discount rate:				
a Segment rates:	1st segment: 4.16 %	2nd segment: 5.72 %	3rd segment: 6.48 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	502,508	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:			
a Net shortfall amortization installment	Outstanding Balance	Installment	
b Waiver amortization installment	1,893,979	348,673	
	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	851,181	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	851,181	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	10,043,571	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	9,192,390	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42	0	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

The Davey Tree Expert Company Employee Retirement Plan
EIN: 34-0176110 Plan Number: 001
Schedule H, Line 4i--Schedule of Assets
(Held at End of Year)
December 31, 2017

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment	Cost	Current Value
	Blackrock	Blackrock Global Allocation Fund--39,639 shares	\$ 753,569	\$ 785,246
	Diamond Hill	Diamond Hill Small/Mid Cap Fund--21,924 shares	421,839	493,072
	Dodge & Cox	Dodge & Cox International Stock Fund--7,904 shares	195,355	366,091
	Federated	Federated Total Return Bond Fund--133,195 shares	1,473,475	1,451,830
	Russell	IShares Russell 1000 Value Fund--4,355 shares	417,814	541,501
	Russell	IShares Russell 1000 Growth Fund--4,277 shares	372,353	576,026
	JPMorgan	JPMorgan Strategic Income Opportunities Fund--31,269 shares	364,383	362,724
	Oppenheimer	Oppenheimer International Growth Fund--8,613 shares	235,853	375,718
	Vanguard	Vanguard Short Term Investment Grade Fund--118,074 shares	1,271,384	1,255,121
*	PNC Bank, N.A.	PNC Govt. Money Market Fund--No units	897,950	897,950
		Investments at Fair Value		<u>\$ 7,105,279</u>
*	A party-in-interest as defined by ERISA			

The Davey Tree Expert Company Employee Retirement Plan
EIN: 34-0176110 Plan Number: 001
Schedule H, Line 4j--Schedule of Reportable Transactions

Year Ended December 31, 2017

(a)	(b)	(c)	(d)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net gain or (loss)
Single transactions in excess of 5% of plan assets						
PNC Bank	PNC Govt. Money Market	\$ 3,136,265	\$ -	\$ 3,136,265	\$ 3,136,265	\$ -
	2 purchases, 3 sales	\$ -	\$ 4,783,977	\$ 4,783,977	\$ 4,783,977	\$ -
PNC Bank	USA Treasury Notes	\$ 6,961,109	\$ -	\$ 6,961,109	\$ 6,961,109	\$ -
	3 purchases, 1 sale	\$ -	\$ 6,970,000	\$ 6,961,109	\$ 6,970,000	\$ 8,891
Series transactions in excess of 5% of plan assets						
PNC Bank	PNC Govt. Money Market	\$ 3,195,615	\$ -	\$ 3,195,615	\$ 3,195,615	\$ -
	20 purchases, 14 sales	\$ -	\$ 5,190,367	\$ 5,190,367	\$ 5,190,367	\$ -
PNC Bank	Federated Total Return Bond	\$ 64,964	\$ -	\$ 64,964	\$ 64,964	\$ -
	14 purchases, 3 sales	\$ -	\$ 800,000	\$ 812,858	\$ 800,000	\$ (12,858)
PNC Bank	USA Treasury Notes	\$ 6,961,109	\$ -	\$ 6,961,109	\$ 6,961,109	\$ -
	3 purchases, 1 sale	\$ -	\$ 6,970,000	\$ 6,961,109	\$ 6,970,000	\$ 8,891

Columns for "Lease rental" (e) and "Expense incurred with transaction" (f) are not applicable.

Davey Tree Expert Company Employee Retirement Plan
 EIN: 34-0176110 PN: 001
 2017 Form 5500
Schedule SB, line 26 - Schedule of Active Participant Data

Schedule of Active Participant Data as of January 1, 2017

[illegible]

The Davey Tree Expert Company Employee Retirement Plan
EIN: 34-0176110 Plan Number: 001
Schedule H, Line 4j--Schedule of Reportable Transactions

December 31, 2017

(a)	(b)	(c)	(d)	(g)	(h) Current Value of Asset on Transaction Date	(i) Net gain or (loss)
Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Cost of Asset		
Single transactions in excess of 5% of plan assets						
PNC Bank	PNC Govt. Money Market	\$3,136,265	\$ -	\$ 3,136,265	\$3,136,265	\$ -
	2 purchases, 3 sales	\$ -	\$4,783,977	\$ 4,783,977	\$4,783,977	\$ -
Series transactions in excess of 5% of plan assets						
PNC Bank	PNC Govt. Money Market	\$3,155,450	\$ -	\$ 3,155,450	\$3,155,450	\$ -
	12 purchases, 12 sales	\$ -	\$5,180,404	\$ 5,180,404	\$5,180,404	\$ -
PNC Bank	Federated Total Return Bond	\$ 64,964	\$ -	\$ 64,964	\$ 64,964	\$ -
	14 purchases, 3 sales		\$ 800,000	\$ 812,858	\$ 800,000	\$(12,858)

Columns for "Lease rental" (e) and "Expense incurred with transaction" (f) are not applicable.

Davey Tree Expert Company Employee Retirement Plan

EIN: 34-0176110, PN: 001

2017 Form 5500

Schedule SB – line 32, Schedule of Amortization Bases

Schedule SB, Line 32
Schedule of Amortization Bases
as of January 1, 2017

Type of Base		Date Established	Initial Amount	Remaining Amortization Period (Years)	Outstanding Balance	Amortization Payment
1	Shortfall	01/01/2017	173,456	7	173,456	28,484
2	Shortfall	01/01/2016	1,937,915	6	1,720,523	320,189
Total					1,893,979	348,673

Actuarial Assumptions and Methods — Contributions

Economic Assumptions

Interest rate basis:

Applicable month	September 2016
Yield curve basis	3-Segment rates
MAP-21 applied for funding	Yes
MAP-21 applied for benefit restrictions	Yes

Interest rates:

	Reflecting HATFA Corridors	Not Reflecting Corridors
First segment rate	4.16%	1.52%
Second segment rate	5.72%	3.80%
Third segment rate	6.48%	4.79%
Effective interest rate	5.97%	4.20%

Annual rates of increase

Compensation:	N/A
---------------	-----

Demographic Assumptions

Inclusion date	The valuation date coincident with or next following the date on which the employee becomes a participant.															
New or rehired employees	It was assumed there will be no new or rehired employees.															
Mortality																
Healthy	Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2032 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2024 using Scale AA).															
Disabled	Alternative disabled life mortality tables as defined under Revenue Ruling 96-7.															
Termination	Rates varying by age and service. Representative Termination Rates															
	<table><tr><th colspan="3">Percentage leaving during the year</th></tr><tr><th>Attained Age</th><th>Males</th><th>Females</th></tr><tr><td>25</td><td>.0993</td><td>.1245</td></tr><tr><td>40</td><td>.0632</td><td>.0738</td></tr><tr><td>55</td><td>.0500</td><td>.0500</td></tr></table>	Percentage leaving during the year			Attained Age	Males	Females	25	.0993	.1245	40	.0632	.0738	55	.0500	.0500
Percentage leaving during the year																
Attained Age	Males	Females														
25	.0993	.1245														
40	.0632	.0738														
55	.0500	.0500														
Disability	Wyatt 1985 disability study class 1 male and female rates.															
Retirement	Rates varying by age, average age 62. For purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), the rates at which participants retire by age are shown below.															

Percentage retiring during the year

Age	Rate
60	.25
61	.30
62	.40
63	.55
64	.45
65	1.00

Benefit commencement date:

Preretirement death benefit	The later of the death of the active participant or the date the participant would have attained age 65.
Deferred vested benefit	The later of age 65 or termination of employment
Disability benefit	Upon disablement
Retirement benefit	Upon termination of employment
Form of payment	Life annuity (100% electing).
Percent married	85% of males; 50% of females.
Spouse age	Wife three years younger than husband.
Covered pay	Prior year W-2 earnings.
Administrative expenses	Administrative expenses paid from the trust during the preceding plan year are added to the current year's normal cost.
At-risk assumptions	For at-risk calculations, all participants eligible to elect benefits during the current and subsequent ten plan years are assumed to commence benefits at the earliest possible date under the plan, but not before the end of the current plan year, except in accordance with the regular valuation assumptions. In addition, all participants (not just those eligible to begin benefits within the next 11 years) are assumed to elect the most valuable form of benefit under the plan, which is usually the normal form of payment.
Cash flow	
Timing of benefit payments	Annuity payments are payable monthly at the beginning of the month and lump sum payments are payable on date of decrement.

Methods

Valuation date	First day of plan year
Funding target	Present value of accrued benefits The IRC §430 regulations describe the required methodology for attributing benefits among Funding Target, current year Target Normal Cost, and future years' Target Normal Costs for disability benefits, Social Security benefits, death benefits and other ancillary benefits. For most such benefits, the required attribution methodology is clear. If the plan includes any benefits for which the attribution methodology was not clear, and the regulations required interpretation, consider describing the benefit and the attribution methodology used.
Target normal cost	Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from plan assets during plan year
Actuarial value of assets	Average of the fair market value of assets on the valuation date and the six months immediately preceding the valuation date,

Schedule SB – Part V, Actuarial Assumptions and Methods

Employee Retirement Plan

adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22) . The average asset value must be within 10% of market value, including discounted contributions receivable.

The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.

Benefits not valued

All benefits described in the Plan Provisions section of this report were valued except future employee contributions to the plan are deemed to be immaterial to the valuation. Willis Towers Watson has reviewed the plan provisions with The Davey Tree Expert Company and, based on that review, is not aware of any significant benefits required to be valued that were not.

Assumptions Rationale - Significant Economic Assumptions

Discount rate	The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.
Administrative expenses	Administrative expenses are the actual expenses paid from the trust in the preceding year adjusted for known changes in PBGC premiums.

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions were selected from among choices prescribed by law and represent a best estimate of future experience
Disabled Mortality	Assumptions were selected from among choices prescribed by law and represent a best estimate of future experience
Termination	This assumption was selected based on the plan sponsor's best estimate of future experience. In addition, this assumption has not been a significant source of actuarial gain/loss in recent years.
Retirement	Assumed retirement rates differ by age because of expected differences in retirement rates by age.
Marital Assumptions:	
Percent married	The assumed percentage married is based on general population statistics on the marital status of individuals of retirement age.
Spouse age	The assumed age difference for spouses is based on general population statistics on the age difference for married individuals of retirement age.

Source of Prescribed Methods

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

Change in assumptions since prior valuation

The segment interest rates used to calculate the funding target and target normal cost were updated from an applicable month of September 2015 to September 2016 and reflect the interest rate corridors under MAP-21 and HATFA.

The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvements.

The assumed plan-related expenses added to the target normal cost were changed from 489,269 for 2016 to 502,508 for 2017.

Plan Provisions

The most recent amendment reflected in the following plan provisions was effective September 19, 2016.

Covered employees	All nonbargaining employees hired prior to December 31, 2008, plus those employees covered by bargaining groups who negotiated participation.
Participation date	Completion of one year of eligibility service and attainment of age 21.

Definitions

Vesting service	Vesting service under the Surgery, Supplemental or Davey Tree Expert Company Pension Plans, as applicable, prior to January 1, 1989. After January 1, 1989, vesting service is measured on an elapsed time basis to the nearest 1/12 th of a year.										
Pension service	Benefit service under the Surgery, Supplemental or Davey Tree Expert Company Pension Plans, as applicable, prior to January 1, 1989. After January 1, 1989, benefit service is measured on an elapsed time basis to the nearest 1/12 th of a year.										
Pensionable pay	W-2 earnings plus pre-tax ESOP contributions.										
Average earnings	Prior to January 1, 1989, employee contributions were required in the Basic, Surgery and/or Supplemental Pension Plans, as applicable. After January 1, 1989, and prior to January 1, 1997, nonbargaining employee contributions were required based on the following schedule: <table> <tr> <th><i>Percent of compensation</i></th><th><i>Compensation range</i></th></tr> <tr> <td>0%</td><td>First \$20,000</td></tr> <tr> <td>1%</td><td>Compensation between \$20,000 and \$30,000</td></tr> <tr> <td>2%</td><td>Compensation between \$30,000 and \$40,000</td></tr> <tr> <td>3%</td><td>Amount in excess of \$40,000</td></tr> </table> During periods when no nonbargaining employee contributions are made, no Benefit Service for the contributory portion on compensation in excess of \$20,000 is granted. Effective January 1, 1997, nonbargaining employee contributions are no longer required or permitted. Participants covered by the United Steelworkers Local #8774 or #2281 make \$6.00 per month contributions and participants covered by the United Steelworkers Local #2003 make \$5.00 per month contributions, regardless of compensation range.	<i>Percent of compensation</i>	<i>Compensation range</i>	0%	First \$20,000	1%	Compensation between \$20,000 and \$30,000	2%	Compensation between \$30,000 and \$40,000	3%	Amount in excess of \$40,000
<i>Percent of compensation</i>	<i>Compensation range</i>										
0%	First \$20,000										
1%	Compensation between \$20,000 and \$30,000										
2%	Compensation between \$30,000 and \$40,000										
3%	Amount in excess of \$40,000										

Covered Compensation	Average of the Social Security Taxable Wage Basis for the 35-year period ending with the year the participant attains Social Security normal retirement age.
Normal retirement date (NRD)	Age 65 with five years of vesting service.
Annual pension benefit	The monthly accrued normal retirement benefit as of December 31, 1996, for a nonbargaining employee is equal to the sum of the following: (a) Accrued benefits under the former Supplemental, Basic and/or Surgery Pension Plans prior to December 31, 1988, plus (b) 0.40% of Final Average Monthly Compensation as of December 31, 1996, to a maximum of \$1,666.67 times years of Benefit Service as of December 31, 1996, without regard to whether required contributions were made, plus (c) 0.40% of Final Average Monthly Compensation as of December 31, 1996, in excess of \$1,666.67 times years of benefit service as of December 31, 1996 (only including years when required contributions were made), plus (d) 0.40% of the excess of Final Average Monthly Compensation as of December 31, 1996, over the Participant's "Covered Compensation" (as defined by law) times years of Benefit Service as of December 31, 1996 (only including years when required contributions were made). Effective January 1, 1997, the annual accrued benefit for a nonbargaining employee is equal to the sum of the following: (e) The annual pension benefit under the Plan as of December 31, 1996. (f) For each full calendar year of Benefit Service after December 31, 1996, an annual amount equal to: 0.30% of Plan Compensation*, plus 0.30% of Plan Compensation* in excess of Social Security Covered Compensation for years of benefit service that do not exceed 35 years; but no less than \$80.00 per year. (g) For any partial calendar year of benefit service after December 31, 1996, an amount equal to 0.30% of Adjusted Plan Compensation**, plus 0.30% of Adjusted Plan Compensation** in excess of Social Security Covered Compensation for years of benefit service that do not exceed 35 years; but not less than \$80.00 per year, multiplied by the fraction of a year Benefit Service credited for that calendar year. Effective for plan years on and after January 1, 2002, Adjusted Plan Compensation shall mean Plan Compensation (without

annualizing) and only the \$80.00 per year minimum shall be multiplied by the fraction of a year of Benefit Service credited for such calendar year. In addition, employees who earned at least one hour of service on or after January 1, 2002, had their prior accruals recomputed for the plan years 1997 through 2001 based on using Plan Compensation (without annualizing) for Adjusted Plan Compensation and only applying the fractional year of benefit service multiplier to the \$80.00 minimum for such year. Amounts recomputed in the manner for the years 1997 through 2001 were held to be no less than the amounts originally accrued for such year prior to this simplification to the plan's formula.

* Plan compensation is the annual compensation paid each year beginning after December 31, 1996. Annual compensation means the wages (including overtime and bonuses) paid for employment covered under the Plan as reported on Form W-2, including any salary reduction amounts contributed as pre-tax contributions to The Davey Tree Company Employee Stock Ownership Plan.

**For the years 1997 through 2001, Adjusted Plan Compensation is Plan Compensation for the partial calendar year multiplied by the following fraction:

$$\frac{365 \text{ (or 366 in a leap year)}}{\text{The number of days of benefit service in the partial calendar year}}$$

For years on and after 2002, Adjusted Plan Compensation is equal to Plan Compensation (without annualizing).

With respect to the United Steelworkers Local #8774, the benefit is \$5.50 times benefit service (years making the required contributions).

Eligibility for Benefits

Normal retirement	Retirement on NRD.
Early retirement	Retirement before NRD and on or after both attaining age 55 and completing ten years of vesting service.
Postponed retirement	Retirement after NRD.
Deferred vested	Termination for reasons other than death or retirement after completing five years of vesting service.
Disability retirement	Termination for permanent and total disability after both attaining age 55 and completing five years of vesting service.
Preretirement spouse benefit	Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse.

Benefits Paid Upon the Following Events

Normal retirement	Monthly pension benefit determined as of NRD.																								
Early retirement	Monthly pension benefit determined as of early retirement date, reduced actuarially (UP-1984 Mortality Table, 7% interest) to reflect commencement prior to age 65. Representative early retirement factors are as follows:																								
	<table> <tr> <th>Age at retirement</th><th>Factor</th></tr> <tr> <td>65 and over</td><td>100.00%</td></tr> <tr> <td>64</td><td>89.27</td></tr> <tr> <td>63</td><td>79.91</td></tr> <tr> <td>62</td><td>71.72</td></tr> <tr> <td>61</td><td>64.53</td></tr> <tr> <td>60</td><td>58.19</td></tr> <tr> <td>59</td><td>52.59</td></tr> <tr> <td>58</td><td>47.62</td></tr> <tr> <td>57</td><td>43.21</td></tr> <tr> <td>56</td><td>39.27</td></tr> <tr> <td>55</td><td>35.75</td></tr> </table>	Age at retirement	Factor	65 and over	100.00%	64	89.27	63	79.91	62	71.72	61	64.53	60	58.19	59	52.59	58	47.62	57	43.21	56	39.27	55	35.75
Age at retirement	Factor																								
65 and over	100.00%																								
64	89.27																								
63	79.91																								
62	71.72																								
61	64.53																								
60	58.19																								
59	52.59																								
58	47.62																								
57	43.21																								
56	39.27																								
55	35.75																								
Postponed retirement	Monthly pension benefit determined as of actual retirement date.																								
Disabled retirement	The monthly accrued normal retirement benefit amount, as computed above, using service and compensation to disability date. No reduction is made to reflect commencement prior to age 65. Commencement of benefits begins on the later of five months of disability or date of physician's statement confirming disability.																								
Termination with deferred vested benefit	Monthly pension benefit determined as of termination date, reduced on the same basis as the early retirement benefit for commencement before the normal retirement date.																								

Return of employee contributions at termination of employment	Provided no other benefits are payable under the plan, employee contributions with interest will be returned to the employee, provided the value is less than \$5,000. An election and spouse's approval are necessary.
Return of employee contributions at death	Provided no other benefits are payable under the plan, employee contributions with interest will be returned to a designated beneficiary. If benefit payments had already commenced, contributions with interest less benefit payments received will be returned to a designated beneficiary.
Death with preretirement spouse benefit	50% of the monthly pension benefit as of the date of death, reduced for the 50% joint and survivor election and for early payment, both calculated on the assumption the employee had survived to the date of first payment (as early as the participant's 55 th birthday), elected to retire on that date and then died immediately afterward.
Increases to retirees	Effective January 1, 2002, participants who retired prior to January 1, 1997, received increases in their monthly benefits according to the following schedule:

Year benefit payments commenced	Percentage increase
1994 – 1996	1.0%
1991 – 1993	1.5
1988 – 1990	2.0
1985 – 1987	2.5
1982 – 1984	3.0
1979 – 1981	3.5
1978 and earlier	4.0

The minimum monthly increase shall be \$10.00 or an amount to raise the monthly benefit to no less than \$100.00 per month.

Other Plan Provisions

Forms of payment	Preretirement spouse benefits are payable only as described above. Monthly pension benefits are paid as described above, if the participant has no spouse as of the date payments begin, or if the participant so elects. Otherwise, benefits are paid in the form of the 50% joint and survivor annuity option or, if the participant elects and the spouse consents, another actuarially equivalent optional form offered by the plan. Optional forms are a 50%, 66-2/3%, 75% and 100% joint and survivor annuity, or (for married participants) a life annuity.
Conversion factors for optional forms of payment	7.00% interest and the UP-1984 Mortality Table (set back three years for contingent annuitants).
Maximum on benefits and pay	All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

Future Plan Changes

None.

Changes in Benefits Valued Since Prior Year

Effective September 19, 2016, Davey Tree amended the plan to allow for certain deferred vested participants to elect to receive a lump sum form of payment paid December 1, 2016.

Actuarial Assumptions and Methods — Contributions

Economic Assumptions

Interest rate basis:

Applicable month	September 2016
Yield curve basis	3-Segment rates
MAP-21 applied for funding	Yes
MAP-21 applied for benefit restrictions	Yes

Interest rates:

	Reflecting HATFA Corridors	Not Reflecting Corridors
First segment rate	4.16%	1.52%
Second segment rate	5.72%	3.80%
Third segment rate	6.48%	4.79%
Effective interest rate	5.97%	4.20%

Annual rates of increase

Compensation:	N/A
---------------	-----

Demographic Assumptions

Inclusion date	The valuation date coincident with or next following the date on which the employee becomes a participant.															
New or rehired employees	It was assumed there will be no new or rehired employees.															
Mortality																
Healthy	Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2032 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2024 using Scale AA).															
Disabled	Alternative disabled life mortality tables as defined under Revenue Ruling 96-7.															
Termination	Rates varying by age and service. Representative Termination Rates															
	<table><tr><th colspan="3">Percentage leaving during the year</th></tr><tr><th>Attained Age</th><th>Males</th><th>Females</th></tr><tr><td>25</td><td>.0993</td><td>.1245</td></tr><tr><td>40</td><td>.0632</td><td>.0738</td></tr><tr><td>55</td><td>.0500</td><td>.0500</td></tr></table>	Percentage leaving during the year			Attained Age	Males	Females	25	.0993	.1245	40	.0632	.0738	55	.0500	.0500
Percentage leaving during the year																
Attained Age	Males	Females														
25	.0993	.1245														
40	.0632	.0738														
55	.0500	.0500														
Disability	Wyatt 1985 disability study class 1 male and female rates.															
Retirement	Rates varying by age, average age 62. For purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), the rates at which participants retire by age are shown below.															

Percentage retiring during the year	
Age	Rate
60	.25
61	.30
62	.40
63	.55
64	.45
65	1.00

Benefit commencement date:

Preretirement death benefit	The later of the death of the active participant or the date the participant would have attained age 65.
Deferred vested benefit	The later of age 65 or termination of employment
Disability benefit	Upon disablement
Retirement benefit	Upon termination of employment
Form of payment	Life annuity (100% electing).
Percent married	85% of males; 50% of females.
Spouse age	Wife three years younger than husband.
Covered pay	Prior year W-2 earnings.
Administrative expenses	Administrative expenses paid from the trust during the preceding plan year are added to the current year's normal cost.
At-risk assumptions	For at-risk calculations, all participants eligible to elect benefits during the current and subsequent ten plan years are assumed to commence benefits at the earliest possible date under the plan, but not before the end of the current plan year, except in accordance with the regular valuation assumptions. In addition, all participants (not just those eligible to begin benefits within the next 11 years) are assumed to elect the most valuable form of benefit under the plan, which is usually the normal form of payment.
Cash flow	
Timing of benefit payments	Annuity payments are payable monthly at the beginning of the month and lump sum payments are payable on date of decrement.

Methods

Valuation date	First day of plan year
Funding target	Present value of accrued benefits The IRC §430 regulations describe the required methodology for attributing benefits among Funding Target, current year Target Normal Cost, and future years' Target Normal Costs for disability benefits, Social Security benefits, death benefits and other ancillary benefits. For most such benefits, the required attribution methodology is clear. If the plan includes any benefits for which the attribution methodology was not clear, and the regulations required interpretation, consider describing the benefit and the attribution methodology used.
Target normal cost	Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from plan assets during plan year
Actuarial value of assets	Average of the fair market value of assets on the valuation date and the six months immediately preceding the valuation date,

Schedule SB – Part V, Actuarial Assumptions and Methods

Employee Retirement Plan

adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22) . The average asset value must be within 10% of market value, including discounted contributions receivable.

The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.

Benefits not valued

All benefits described in the Plan Provisions section of this report were valued except future employee contributions to the plan are deemed to be immaterial to the valuation. Willis Towers Watson has reviewed the plan provisions with The Davey Tree Expert Company and, based on that review, is not aware of any significant benefits required to be valued that were not.

Assumptions Rationale - Significant Economic Assumptions

Discount rate	The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.
Administrative expenses	Administrative expenses are the actual expenses paid from the trust in the preceding year adjusted for known changes in PBGC premiums.

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions were selected from among choices prescribed by law and represent a best estimate of future experience
Disabled Mortality	Assumptions were selected from among choices prescribed by law and represent a best estimate of future experience
Termination	This assumption was selected based on the plan sponsor's best estimate of future experience. In addition, this assumption has not been a significant source of actuarial gain/loss in recent years.
Retirement	Assumed retirement rates differ by age because of expected differences in retirement rates by age.
Marital Assumptions:	
Percent married	The assumed percentage married is based on general population statistics on the marital status of individuals of retirement age.
Spouse age	The assumed age difference for spouses is based on general population statistics on the age difference for married individuals of retirement age.

Source of Prescribed Methods

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

Change in assumptions since prior valuation

The segment interest rates used to calculate the funding target and target normal cost were updated from an applicable month of September 2015 to September 2016 and reflect the interest rate corridors under MAP-21 and HATFA.

The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvements.

The assumed plan-related expenses added to the target normal cost were changed from 489,269 for 2016 to 502,508 for 2017.

Plan Provisions

The most recent amendment reflected in the following plan provisions was effective September 19, 2016.

Covered employees	All nonbargaining employees hired prior to December 31, 2008, plus those employees covered by bargaining groups who negotiated participation.
Participation date	Completion of one year of eligibility service and attainment of age 21.

Definitions

Vesting service	Vesting service under the Surgery, Supplemental or Davey Tree Expert Company Pension Plans, as applicable, prior to January 1, 1989. After January 1, 1989, vesting service is measured on an elapsed time basis to the nearest 1/12 th of a year.										
Pension service	Benefit service under the Surgery, Supplemental or Davey Tree Expert Company Pension Plans, as applicable, prior to January 1, 1989. After January 1, 1989, benefit service is measured on an elapsed time basis to the nearest 1/12 th of a year.										
Pensionable pay	W-2 earnings plus pre-tax ESOP contributions.										
Average earnings	Prior to January 1, 1989, employee contributions were required in the Basic, Surgery and/or Supplemental Pension Plans, as applicable. After January 1, 1989, and prior to January 1, 1997, nonbargaining employee contributions were required based on the following schedule: <table> <tr> <th><i>Percent of compensation</i></th><th><i>Compensation range</i></th></tr> <tr> <td>0%</td><td>First \$20,000</td></tr> <tr> <td>1%</td><td>Compensation between \$20,000 and \$30,000</td></tr> <tr> <td>2%</td><td>Compensation between \$30,000 and \$40,000</td></tr> <tr> <td>3%</td><td>Amount in excess of \$40,000</td></tr> </table> During periods when no nonbargaining employee contributions are made, no Benefit Service for the contributory portion on compensation in excess of \$20,000 is granted. Effective January 1, 1997, nonbargaining employee contributions are no longer required or permitted. Participants covered by the United Steelworkers Local #8774 or #2281 make \$6.00 per month contributions and participants covered by the United Steelworkers Local #2003 make \$5.00 per month contributions, regardless of compensation range.	<i>Percent of compensation</i>	<i>Compensation range</i>	0%	First \$20,000	1%	Compensation between \$20,000 and \$30,000	2%	Compensation between \$30,000 and \$40,000	3%	Amount in excess of \$40,000
<i>Percent of compensation</i>	<i>Compensation range</i>										
0%	First \$20,000										
1%	Compensation between \$20,000 and \$30,000										
2%	Compensation between \$30,000 and \$40,000										
3%	Amount in excess of \$40,000										

Covered Compensation	Average of the Social Security Taxable Wage Basis for the 35-year period ending with the year the participant attains Social Security normal retirement age.
Normal retirement date (NRD)	Age 65 with five years of vesting service.
Annual pension benefit	The monthly accrued normal retirement benefit as of December 31, 1996, for a nonbargaining employee is equal to the sum of the following: (a) Accrued benefits under the former Supplemental, Basic and/or Surgery Pension Plans prior to December 31, 1988, plus (b) 0.40% of Final Average Monthly Compensation as of December 31, 1996, to a maximum of \$1,666.67 times years of Benefit Service as of December 31, 1996, without regard to whether required contributions were made, plus (c) 0.40% of Final Average Monthly Compensation as of December 31, 1996, in excess of \$1,666.67 times years of benefit service as of December 31, 1996 (only including years when required contributions were made), plus (d) 0.40% of the excess of Final Average Monthly Compensation as of December 31, 1996, over the Participant's "Covered Compensation" (as defined by law) times years of Benefit Service as of December 31, 1996 (only including years when required contributions were made). Effective January 1, 1997, the annual accrued benefit for a nonbargaining employee is equal to the sum of the following: (e) The annual pension benefit under the Plan as of December 31, 1996. (f) For each full calendar year of Benefit Service after December 31, 1996, an annual amount equal to: 0.30% of Plan Compensation*, plus 0.30% of Plan Compensation* in excess of Social Security Covered Compensation for years of benefit service that do not exceed 35 years; but no less than \$80.00 per year. (g) For any partial calendar year of benefit service after December 31, 1996, an amount equal to 0.30% of Adjusted Plan Compensation**, plus 0.30% of Adjusted Plan Compensation** in excess of Social Security Covered Compensation for years of benefit service that do not exceed 35 years; but not less than \$80.00 per year, multiplied by the fraction of a year Benefit Service credited for that calendar year. Effective for plan years on and after January 1, 2002, Adjusted Plan Compensation shall mean Plan Compensation (without

annualizing) and only the \$80.00 per year minimum shall be multiplied by the fraction of a year of Benefit Service credited for such calendar year. In addition, employees who earned at least one hour of service on or after January 1, 2002, had their prior accruals recomputed for the plan years 1997 through 2001 based on using Plan Compensation (without annualizing) for Adjusted Plan Compensation and only applying the fractional year of benefit service multiplier to the \$80.00 minimum for such year. Amounts recomputed in the manner for the years 1997 through 2001 were held to be no less than the amounts originally accrued for such year prior to this simplification to the plan's formula.

* Plan compensation is the annual compensation paid each year beginning after December 31, 1996. Annual compensation means the wages (including overtime and bonuses) paid for employment covered under the Plan as reported on Form W-2, including any salary reduction amounts contributed as pre-tax contributions to The Davey Tree Company Employee Stock Ownership Plan.

**For the years 1997 through 2001, Adjusted Plan Compensation is Plan Compensation for the partial calendar year multiplied by the following fraction:

365 (or 366 in a leap year)

The number of days of benefit service in the partial calendar year

For years on and after 2002, Adjusted Plan Compensation is equal to Plan Compensation (without annualizing).

With respect to the United Steelworkers Local #8774, the benefit is \$5.50 times benefit service (years making the required contributions).

Eligibility for Benefits

Normal retirement	Retirement on NRD.
Early retirement	Retirement before NRD and on or after both attaining age 55 and completing ten years of vesting service.
Postponed retirement	Retirement after NRD.
Deferred vested	Termination for reasons other than death or retirement after completing five years of vesting service.
Disability retirement	Termination for permanent and total disability after both attaining age 55 and completing five years of vesting service.
Preretirement spouse benefit	Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse.

Benefits Paid Upon the Following Events

Normal retirement	Monthly pension benefit determined as of NRD.																								
Early retirement	Monthly pension benefit determined as of early retirement date, reduced actuarially (UP-1984 Mortality Table, 7% interest) to reflect commencement prior to age 65. Representative early retirement factors are as follows:																								
	<table> <tr> <th>Age at retirement</th><th>Factor</th></tr> <tr> <td>65 and over</td><td>100.00%</td></tr> <tr> <td>64</td><td>89.27</td></tr> <tr> <td>63</td><td>79.91</td></tr> <tr> <td>62</td><td>71.72</td></tr> <tr> <td>61</td><td>64.53</td></tr> <tr> <td>60</td><td>58.19</td></tr> <tr> <td>59</td><td>52.59</td></tr> <tr> <td>58</td><td>47.62</td></tr> <tr> <td>57</td><td>43.21</td></tr> <tr> <td>56</td><td>39.27</td></tr> <tr> <td>55</td><td>35.75</td></tr> </table>	Age at retirement	Factor	65 and over	100.00%	64	89.27	63	79.91	62	71.72	61	64.53	60	58.19	59	52.59	58	47.62	57	43.21	56	39.27	55	35.75
Age at retirement	Factor																								
65 and over	100.00%																								
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62	71.72																								
61	64.53																								
60	58.19																								
59	52.59																								
58	47.62																								
57	43.21																								
56	39.27																								
55	35.75																								
Postponed retirement	Monthly pension benefit determined as of actual retirement date.																								
Disabled retirement	The monthly accrued normal retirement benefit amount, as computed above, using service and compensation to disability date. No reduction is made to reflect commencement prior to age 65. Commencement of benefits begins on the later of five months of disability or date of physician's statement confirming disability.																								
Termination with deferred vested benefit	Monthly pension benefit determined as of termination date, reduced on the same basis as the early retirement benefit for commencement before the normal retirement date.																								

Return of employee contributions at termination of employment	Provided no other benefits are payable under the plan, employee contributions with interest will be returned to the employee, provided the value is less than \$5,000. An election and spouse's approval are necessary.
Return of employee contributions at death	Provided no other benefits are payable under the plan, employee contributions with interest will be returned to a designated beneficiary. If benefit payments had already commenced, contributions with interest less benefit payments received will be returned to a designated beneficiary.
Death with preretirement spouse benefit	50% of the monthly pension benefit as of the date of death, reduced for the 50% joint and survivor election and for early payment, both calculated on the assumption the employee had survived to the date of first payment (as early as the participant's 55 th birthday), elected to retire on that date and then died immediately afterward.
Increases to retirees	Effective January 1, 2002, participants who retired prior to January 1, 1997, received increases in their monthly benefits according to the following schedule:

Year benefit payments commenced	Percentage increase
1994 – 1996	1.0%
1991 – 1993	1.5
1988 – 1990	2.0
1985 – 1987	2.5
1982 – 1984	3.0
1979 – 1981	3.5
1978 and earlier	4.0

The minimum monthly increase shall be \$10.00 or an amount to raise the monthly benefit to no less than \$100.00 per month.

Other Plan Provisions

Forms of payment	Preretirement spouse benefits are payable only as described above. Monthly pension benefits are paid as described above, if the participant has no spouse as of the date payments begin, or if the participant so elects. Otherwise, benefits are paid in the form of the 50% joint and survivor annuity option or, if the participant elects and the spouse consents, another actuarially equivalent optional form offered by the plan. Optional forms are a 50%, 66-2/3%, 75% and 100% joint and survivor annuity, or (for married participants) a life annuity.
Conversion factors for optional forms of payment	7.00% interest and the UP-1984 Mortality Table (set back three years for contingent annuitants).
Maximum on benefits and pay	All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

Future Plan Changes

None.

Changes in Benefits Valued Since Prior Year

Effective September 19, 2016, Davey Tree amended the plan to allow for certain deferred vested participants to elect to receive a lump sum form of payment paid December 1, 2016.